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# Saving Lives and Livelihoods: Recommendations for Recovery

A PROJECT OF

*The*  *Heritage Foundation*

# Executive Summary



This is a plan to save both our lives and our livelihoods. It is not about choosing between protecting lives or the economy, but about achieving the prudent balance needed to protect both.

On April 9, the National Coronavirus Recovery Commission adopted a five-phase plan to reopen America and combat the novel coronavirus. The phases and accompanying recommendations that follow detail the “all of society” approach that this requires, recognizing that decisions to reopen the American economy must proceed expeditiously and that our recovery over the months to come cannot follow a national or top-down approach. Success requires coordination among the federal government, state and local governments, the private sector, and civil society.

In this Final Report, the Commission makes recommendations for each of the five phases of the plan to reopen America, with recommendations organized according to the entity that is best positioned to execute them. This proposal should be viewed in its entirety, with phases informing and building upon each other. Each phase addresses specific questions and issues, with Phase One and Phase Two addressing the most immediate concerns in the critical time to suppress the virus and safely reopen American society and economic activity by June. Phase Three and Phase Four build on that ground to continue progress in science and to engage strategically with the rest of the world in trade and travel.

All of these steps build to the final Phase Five—reducing the risk of future pandemics. The steady increase in global trade and travel has greatly improved life, but it also increases the potential for future pandemic outbreaks, each with its own set of unknowns and challenges. However, there are things that all of us—all levels of government, the private sector, civil society, and citizens—can apply now to prepare ourselves for the challenges that lie ahead.

The five Phases addressed in this Final Report are:

## PHASE 1

**Return to a more normal level of business activity at the regional level based on scientific data.** This would

be done only after stabilizing the health care system; establishing enhanced testing, reporting, and contact tracing; and continuing to follow CDC mitigation guidelines. At the same time, additional policies should be pursued to help workers, businesses, and medical professionals mitigate the economic consequences of the epidemic.

## PHASE 2

**Slow the spread of the coronavirus while expanding testing, reporting, and contact tracing.** Follow CDC guidance on social distancing and other mitigation efforts until new cases begin to decline for at least 14 days. Increase diagnostic testing for COVID-19 and immunity. Also, resources should be made available to regional public health departments to undertake and expand testing, reporting, and contact tracing of those who may be in contact with confirmed COVID-19 cases.

Returning to work and slowing the spread of the virus are necessarily intermingled challenges. A sound public health strategy not only helps to reduce illness and mortality associated with the disease, but also helps to mitigate the long-term economic effects. Similarly, many companies and manufacturers have demonstrated strategies that make it possible to continue operating safely and build resiliency. Business leaders are essential in the work to proactively establish safe practices and models for how we can save both lives and livelihoods.

Work and workplaces are central to American life not just for the sake of the economy, but also for families, communities, and individual well-being. Extreme shutdowns and social distancing measures are creating high unemployment and putting significant pressure on communities and on individuals. Health policy should focus on constraining the spread of the infection, treating and quarantining the sick, and protecting those who are most vulnerable—not on shutting down American life. Economic policy should focus on durable policy solutions and regulatory relief where government has become a barrier to solutions. Americans need paychecks more than they need stimulus checks.

Seventy-six recommendations cover nearly every sector of the economy and society, with recommendations

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addressing coordination among local, state, and federal governments; testing and contact tracing; regulatory burdens on health care and economic activity; federal financial aid and tax relief; business capital formation; liability protections; emergency education reforms; minority community support; and empowering NGOs, faith-based communities, and civil society.

### PHASE 3

**Continue to build the science.** Increase the availability and rapidity of new diagnostic tests while supporting the acceleration and introduction of proven therapeutics and vaccines.

There is much we yet do not know about the nature of the virus, its transmissibility, its effects on the body, and its lethality. Important epidemiological questions remain, and work is ongoing to develop faster, more accurate testing to improve and expand our knowledge. The public and private sectors, academia, and international partnerships are needed to advance knowledge and drive solutions. Critical policy reform is also necessary to empower the private sector and reduce regulatory barriers that frustrate innovation and access to health care.

Fifty recommendations address hospital capacity; regulatory streamlining of scientific research, manufacturing, and deployment of vaccines, therapeutics, and disinfectants; access to nonessential medical care; information communication; mental health; and the improvement of epidemiological understanding.

### PHASE 4

**Establish U.S. leadership in economic recovery.** Implement risk-informed measures to reestablish international travel while limiting the threat of reinfection. Partner with key strategic allies, including Western Europe and the Indo-Pacific, to empower economic freedom and partnerships in free markets among free people.

In all of history, there has been no better model than that of free markets in lifting people out of poverty and into better, healthier standards of living. America must leverage its natural strengths of freedom and free enterprise to reinvigorate economic activity at home and abroad. The U.S. should intentionally be proactive in promoting “free trade” internationally. Protectionist barriers should be reduced, with the caveats that trade should be economically fair over time, should protect intellectual property, and should be inherently safe. Strategic considerations should be weighed regarding

critical items impacting the health and safety of the United States. The virus has posed global challenges, and solutions will similarly come through network response with America’s allies and partners.

Countless American jobs involved the exchange of materials, skills, and talents of people from among allies and trading partners around the world—and vice versa. Reopening international supply lines and removing barriers to free trade will be critical to improving access to innovative life-saving technology and products to fight the virus, rebuild supply chains, and leverage collaboration that can help reinvigorate businesses from the ground up.

Sixty-two recommendations cover international travel; immigration; free trade agreements; the World Health Organization; supply chain diversification; international education programs; and regional approaches for North America, transatlantic partnerships, and China.

### PHASE 5

**Reduce future risks of pandemics.** Invest in national and state stockpiles, reform supply chains, develop strategies to adjust resource capacity to meet the demands of crises, develop the supply of antiviral agents, seek to develop vaccines for coronaviruses, as well as invest in an international biosurveillance network to detect and contain emerging infectious diseases through coordination and cooperation.

Over the last century, a number of pandemics have affected the United States, and we cannot prevent events like these from happening in the future. We can, however, better prepare for how to respond and to reduce the risks and costs associated with the next pandemic. In response to the current novel coronavirus, public institutions at every level have played a critical role, though not every government action was necessary or appropriate. This experience also has demonstrated the incredible ingenuity of the private sector, highlighting exactly how important free markets and ideas are to overcoming crises.

For better future readiness, it is critical that we not simply respond to the last pandemic nor ignore the investments already made toward preparedness. Governments at all levels must review how funding is prioritized and amend their regulatory environments to improve the dexterity of responses to crises; businesses must learn how to adapt quickly to an environment where large scale innovations are needed to continue providing goods and services while responding to current

demands; and civil society must be strengthened so that Americans have a place to turn when they need concrete community support and to be reminded of hope. Where structural change is needed—to our safety nets, health care systems, and financial systems—we should evaluate the needs and pursue appropriate reforms. Finally, it is essential that we rebuild trust in institutions at all levels of society as it is needed more than ever when crises occur.

Seventy-six forward-thinking and reflective recommendations cover business, schools, health care capacity, data collection and quality, executive agency scope, the media, and ways to strengthen fiscal and monetary health for resilience against future crises.

With over 264 recommendations, several themes emerge throughout this Final Report:

The American system of federalism provides the appropriate governing structure for responding to a crisis with as many different facets and variable effects as we are seeing with COVID-19. State governments necessarily have led and will continue to lead response and recovery. America is strengthened by these laboratories of democracy, critically aided by the reliable information, regulatory relief, coordination, funding, and equipment supplied by Congress and the executive branch.

Businesses, civic and community organizations, and religious institutions are invaluable in helping get people back to work, helping to put lives back on track, and helping communities to stay vigilant and prevent another outbreak. The private sector and civil society already have played and will continue to play an important role. Civil society is perhaps the segment of America that has shown most brightly in this crisis as everyday Americans have rallied in creative ways to help each other.

Regulatory reform has been essential to crisis response and will be indispensable to recovery. Temporary waivers and emergency exceptions to certain regulations,

fees, licenses, and other requirements have opened up critical resources and enabled people to solve problems expeditiously across the economy, civil society, and public health sectors. Removing such barriers is critical now, and transitioning them to durable policy reform will be foundational to sustaining recovery and empowering Americans to make confident decisions about the future.

The United States will be a linchpin for international recovery and must demonstrate vigorous, strategic, and compassionate leadership in this crisis that has affected the entire world. One of the most powerful tools America has to advance recovery at home and abroad is free enterprise. America must use the natural strengths of freedom and bottom-up ingenuity to sustain recovery.

Future preparedness must be forward-thinking and rooted in realism and flexibility. National and global-scale health crises have and will continue to test this country. In every crisis, mistakes are made, and human error and structural failure must both be baked into crisis planning. There are aspects of these events that are unique and not foreseeable, and it is critical that we not simply respond to the last pandemic. Even so, with proper planning and expectation setting now, we will be less likely to over- or underreact in the future.

Ultimately, the Commission's five-phase plan is about far bigger questions and deeper reasons to be confident about the future, whatever it holds. This plan is about fortifying the pillars of federalism that have made this country great for centuries. It is about empowering individuals, families, communities, and businesses—the bedrock of America—to make their own informed decisions confidently as they navigate the ground of their freedoms and responsibilities. This moment in our country's history is critical for reminding and teaching Americans about some of the fundamental truths of our founding, our freedom, and limited representative government as accountable to the people. These principles have guided our nation through weighty trials in the past and can carry America into the future.

# Introduction



The first U.S. case of the 2019 novel coronavirus, SARS-CoV-2, was reported on January 19, 2020, in Washington State. As of the release of this final report on May 19, the number of U.S. cases had increased to over 1.480 million, or 0.5 percent of the population—largely concentrated in New York City, Los Angeles, and other high-population centers—with more than 84,400 deaths, or 0.03 percent of the population, and COVID-19 as the cause. The vast majority of the counties in the country have 10 or fewer cases. States and local communities have responded to the virus by implementing stay-at-home orders, mandating closures of nonessential businesses, and encouraging the practice of public health tactics like social distancing.

A careful study of previous epidemics suggests that when outbreaks of deadly diseases occur, places that have practiced good public health strategies have been able to recover more quickly. Therefore, a sound public health strategy not only helps to reduce illness and mortality associated with the disease, but also helps to mitigate the long-term economic effects. However, the current tactics aimed at containing COVID-19 have come at real cost.

For instance, the stay-at-home orders carry negative effects both for the health care system and for the broader economy. Many more Americans are not receiving the basic health care, including cancer care, that they would receive under normal conditions because they have been told not to leave their homes or have been forced to delay regular interactions with their primary-care doctors, dentists, and other health professionals. Meanwhile, these same tactics have reduced economic output by as much as 40 percent based on some calculations.

Furthermore, social distancing is a public health tactic, not a comprehensive strategy to combat the virus. While it flattens the epidemiological curve, it also elongates it. It does not change the area under the curve absent some exogenous development—a cure, a vaccine, developed immunity, or a seasonality that causes the pandemic’s progress to stall during the summer before mounting a potential second wave in the fall. Social distancing also does nothing about the nation’s immediate

economic challenges. An effective strategy must save both lives and livelihoods. The strategy to date ensured America’s health care system was not overrun; it now must be modified.

There have been significant reductions in economic activity since March. This is true even in states that have not imposed restrictions on business operations or mandated stay-at-home orders. By the end of March, for instance, hours worked had fallen by almost 55 percent in states that have not imposed stay-at-home orders; in states with restrictions, they had fallen by approximately 70 percent. These facts suggest that businesses and consumers are responding to the virus absent government action. They also suggest that business activity may not return immediately even if state and local governments begin to lift their restrictions once it appears that the novel coronavirus has been suppressed or that health resources will not be overwhelmed.

Since the middle of March, almost 37 million people have successfully filed for unemployment insurance. Certain sectors of the economy have been completely shut down, and more than half of all businesses are closed. Lockdown orders lasting eight weeks could cost \$2 trillion in lost output. Importantly, much of this economic activity is essential to communities in many more ways than even the most complicated calculations of economic costs and benefits can capture. If lockdown policies are continued much longer, a great depression could well ensue. Besides causing immense economic suffering, the adverse social and public health effects of such a depression would be profound and would last for many years. Moreover, a depression would make it difficult for the United States to address future economic, social, and foreign policy challenges.

The damage that has been done so far will be difficult to reverse, and the consequences could get much worse very soon. Businesses all across America are experiencing significant liquidity problems because of the mandatory closures. They have rent, mortgages, or utility bills to pay while also needing to take care of their employees. Many of these businesses are seasonal, and the summer months drive their revenue for the entire year. We are approaching a tipping point at which many

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of these entrepreneurs may decide that it is better to close their businesses for an extended period of time, file for bankruptcy, and start all over again when the health crisis has subsided entirely. Furthermore, every day that passes increases the amount of time that it will take to get the economy up and running again.

It is very possible that the tipping point for such an event could arrive in June. Therefore, what we do in the next 30 days could decide whether the country has to contend with an economic depression regardless of whether COVID-19 is suppressed in the next several months or the next year. Furthermore, how we build on those steps will not just be critical in restarting the American economy, but could also help to increase its soundness coming out of this crisis. The steps that we outline in this report are essential for businesses, civil society, state and local governments, and the federal government to take both to defeat the virus and to avoid economic catastrophe.

This is a plan to save both our lives and our livelihoods. It is not about choosing between protecting lives and the economy but about achieving the prudent balance needed to protect both. This includes a reopening of the economy without undue delay. Work and workplaces are an important part of American life, not just for the sake of the economy but also to the well-being of individuals and families. This makes many businesses essential to local communities.

On April 20, the National Coronavirus Recovery Commission released a series of recommendations for the first two steps in our five-step plan for reopening America. The first two steps in that plan include returning to a more normal level of business activity while continuing to slow the spread of the novel coronavirus. In the May 5 interim report, the Commission included recommendations for steps three and four that addressed efforts to continue building the science necessary to suppress the virus while establishing U.S. leadership in economic recovery. This final report includes recommendations for reducing the future risks and costs of future pandemics.

This proposal should be viewed in its entirety because steps three and four build on steps one and two. In essence, steps three and four outline what needs to be done to continue making progress once we are out of this critical 30-day window to suppress the virus and begin restarting the economy. All of these steps also build to our final step: reducing the future risk of pandemics so that we do not find ourselves in the same position once the current coronavirus is defeated.

Restarting economic activities and combating the novel coronavirus requires an “all of society” approach—but one that is not uniform across the entire country or even entire regions or states. To facilitate this process, our recommendations are organized by the entity that is in the best position to execute them. Furthermore, the decision to reopen the American economy must proceed expeditiously and involve most communities in the country. All public health tactics, including stay-at-home orders, should be targeted, temporary, and smartly applied.

In addition, we must use our natural strengths of freedom to recover from the crisis. The solutions will not come from the top down but from the bottom up. Success will require leadership from the business community and civil society, as well as significant coordination with governments at all levels. It will also require personal responsibility, as all of us will have to grapple with the real risks associated with restarting the economy. Furthermore, the federal government by itself does not have the capability or the resources to support economic activity and then expect a full recovery. We will recover by allowing individuals and businesses to drive that process.

These recommendations will help to restart economic activity while suppressing the novel coronavirus to give the American people the confidence to begin returning to normal. Finally, it is critical that once the economy reopens, it remains open so that Americans’ lives and livelihoods do not continue to be disrupted. Public health strategies and policy must support, not conflict with, this goal.

## PHASE 1

Returning to a More Normal  
Level of Business Activity at the  
Regional Level



## PHASE 2

Slowing the Spread While  
Expanding Testing, Reporting,  
and Contact Tracing



# Recommendations for Phases 1 and 2



A careful study of previous epidemics suggests that when outbreaks of deadly diseases occur, places that have practiced good public health strategies have been able to recover more quickly. Therefore, a sound public health strategy not only helps to reduce illness and mortality associated with the disease, but also helps to mitigate the long-term economic effects. However, the strategies aimed at containing COVID-19 while not overwhelming the health system have come at a real cost. The policy focus should be on treating and quarantining the sick and protecting those who are most vulnerable, not on shutting down American life.

Social distancing is a public health tactic, not a strategy. It flattens the epidemiological curve but also elongates it. It does not change the area under the curve absent some exogenous development—a cure, a vaccine, developed immunity, or a seasonality that causes the pandemic's progress to stall during the summer before

mounting a second wave in the fall. It also carries negative effects both for the health care system and for the broader economy.

First, many more Americans are not receiving the basic health care, including cancer care, that they would receive under normal conditions because they have been told not to leave their homes or have been forced to delay regular interactions with their primary-care doctors, dentists, and other health professionals. Therefore, the reaction to COVID-19 is having other health effects on vulnerable populations.

Meanwhile, the economic consequences are staggering. Over the past six weeks, over 30 million people have successfully filed for unemployment insurance. Certain sectors of the economy have been completely shut down. Hours worked by hourly workers have declined by 60 percent according to some estimates, and more

than half of all businesses are closed. Lockdown orders lasting eight weeks could cost \$2 trillion in lost output. Importantly, much of this economic activity is essential to communities in many more ways than even the most complicated calculations of economic costs and benefits can capture. If lockdown policies are continued much longer, a great depression could well ensue. Besides causing immense economic suffering, the adverse social and public health effects of such a depression would be profound and would last for many years. Moreover, a depression would make it difficult for the United States to address future economic, social, and foreign policy challenges.

The damage that has been done so far will be difficult to reverse, and the consequences could get much worse very soon. Businesses all across America are experiencing significant liquidity problems because of the mandatory closures. They have rent, mortgages, or utility bills to pay while also needing to take care of their workers. Many of these businesses are seasonal, and the summer months drive their revenue for the entire year. We are approaching a tipping point where many of these entrepreneurs may decide that it is better to close their businesses for an extended period of time, file for bankruptcy, and start all over again when the health crisis has subsided entirely. Furthermore, every day that passes increases the amount of time that it will take to get the economy up and running again.

Recovery and setbacks will necessarily be an iterative process as we continue to learn more about the virus and improve capabilities, such as modeling, to inform decision-making. However, keeping economic activities tightly restricted also entails significant risks and costs, and recovery cannot wait for vaccines to be developed. A substantial loosening of restrictions on economic and social activities in the very near future will provide some critical relief to American workers and businesses that will make full recovery more possible.

Any recovery, however, is unlikely to be immediate or total. Too many businesses have failed or will fail, and a return to pre-crisis levels of activity will take time. Restarting business involves liquidity, time, rebuilding supply chains and wholesale markets, and extraordinary management bandwidth and supply. The longer policymakers take to begin staged reopening based on local conditions, the more severe and long-lasting the adverse economic and social effects will be.

Returning to work and slowing the virus's spread are necessarily intermingled challenges. It is not true that we must choose between lives or livelihoods. A sound public health strategy not only helps to reduce illness and mortality associated with the disease, but also helps to mitigate the long-term economic effects. Similarly, many companies and manufacturers have demonstrated strategies that make it possible to continue operating and to do so safely.

Restarting economic activities and combating the novel coronavirus requires an "all of society" approach—but one that is not uniform across the entire country or even entire regions or states. To facilitate this process, our recommendations are organized by the entity that is in the best position to execute them. Furthermore, the decision to reopen the American economy must proceed expeditiously and involve most communities in the country.

These recommendations will help to restart economic activity while suppressing the novel coronavirus to provide the American people with the confidence to begin returning to normal. The American system of federalism provides the appropriate governing structure for responding to a crisis with as many different facets and variable effects as we are seeing with COVID-19. State governments necessarily have led and will continue to lead response and recovery. Therefore, that is where we begin.

# RECOMMENDATIONS: STATE GOVERNMENTS



There is no single national solution to the recovery process: What is needed and works in Wyoming will not be as relevant in Manhattan. State leaders must drive the decision-making and engage the support of local levels of government, civil society, and the private sector. Recovery will be won or lost on the ground, and states have an obligation to find a way to initiate recovery in the most cost-efficient and expeditious way possible, recognizing that a one-size-fits-all approach to reopening does not work best. This is best accomplished by the states and critical institutions within local communities. The role of Congress and the Administration is to aid that recovery with information and increased flexibility through regulatory relief, coordination of efforts, funding, and equipment.

It is critical that there be an active partnership between governments at all levels, businesses, and civil society for a successful recovery. Businesses and other private-sector institutions are essential players and will be drivers of recovery. Business leaders must draw on their creativity, ingenuity, technical knowledge, and expertise in management of safe practices, health, and the well-being of employees to lead in safely orchestrating a restarting of the economy.

With this in mind, governors and local leaders should work with their local private-sector institutions (including businesses and core representatives of civil society like churches and community organizations) to take the lead on restarting economic and core social activities, and they should do so as quickly as possible. Stay-at-home orders should be used sparingly and only where necessary. Sweeping and poorly targeted social distancing practices harm those who require nonemergent care and cripple economies. Plans to reopen economic activity must be properly targeted. Governors should communicate extensively with counties and mayors to deploy decisions on a county-level basis. The Centers for Disease Control and Prevention (CDC) and state and local health authorities can help to inform and support decisions, which come most effectively from governors and mayors.

The mechanics of reopening individual economies should proceed as expeditiously as possible. Testing will play an important role in return-to-work decisions; however, every test should have a purpose that informs a decision. State and county specific surveillance plans and reporting should be developed by the state (with assistance from, or in conjunction with, the federal government) to inform decision-making; apportion federal resources and assistance; protect commerce and transportation; identify and define disease characteristics (e.g., incidence, prevalence, preexisting immunity, and “herd immunity”); and provide early warning of disease on a recurrent basis.

Diagnostic testing sites, as designated by public health authorities, should be readily accessible. Testing sites must be able to process people in a manner that does not place them or others at additional risk and should provide a copy of the results for patients to present, if requested, to others such as their employers.

Dealing appropriately with those who test positive is also critical. To date, the practice in the U.S. has been to hospitalize those who test positive or send them home. In either case, people shedding virus are placed in close quarters with people who are uninfected. South Korea sends such patients to temporary isolation facilities (repurposed dormitories or other similar spaces) until they test negative. Such facilities also serve as triage centers, with those exhibiting more serious symptoms being transferred to hospitals.

State and local public health officials that anticipate a surge in COVID-19 cases should strongly consider acting now to prepare temporary isolation facilities, perhaps by using empty hotel space or other spaces. Mandatory assignment to such facilities raises civil liberty concerns, but public officials should use public education campaigns to encourage people to protect their loved ones and not risk exposing them to infection. Such a voluntary campaign holds great potential for reducing the rate of infection over time as the experience of South Korea has demonstrated.

Restarting the economy should proceed expeditiously and account for four key factors:

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1. ***Businesses in counties with low incidence should be allowed to reopen.*** In some cases, it may be necessary to impose some limitations. For example, restaurants might have to limit the number of patrons they seat at any given time, and staff might be required to wear masks and gloves; grocers may continue to take steps to ensure that commonly touched items are kept clean. Healthy, low-risk workers should be allowed to return to their jobs immediately, and vulnerable populations (the elderly and people with underlying medical conditions) should remain at home.
2. ***These steps should be combined with steps to continue to protect the more vulnerable who are known to be at special risk for contracting the disease—the elderly, those in nursing homes, and those who have preexisting conditions.*** Businesses and other gathering places should be cleaned appropriately. Where appropriate, other mitigation tools the CDC recommends, such as hand sanitizer and masks, should be made available.
3. ***Individuals who develop identifiable symptoms should contact their personal physician and self-isolate.*** These individuals and those who interact with them should be medically evaluated and tested: If “negative,” they should repeat testing in 48 hours (or as their physician advises) and, if negative again, may return to work; if “positive,” they should follow the latest guidance before returning to work.
4. ***Governors should also focus on the remaining populations unable to return to work,*** including individuals who do not feel comfortable returning to work but otherwise can be offered an antibody and an antigen test and then offered the opportunity to return to work.

Recommendations to support this approach include the following:

The Commission recommends that states gather better data through testing and contact tracing. State and local authorities, with material assistance from the federal government, especially the United States Public Health Service, should:

1. ***Reject calls for universal testing of every American before loosening social distancing***

***and instead embrace targeted testing as described below.*** We must not keep the economy shut down until universal testing is available.

2. ***Begin testing those who are asymptomatic as informed by epidemiologists.*** Targeted random-sample testing at the state and county levels will help to determine the prevalence of the virus (because many of those who are infected may be asymptomatic). Such efforts will help policymakers assess virus penetration and the scope of the public health problem and respond accordingly.
3. ***Use contact tracing while ensuring rigorous privacy protections.*** New technologies that increase the efficiency and effectiveness of contact tracing should be explored and developed. Contact tracing has been around in low-tech forms for years, so even as high-tech solutions are developed, state and local leaders can use more traditional methods immediately.
4. ***Focus on containing virus infection hot spots, as well as areas where evidence suggests a hot spot is likely to develop, through targeted mitigation measures.*** Public officials should remain vigilant in identifying potential COVID-19 hot spots and should consider taking more aggressive steps to combat the contagion in these areas. Policymakers should also consider imposing travel restrictions to isolate those hot spots and prevent those who are infected from seeding outbreaks elsewhere. Excess hotel capacity and other such places may be repurposed as isolation and care facilities. Participation should be voluntary, and policymakers may want to undertake education campaigns to encourage people to use these facilities to protect their families from the pathogen.

The Commission recommends that states track data changes to trigger policy changes. While the data suggest that most businesses and schools should be permitted to reopen immediately at the earliest feasible date, state and local policymakers should look for a resurgence in new cases, COVID-19 hospitalization rates, and death rates and a decline in recovery rates. Communities that show a disturbing trend on these metrics may require strong public health interventions to prevent a resurgence of outbreaks.

In addition to tracking data, governors, working with business and civil society leaders, should put in place

plans to ensure that testing and contact tracing are available. Specifically:

**The Commission recommends that states take a risk-stratified approach to implementing testing, contact tracing, and isolating the infected.** They should prioritize people and sites based on two criteria: the degree of transmission risk and the extent to which infection could result in severe consequences. Steps taken here will also benefit the distribution of vaccines when available. Based on the growing and robust body of epidemiological data, including CDC reports, those most at risk of death are persons over the age of 65 (more than three-quarters of all COVID-19–related fatalities) and persons with comorbidities such as cardiac or respiratory conditions, diabetes, and obesity. Following this high-risk category, a vaccine should then be available to persons aged 25 to 64 years, particularly if they suffer from underlying medical conditions, followed by persons who are 24 years old or less.

**The Commission recommends that states and businesses examine means to make SARS-CoV-2 antigen and antibody testing as easy and widespread as possible, making tests available through the workplace, primary care providers, and other outlets.** This would also include widespread drive-up testing sites for both COVID-19 tests and antibody testing while considering an option to allow for online appointments in advance to minimize in-person wait times. Additionally, states should allow pharmacists to administer a new COVID-19 vaccine when it becomes available, just as many states sanction the ability of pharmacists to administer flu and pneumonia vaccines. Pharmacists are perfectly positioned to ensure fast and efficient mass immunization, because roughly nine out of 10 Americans reside within five miles of a local pharmacy. Though pharmacists in many states today have the authority to administer some vaccines, state laws differ in authorizing pharmacists to administer vaccines. If all 50 states were to allow pharmacists to administer the new COVID-19 vaccine, they would be able to prevent millions of Americans from becoming infected, prevent tens of thousands of deaths, and secure untold billions of dollars in additional medical costs incurred by this coronavirus. Steps taken here will also benefit the distribution of vaccines when they are available.

**The Commission recommends that state public health authorities use volunteers and retrain existing workers to provide traditional contact tracing to help stop the spread of COVID-19.** At the same time, federal and state public health authorities also should be ready to leverage new, privacy-protected digital contact-tracing

tools being developed by private industry so that people can more easily use digital means, voluntarily self-report data if they test positive for COVID-19, and ensure that such efforts allow public health officials to track anonymized data to assess trends as a reportable disease.

**The Commission recommends that the Department of Health and Human Services ensure that support services for persons with special needs are not interrupted.** The disruption in state services for all persons with special needs has exacerbated challenges to their emotional and behavioral stability. Shelter-at-home is now requiring 24/7 care from parents, which is a particular challenge for single parents. The burden of working from home and caring for a disabled child who may have lost emotional equilibrium is placing extreme stress on families affected by disability. Adults with special needs also face considerable challenges in accessing residential, employment, and health support, in the last case because of stay-at-home orders that have disrupted critical care.

**The Commission recommends that, when they deem it appropriate, governors** allow businesses to reopen and persons to return to work expeditiously, taking appropriate preventive measures.

**The Commission recommends that governors promptly allow all medical offices to reopen.** Many states shut down health care services considered “non-essential” or elective as part of decreed closures and preparation for projected massive surges in patients inflicted with COVID-19. This government-created impediment to medical services has adversely affected the ability of medical professionals to meet Americans’ ongoing health care needs, and many medical workers are being unnecessarily furloughed. Health care providers are trained to mitigate—not spread—disease and are fully capable of reopening and taking necessary precautions to protect patients. They should be permitted to reopen.

**The Commission recommends that policymakers immediately develop and implement strategies to protect the frail elderly in nursing homes.** This is one of the populations known to be especially vulnerable to contracting COVID-19. Hospitalizations are a disproportionately large problem among the elderly, and 80 percent of COVID-19 deaths are among people aged 65 and older, compared with fewer than 8 percent among people aged 54 and younger. Nursing home deaths represent anywhere from 27 percent to 51 percent of all COVID-19 deaths. This is a national disgrace that is not addressed by stay-at-home orders. Steps should include:

- Immediately undertaking an examination of the reasons why COVID-19, like the seasonal flu, is especially lethal for nursing home residents, the extent to which these deaths may be preventable, and whether additional policies can be developed to address these questions;
- Providing data and information—for each nursing home, by name, about the infection rates, hospitalization and causes of death rates of residents. This data should be updated daily, and published in a central place, in order to foster understanding of how to respond.
- Developing plans to offer their workers and residents tests based on their own risk profile;
- Isolate infected individuals and trace contacts;
- Developing plans to fully clean the nursing home; and
- Suspending Medicare penalties and bonuses to nursing homes based on their Medicare re-hospitalization rates during a national or state medical emergency. Because both nursing homes and hospitals have financial incentives for nursing homes to transfer patients to hospitals—even for illnesses that could be treated in nursing homes—a system of penalties and bonuses was put in place over the past decade to discourage potentially avoidable Medicare rehospitalizations. In many viral epidemics, people who are older and who have underlying health conditions will be most vulnerable to the disease. This is certainly the case for COVID-19 where Washington State, New York, and New Jersey, as well as other localities, have seen nursing homes accounting for a disproportionate number of COVID-19 deaths. In France, approximately half of the deaths have occurred in nursing homes. Nursing homes are generally not equipped to handle a complex clinical COVID-19 caseload. Neither nursing homes nor hospitals should have to worry about whether there will be penalties associated with moving critically ill patients to the most appropriate place to receive their clinical care. When a state has declared the end of a pandemic and/or has lifted other restrictions, regular Medicare payment rules should be reinstated.

**The Commission recommends that state governments protect the medical conscience rights of patients,**

**health care workers, and health entities.** This safeguards the access to care for vulnerable populations and removes barriers to individuals entering the healthcare profession. Faith-based health care entities and health care workers motivated by their moral or religious convictions are vital to the ability of states to ensure their citizens have adequate medical care. In many parts of the country, urban and rural communities count on faith-based hospitals and medical facilities—who gladly serve everyone—to persevere in their communities and care for the local population even after other business and economic interests have left. Furthermore, states will be successful in securing sufficient health care workers only through robust efforts to attract and retain medical professionals, including the large numbers of professionals who join the medical vocation because of their moral or religious beliefs to care for their neighbor. Protecting the rights of conscience in health care at the state level is an essential element of maintaining sufficient health care capacity and access.

Additionally, to fulfill their obligation to protect the health of their citizens, states must also protect the right of conscience for patients which is even more important in times of public health emergencies. The right of conscience for patients includes their ability to have access to medical professionals who share their moral or religious convictions. The right of conscience for patients also includes their right to make decisions about their own medical care consistent with their moral or religious convictions. States should take action to safeguard the right of conscience for patients, health care workers and health care entities not only because such rights are fundamental civil rights but also because such rights are necessary to providing adequate medical care for vulnerable and underserved populations.

**The Commission recommends that states reduce regulatory burdens on essential services.** States should continue to streamline or eliminate regulatory requirements on essential services. For example, states and local governments should repeal laws that prohibit some businesses (such as trucks from the alcohol industry) from delivering grocery supplies to stores and consumers. States should also repeal unreasonable day-care licensing requirements that make day care very costly for parents and limit their options to return to work, including easing unnecessary regulations on child care providers and allowing non-licensed co-ops between parents. Hospitals and medical providers that can demonstrate that they have plans in place to protect the spread of COVID-19 should be allowed to re-open and offer services that have been deemed “non-essential,” which includes cancer treatments.

**The Commission recommends that states help families return to work with access to K-12 education by making existing education funding student-centered and portable.**

Many parents and guardians who now find themselves in charge of teaching and monitoring their children’s educations are unable to access the public schools they support through their taxes and are looking for continuity in their children’s education. States should immediately restructure per-pupil K-12 education funding to provide education savings accounts (ESAs) to families, enabling them to access their child’s share of state per-pupil funding to pay for online courses, online tutors, curriculum, and textbooks so that their children can continue learning. Students are currently unable to enter the K-12 public schools that their parents’ taxes support. They should be able to access a portion of those funds for the remainder of the school year in the form of an ESA. Parents would receive a portion of their child’s per-pupil public school funding in a restricted-use account that they could then use to pay for any education-related service, product, or provider of choice. Additionally, state restrictions on teacher certification should be lifted immediately to free the supply of online teachers and tutors, allowing anyone with a bachelor’s degree to provide K-12 instruction online. Research suggests that there is little if any difference in student academic outcomes between teachers who are traditionally certified and those who are alternatively certified or not certified at all. States should work with school districts to reopen districts

based on data about where the disease is prevalent or waning. Decisions about whether to keep schools closed should be medically determined by zip code, tied to districts. Districts that have low incident rates should begin plans to reopen, and all school districts should have emergency response plans (including quick transitions to online learning) if they are forced to close again.

**The Commission recommends that states with online schools lift any barriers to access, including caps, enrollment restrictions, or grade prohibitions for students in grades K-12.**

Every parent who lives in a state should have equal access to online education regardless of zip code or district boundary, and all students—regardless of academic need or socioeconomic circumstance—should have access to online education options.

**The Commission recommends that local governments be mobilized by governors and other levels of government.**

A lesson learned from past natural disasters is that it is the responsibility of local officials to coordinate non-governmental organizations (NGOs), religious communities, and other local institutions to help individuals who are sick or need additional assistance. The federal and state governments are not equipped to provide much individual engagement. Therefore, information-sharing between local governments on best practices should be facilitated to encourage local mobilization.

# RECOMMENDATIONS: LOCAL GOVERNMENTS



Local governments are critical to deploying guidance and action plans framed by state governors. They also are the touchpoint closest to local needs, provide essential support services, and maintain and have access to unique relationships with community leaders, businesses, nonprofits, and faith-based organizations that can effect change.

**The Commission recommends that local governments, including local public health officials, protect the vulnerable and reexamine the triage grid of health services.** While COVID-19 can affect any demographic, the mortality rate is higher for some groups than it is for others, especially the elderly and those with comorbidity factors. Vulnerable populations should not be at the bottom of the triage process. There should be no invidious discrimination against vulnerable populations, including the elderly, the medically fragile, and persons with significant disabilities, in the triage process. They should always be treated with dignity and a recognition of their inherent and equal worth as human beings. Local governments, supported by their state, should consider taking special measures to guard these groups from the virus, including particular efforts at nursing homes, in elderly communities, and for those with compromised immune systems. When reopening most of the economy, special provisions should be made to protect members of these groups.

Furthermore, some lower-income urban and rural communities struggled with poor nutrition, insufficient access to medical care, chronic illnesses, and inadequate health education even before this pandemic and therefore may be at higher risk of negative health outcomes due to the COVID-19 virus. Local governments should collaborate with churches, the local medical community, and local civic groups to increase access to primary medical and preventative care, hospital care, psychological counseling, nutrition and health information to further safeguard the health and wellbeing of local populations in the midst of this pandemic. Finally, it is of vital importance that local governments help protect the civil rights of vulnerable populations, including those with disabilities as well as those with limited English proficiency. Local governments should work with

local health care entities to ensure that those entities are fully compliant with federal civil rights laws consistent with the Administration’s Civil Rights Bulletin issued by the HHS Office of Civil Rights in March 2020.

**The Commission recommends that the pandemic response measures that address homelessness should prioritize emergency shelter in place of encampments and offer a better pathway for treatment, recovery, and self-sufficiency.** The COVID-19 pandemic will present serious challenges for American cities; policymakers must respond with prudent, cost-effective policies that move the homeless into shelter, protect against the spread of disease, and protect the public from rising disorder. The dominant federal policy of the past decade, Housing First, has failed to reduce overall rates of homelessness, even during a period of strong economic growth and low unemployment. Rather than continue down this path, policymakers should adopt a new approach that prioritizes emergency shelter capacity, addresses the root causes of homelessness, and safeguards the broader community. This approach should include:

- Rapidly deploying FEMA-style emergency shelters to communities with high rates of unsheltered homelessness;
- Maintaining a high standard of hygiene, social distancing, and testing in shelters and emergency facilities;
- Breaking up open-air drug markets and “sweeping” dangerous and unsanitary tent encampments;
- Shifting federal homeless funding towards programs that address drug addiction and mental illness, which are the primary drivers of chronic and unsheltered homelessness;
- Providing greater flexibility for states and cities in how they address homelessness.

**The Commission recommends that religious organizations, including houses of worship and faith-based**

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**aid organizations, be treated equally with secular organizations.** Faith-based aid organizations have always been on the front lines of humanitarian crises in America. Religious communities play a critical role in American life at all times by providing religious instruction and guidance to members, a sense of community, and social services. They are fighting COVID-19 with the distribution of goods and services, including medical care and free meals, as well as by building mental and emotional resiliency. State and local governments should observe the Supreme Court’s 2017 *Trinity Lutheran* decision, which held that government authorities may not exclude otherwise eligible religious groups from competing for government benefits because of their religious status. Nor should faith-based organizations be treated differently because of their religious beliefs. Their employees and volunteers should be included as “essential workers” if they are engaged in work that is similar to or comparable to the work of those in secular organizations who are engaged in COVID-19 relief efforts and should also be deemed “essential workers.” Clergy should be deemed essential and, like hospitals and medical providers, be allowed to offer services if they have a plan in place to mitigate the spread of COVID-19. Houses of worship should not be targeted by state or local authorities for discriminatory treatment as the reopening of comparable places of assembly moves forward.

**The Commission recommends that local governments reform land use and zoning regulations to drive down prices and allow market forces to inform real estate turnover.** In response to concerns about housing affordability and turnover on Main Street spaces, local, state, city, and county governments should rescind or suspend local land use regulations that reduce supply and increase costs of real estate. Particularly pernicious and misguided policies include

those that limit density (like single-family zoning, urban growth boundaries, minimum lot sizes, and minimum parking requirements); redistribute costs (like rent control or below-market mandates, often referred to as “inclusionary zoning”); or limit types of housing (like restrictions of accessory dwelling units or manufactured housing).

**The Commission recommends that K-12 educational institutions, like recommendations for business and civil society, act proactively in concert with state and local health officials, and refer to guidelines provided by the CDC to assist school administrators in making reopening decisions.** Further, in making reopening school decisions, administrators should review all aspects of the school’s facilities and operations looking for ways to best prevent transmission by direct contact of airborne droplets or by the touch of contaminated surfaces, which are generally made more difficult by groups in confined spaces, such as school settings. Considerations should include: transportation of students to/from school; class schedules; class size; classroom density; desk and furniture layout; use of partitions and screens; rotation of teachers instead of students; pedestrian traffic patterns; use of personal protective equipment; hand sanitization; and building sanitization procedures/frequency. Additionally, consideration should be given to ongoing monitoring of signs and systems, including the consideration of temperature, antibody, and active infection testing, and concomitant response protocols in coordination with the responsible health officials. Distance learning should also be considered in the mix of options, and also as a back-up methodology if needed. School administrators might also find it helpful to develop parental advisory committees in order to gain additional expertise and input into contemplated changes. Parental advisory committees can also help encourage student body cooperation.

# RECOMMENDATIONS: FEDERAL GOVERNMENT



There is no single national solution to the recovery process. However, the federal government plays a critical role in supplying reliable information and guidance, reducing barriers to recovery, and providing a backstop of resources where states need more supply. The role of the federal government ought to be to support and complement the efforts of governors to bring their communities back to life. The federal government should assist state and local leaders in expeditiously reopening businesses and schools except in communities where an outbreak is occurring or believed to be imminent.

## EXECUTIVE BRANCH

The executive branch is uniquely positioned to collect and communicate macro-level trends and information about the virus. Such information is essential to informed decision-making at the state level. It can also reduce regulatory barriers to acquiring knowledge about the virus, developing and approving private-sector products and equipment to contain and defeat the novel coronavirus, and giving businesses the flexibility they need to return to work.

**The Commission recommends that the White House provide high-profile public education.** The Administration should provide briefings, as needed, to educate the public on the progress against the pandemic. With most people having been convinced that they are not safe unless they remain in their homes, convincing them that they can now return to more normal social and economic activity will be a challenge. This is especially true because new cases will continue to be reported. This will be interpreted by some as the result of a retreat from needed measures to protect public health, including social distancing. People will need to be reassured that it is safe to work and patronize local businesses. Robust public education should include reinforcing Americans' mutual responsibility and accountability to others through appropriate, targeted social distancing and other hygienic and nonpharmacologic interventions (NPI).

**The Commission recommends that the President direct federal agencies to provide additional access to**

**information on the spread of the novel coronavirus, including modeling and data.** Federal agencies should require that any modeling, codes, or data that have received federal funding be made publicly accessible and should encourage others to do likewise. While certain protections may need to be put in place, the freer flow of information can improve the quality of models, vet ideas, and increase access to information for states and institutions to use for decision-making. This should also include establishing a national portal of open data that has consistency in metrics and measures to provide greater visibility of outbreaks and facilitate the flow of information and services to areas where outbreaks occur. A consistent national portal facilitates state and local situational awareness, reinforces consistency of standards that can be carried out locally, and aids physicians.

**The Commission recommends that the Administration take additional steps to stabilize the health care system and mediate between state needs.** Reopening of the economy should be based on confidence that health care providers could handle the situation in the very near future in areas currently with the virus or that evidence suggests could see a wave of outbreaks. Some elements of the American health care system are under significant strain from the novel coronavirus epidemic. Concerns about the availability of personal protective equipment (PPE), ventilators, intensive care unit (ICU) beds, and the health and welfare of health care professionals are significant. However, the need currently is not the same across the country. The President should mediate needs between states and use the strategic national stockpile in concert with state-level platforms like the Emergency Medical Assistance Compact (EMAC) as a whole-of-country approach to deploy resources effectively.

**The Commission recommends that the Department of Health and Human Services (HHS) do more to increase innovation in medicine.** Federal officials should not discourage physicians' efforts to prescribe therapeutics that show promise in off-label uses for COVID-19 treatment while also accelerating the development and approval of new therapeutics and a vaccine. This includes regulato-

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ry reforms at the Food and Drug Administration (FDA), CDC, and other agencies like the Environmental Protection Agency (EPA) to fast-track approval processes and allow for novel testing of persons and disinfectant technologies for protective and other equipment outside of traditional categories or silos.

**The Commission recommends that the U.S. Department of Health and Human Services issue additional guidance, as more than 400 organizations are calling for them to do, outlining how federal anti-discrimination laws apply in order to avoid rationing of medical care.** The current HHS guidelines outlining how federal anti-discrimination laws apply in health rationing are appreciated, but significant confusion remains in the health care provider community. National organizations such as the American Association of People with Disabilities, the Autism Society, and the National Disability Rights Network are asking HHS to clarify to states and health care providers that “assumptions about a person’s disability and their prospects for survival, including the likelihood that they might require more treatment,” should not diminish that individual’s access. Clarification is needed to enable health care providers to deal with shortages of hospital supplies and staff in the event of a pandemic.

**The Commission recommends that the President call for a review of all regulations that must be waived with new COVID-19 rules and guidance documents and consider serious long-term changes in those regulatory programs.** This clear statement would send a strong signal and provide more long-term confidence and stability. The U.S. federal government has rapidly made regulatory adjustments to facilitate a quick and effective response to the COVID-19 pandemic, but out of necessity, most changes in existing regulatory programs have been short-term fixes. Many, if not most, of the changes will last only for the duration of the national emergency. We need long-term programmatic reforms to ensure that our regulatory regimes work in good times and bad and that our programs facilitate innovation and market advancement while also securing health and safety. The President should direct by executive order that all agencies involved in the management of this public health emergency inventory, review, and consider making long-term modifications to all regulatory actions that have been waived, modified, or otherwise implicated in the government’s response to COVID-19. This should include all pre-COVID-19 regulatory actions—including regulations, guidance documents, forms, processes, and the like—that have been at issue in the government’s response. The White House and relevant agencies should carefully assess

the underlying statutory mandates and authorities for these regulations, reassess their costs and benefits, and consider locking in many of the changes and streamlined procedures that have been introduced in recent regulations and guidance documents. For example, the FDA should carefully reconsider the many establishment registration, device listing, and general operating procedure rules it has recently waived; the EPA should consider making permanent many recent expedited approval processes; and HHS should consider making permanent its changes in telemedicine and medical practices.

**The Commission recommends that the President call for a review of all regulations that inhibit economic growth and extend the two-for-one and centralized review requirements to the independent regulatory commissions and agencies.** This clear statement would also send a strong signal and promote more long-term confidence and stability. The President correctly identified regulatory reform as key to economic growth and prosperity, and he has pursued reform vigorously for the past three years. As something of an historical artifact, however, most of his key regulatory reform initiatives—such as the two-for-one requirement, the zero-dollar new regulatory cost cap, and formalized regulatory reform task forces to drive the reform agenda within the agencies—have been focused only on agencies that formally report to the President. They have not extended to the so-called independent agencies and commissions such as the Securities and Exchange Commission, Commodity Futures Trading Commission, and Federal Energy Regulatory Commission, largely because those agencies have long been exempted from the centralized regulatory review requirements of the White House’s Office of Information and Regulatory Affairs within the Office of Management and Budget. Those agencies should now be included in centralized review, and all prior regulatory reform executive orders should be extended to the independent agencies. This would effectively serve as an important White House–led second wave of major regulatory reform activity. These agencies have already undertaken a good amount of this activity, but it is not coordinated and White House–led and tabulated as part of the executive branch–wide deregulatory contributions to a more robust economy. A change like this would also have considerable long-term positive benefits, as centralized review would likely be maintained by future Administrations even if the deregulatory element were eliminated. That review process includes a requirement to conduct cost-benefit analysis, coordinate with other agencies, operate in a much more transparent way, and take much more seriously the need to provide

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fair notice and due process to regulated entities. The benefits of this process are widely recognized in the areas in which they are currently applied, and their extension to new regulatory activity would undoubtedly have long-term positive consequences beyond the immediate deregulatory push.

**The Commission recommends that the President direct agencies not to enforce a range of regulations against small businesses.** This is a shorter-term measure, but it should facilitate lending and enhance market activity. Many small businesses are applying for various benefits under the CARES Act. Many of those businesses do not have lawyers and lobbyists, yet they are required to make numerous assertions and commitments. The President should direct his agencies to tread lightly with small businesses that have had to fall on the mercy of these programs and perhaps extend that grace more broadly to all small businesses until we are fully recovered. Agencies have the ability to exercise what is known as enforcement discretion, which allows them simply to prioritize the enforcement of some rules and deprioritize the enforcement of others. At times, including recently, agencies have issued written policies of nonenforcement or intentions not to enforce requirements. Many of these have been very good, but a presidential call for a wide-scale policy of nonenforcement would send a very strong signal to businesses that the government is not going to come down hard on them as they try to get back up and running.

**The Commission recommends that the Department of Labor roll back the overtime rule.** As of January 1, 2020, the salary threshold under which employers must pay workers overtime compensation jumped by 50 percent, from \$23,660 per year to \$35,568 (the equivalent of about \$17 per hour). While the intent is to increase wages for individuals who work more than 40 hours in any given week, employers will pass potential cost increases back to workers in the form of lower base pay. The higher salary threshold also will likely reduce flexibility for employees to work remotely (where employers cannot monitor their hours) or to alter their hours from week to week to fit with their personal and family obligations. Particularly in light of the COVID-19–induced remote work and increased demands for flexible work hours, the Department of Labor should roll back its recent increase in the overtime threshold to give employers and workers the flexibility they need to keep more people employed.

**The Commission recommends that the Securities and Exchange Commission (SEC) reform regulations to help expand the options for funding a small-business**

**revival.** Entrepreneurs will drive the post-pandemic recovery by reopening existing businesses and taking new risks on ideas to fill new needs in the post-crisis world. The current federal regulatory regime creates unnecessary barriers for small businesses that need access to capital.

1. The Commission recommends that the SEC work with Congress to simplify its exemption and disclosure framework. Under federal securities laws, any offer or sale of a security must either be registered with the SEC or eligible for, and comply with, the rules governing an exemption. Virtually all small and medium-sized companies cannot spend millions in annual compliance costs and must rely on an exemption. There are currently at least 14 different exemptions with differing and complex rules, including Regulation D (generally for affluent accredited investors), Regulation A (the small issues exemption), and crowdfunding (Regulation CF). The SEC and Congress should work together for regulatory and statutory reforms to create a reasonable, harmonized scaled disclosure regime for Regulation D, Regulation A, crowdfunding, and other exemptions and for small public companies. The SEC has recently taken the first step toward this result by releasing a “Concept Release on Harmonization of Securities Offering Exemptions” that sought public comment on nearly 150 ways to improve the rules governing exempt offerings. This will reduce regulatory costs, improve fairness, and aid entrepreneurial capital formation.
2. The Commission recommends that the definition of “accredited investor” under Regulation D be broadened. In practice, sophisticated investors without high incomes or net worth are unable to invest in the companies with the most profit potential because the regulatory definition of an investor is amorphous. The SEC or Congress should change the definition of “accredited investor” for purposes of Regulation D to include persons who have met specific statutory bright-line tests. Examples of bright-line tests that could be adopted include (1) passing a test demonstrating the requisite knowledge such as the General Securities Representative Examination (Series 7), the Securities Analysis Examination (Series 86), or the Uniform Investment Adviser Law Examination (Series 65) or a newly

created accredited investor exam; (2) meeting relevant educational requirements such as an advanced degree in finance, accounting, business, or entrepreneurship; or (3) acquiring relevant professional certification, accreditation, or licensure such as being a certified public accountant, chartered financial analyst, certified financial planner, or registered investment advisor. This could increase the number of people eligible to invest in Regulation D offerings by several million people.

**The Commission recommends that the U.S. Department of Transportation (DOT) create more flexibility for truck drivers under the hours-of-service regulations.** The U.S. Department of Transportation’s Federal Motor Carrier Safety Administration (FMCSA) regulates hours of service (HOS) for truck drivers. These overly prescriptive HOS regulations include mandatory breaks for truck drivers and the maximum limit for on-duty time. Under the current rules, for example, when waiting in a break room for their trucks to be unloaded, truck drivers would not be able to count that time as a break because they are “on duty.” DOT should allow drivers to count time not driving but “on duty” as a break, ensuring greater flexibility for drivers who deliver so many essential goods to Americans all over the country.

**The Commission recommends that the relevant agencies make interim guidance and interim final rules streamlining crisis response permanent.** Rules and guidance to the private sector to retool infrastructure for PPE production have been and will continue to be important as part of preparing for potential future outbreaks of coronaviruses. Rather than temporarily waiving requirements, the Administration should provide policy certainty for rules that are currently proving to work well. These have the added benefit of empowering smaller or older businesses to repurpose old equipment to new productive uses.

## U.S. CONGRESS

Congress’s power of the purse has provided and should provide strategic, targeted economic relief for taxpayers, families, and businesses of all sizes. Congress can also reduce burdens on states, giving them much-needed flexibility. Certain temporary measures in the CARES Act providing relief from legal requirements should be made permanent to provide states, businesses, and individuals with the policy certainty and confidence to make decisions. Finally, Congress plays an important gate-keeper role in protecting civil liberties.

**The Commission recommends that Congress provide funding to facilitate access to testing in coordination with the President.** Serological testing—testing for the COVID-19 antibodies in the bloodstream—allows us to see who and who has not had the virus so far, but such testing will not be available on a wide-scale basis for many weeks, and the reliability of the tests that exist today has yet to be proved. Private companies should be leading the creation and distribution of testing and related materials (e.g., swabs and cartridges). As testing becomes available, Congress should build on recent steps by the Centers for Medicare and Medicare Services (CMS) to raise the Medicare reimbursement rate for high-throughput coronavirus molecular tests from about \$51 to \$100.

**The Commission recommends that Congress provide additional relief for small and medium-size businesses in the form of grants in order to provide necessary liquidity.** Many small and medium-size businesses are currently experiencing a major liquidity shortfall and at some point will have no choice but to close permanently. Because government orders forced those companies to close, Congress should provide additional funds in the form of a targeted grant to help these businesses with actual shortfalls. Congress should also better target Paycheck Protection Program forgiveness to actual revenue losses and provide adequate funding if it is achieving its goal of keeping workers employed amid temporary slowdowns and shutdowns.

**The Commission recommends that the Department of the Treasury immediately clarify the Frequently Asked Questions (FAQs) for the administration of Paycheck Protection Program loans.** The Treasury Department has released FAQs to offer both banks and businesses additional guidance on the Paycheck Protection Program. The FAQs appear to impose requirements retroactively that were not imposed by the CARES Act and that are inconsistent with original guidance. Any borrowers who did not falsify information on their PPP applications prior to May 7, 2020, should be deemed by the Small Business Administration to have made the required certifications in good faith. Congress, however, should limit future borrowing and forgiveness to small businesses that have suffered significant declines in gross revenues because of the coronavirus crisis.

**The Commission recommends that Congress liberalize the forgiveness rules for PPP loans to broaden the eligible expenditures, extend the relevant period, and be limited to businesses that were hit hard.** Businesses have other expenses besides payroll, rent,

interest, and utilities. Businesses that were forced to shut down must rehire and retrain associates, secure inventory, reestablish vendor relationships, and settle balances. Congress should broaden what can be paid for and forgiven provided that there is also some requirement that the business suffered a substantial decline in gross revenues (at least 20 percent and probably substantially more) because of the coronavirus. Such an adjustment should not be administered retroactively but would apply to any additional PPP loans.

**The Commission recommends that Congress repeal the Davis–Bacon Act.** Since 1934, the Davis–Bacon Act has required contractors to pay “prevailing wages” on construction projects that receive federal funding and contracts for the construction, alteration, or repair of public buildings or public works. In some cases, Davis–Bacon rates are more than double market wages. The compliance burden is particularly onerous on small businesses that have less margin to meet higher labor costs and hiring requirements. Repealing the act would stretch taxpayer dollars and create tens of thousands of additional construction-related jobs.

**The Commission recommends that Congress reduce the tax burden on workers and businesses to facilitate hiring and investment.** Reducing the burden of taxation is one of the surest and quickest ways to revitalize the economy. One proposal is to temporarily suspend the payroll tax, to briefly reduce the costs associated with hiring and rehiring workers. However, other tax cuts, such as permanent cuts in rates on personal income and corporate taxes that would increase economic growth by encouraging capital formation and raising productivity, would promote economic growth and recovery more effectively.

**The Commission recommends that Congress and state and local legislators defer payment of or forgive a wide range of taxes and licensing or permitting fees.** Small businesses face grave resource restraints, and this would reduce the substantial resources they must currently devote to paying taxes and fees imposed by government. Instead, they should be allowed to use these resources to reopen their businesses and employ people. Congress has delayed tax filing and payment deadlines to July 15. Congress could go one step further by eliminating interest and penalties on all 2020 tax payments, still requiring businesses and individuals to file but effectively delaying the payment of federal taxes.

**The Commission recommends that Congress enact a physical presence standard for tax liability.** In 2018, the Supreme Court of the United States upheld a South Da-

kota law that requires out-of-state businesses to collect the state’s sales taxes on goods sold to customers in the state, even if the business has no physical connection—or political recourse—in the customers’ state. Small retailers now operate in a world without the protection of the physical presence standard. Every small business that sells online now can be subject to the more than 10,000 different taxing jurisdictions around the country—each with its own tax rates and rules about what is taxable. The regulatory compliance and tax assessment risks from state revenue collectors around the country were threatening to bankrupt many small retailers before the COVID-19 crisis. These rules are now prohibiting small distributors from retooling to ship new products during the crisis for fear of regulatory entanglement. Congress should protect vulnerable retailers by codifying a physical presence test for tax collection.

**The Commission recommends that Congress correct unemployment insurance (UI) provisions and increase workers’ flexibility.** Specifically, Congress should allow workers to accumulate paid leave and help businesses smooth their cash flows, similar to what has been proposed in the Working Families Flexibility Act. Importantly, government mandates for paid sick and family leave are costly, inhibit business hiring, and ultimately harm workers. At the same time, federal policymakers should fix the \$600 bonus UI benefit to cap UI benefits at 100 percent of previous earnings (and possibly also reduce the time period through which the bonus benefit is available until the end of June instead of July 31). This benefit makes it possible for a majority of Americans to make more money by becoming unemployed than by remaining employed and expands eligibility if “the individual has to quit his or her job as a direct result of COVID–19.” Congress should cap the \$600 added federal benefit so that workers do not receive more than 100 percent of their previous earnings for becoming unemployed. The skewed financial incentives related to unemployment are causing shortages in areas like personal care assistants for aged and disabled persons, precisely the high-risk populations that need specialized care during this crisis.

**The Commission recommends that Congress expand liability protections associated with the novel coronavirus.** Congress should create a safe harbor for businesses and workers that follow CDC guidance and proper testing protocol in good faith. This safe harbor would provide much-needed confidence and stability that encourages business owners to reopen.

**The Commission recommends that Congress clarify the definition of employee for the purposes of the**

**programs created by the CARES Act.** Congress should clarify the definition of employee using the common-law test for all purposes to avoid double-dipping of benefits and to establish clear eligibility for the purpose of counting employees as part of CARES Act programs, such as the Paycheck Protection Program.

**The Commission recommends that Congress convert the paid sick and family leave mandate into an option and apply it equally across businesses.** Congress should not have put a new mandate exclusively on small businesses to provide paid sick and family leave. Rather, if Congress wants to pay workers a set rate to stay home when sick with COVID-19 or while caring for young children who no longer have school and day care, it should provide an optional advance credit for both small and large employers to utilize. Workers who do not otherwise have access to paid sick or family leave and whose employers do not utilize the credit could access the \$600-per-week federal pandemic unemployment insurance benefit. Congress should also do more to help reduce unemployment among workers of larger employers—for example, by increasing access to the employee retention tax credit so that companies do not have to have a 50 percent drop in revenues to qualify and by changing the credit to cover a portion of employees’ wages paid when they are not working.

**The Commission recommends that Congress take steps to advance permitting reform.** Many trades and good-paying jobs in America require permits and credentials that take hundreds of hours and many resources to obtain. At a time of great economic dislocation, we have to eliminate barriers to getting new jobs. Much work has been done on this over many years, and now is the time to complete it. We cannot allow people on the bubble to slip into dependence on government. We have to simplify the pathway back into the labor force, including to a skilled trade or other job that is currently walled off by nonsensical credentialing requirements. That means coordinating permitting requirements across jurisdictions and having express federal guidance that these should generally not be required or should be as minimally burdensome as possible.

**The Commission recommends that Congress create a good-faith shield for small businesses.** To enhance lending and accelerate market activity, Congress should create a good-faith shield for small businesses participating in the CARES Act programs or that tried to participate in the programs but, for whatever reason, could not do so. If companies are operating in good faith to complete the forms and make business representations, they should not fear federal enforcement for

good-faith mistakes. Congress could effectively solidify the policy of nonenforcement across all agencies participating in the response for some meaningful duration, such as five years from the receipt of funds or filing of forms. This would also help to ensure that banks lend more readily to small businesses that are trying to participate in the relief programs.

**The Commission recommends that Congress empower the President, the Office of Information and Regulatory Affairs, and Cabinet Secretaries to suspend costly regulations without extensive process.** The basic architecture governing the development of regulations is actually quite good—so good, in fact, that creative minds bent on overregulating have developed a wide range of quasi-regulatory activities to circumvent the orderly and reasonable process, thereby dramatically increasing the overall regulatory burden on the American people. Congress should empower the President to short-circuit the process, thereby enabling more deregulatory actions. We should effectively create what is known in the regulatory world as a “one-way ratchet” in favor of liberty-enhancing regulatory activity and against unduly burdensome regulatory activity. One version of this approach currently exists in cost-benefit analysis, but for a variety of reasons, that analysis at times has been used inappropriately to justify extremely onerous regulations. A mechanism that allows for the unilateral or expeditious suspension of costly regulations would give the President a strong tool to wield in the effort to reduce regulatory burdens at a time when the economy very much needs to be freed from such burdens.

**The Commission recommends that Congress expand the options available to small businesses in accessing capital.** Entrepreneurs will drive the post-pandemic recovery by reopening existing businesses and taking new risks on ideas to fill new needs in the post-crisis world. Therefore:

1. The Commission recommends that Congress allow small business access to finders. Entrepreneurs and small-business owners often need help finding accredited investors willing to invest in or loan to their businesses and should be allowed to use finders or private placement brokers to help them find capital in exchange for a fee. This is currently illegal unless the finder registers as a broker-dealer and, like an investment banker, is regulated by the Financial Industry Regulatory Authority and the SEC. Congress should remove barriers and implement reforms similar to what

was introduced in the Unlocking Capital for Small Businesses Act to help expand funding options for small businesses.

2. The Commission recommends that Congress allow peer-to-peer (P2P) lending to small businesses. P2P lending, such as crowdfunding, presents a more efficient way for consumers to support small-business loans. Loans through P2P lending platforms are not exempt from certain SEC registration requirements as loans from banks, credit unions, and finance companies are. This creates a major, unnecessary impediment to small-business lending using P2P lending platforms. Congress should extend exemptions from the federal and state securities laws for P2P lending. Congress should also amend Title III of the JOBS Act to create a category of crowdfunding security called a “crowdfunding debt security” or “peer-to-peer debt security” that is then subject to reduced initial and periodic reporting requirements.
3. The Commission recommends that Congress remove artificial barriers to credit union lending to small businesses. The Federal Credit Union Act imposes a limit on the total net worth of credit union business lending. This limit is arbitrary and reduces small business access to loans.
4. The Commission recommends that Congress improve anti-money-laundering laws. Anti-money-laundering “know your customer” and Financial Crimes Enforcement Network “customer due diligence” rules discourage banks from working with small businesses if they do not have a substantial existing relationship with them. If banks open accounts or lend to businesses in violation of these onerous and time-consuming requirements, they face large fines. These rules also have a particularly adverse impact on small businesses and the poor and should be eliminated or improved.

**The Commission recommends that Congress provide spending flexibility for education.** Federal lawmakers should extend the waivers and spending flexibility provided through the CARES Act. The proposal allows schools, for example, to carry forward unused Title I spending and repurpose existing professional development spending for online instruction. Federal and state lawmakers should allow such flexible spending

to continue and give schools more discretion to devote resources to areas of need. The spending flexibility offered through the CARES Act is an example of systemic change that could help schools now and in the future. Congress should allow states to use all of their existing federal education dollars for any lawful purpose under state law.

**The Commission recommends that Congress address issues in the health care system that decrease flexibility and inhibit access to care.** Congress should codify recent changes by the Administration to allow more flexibility in doctors’ practice of medicine. A good place to start is codifying the Administration’s efforts to remove barriers to the adoption of telemedicine, which allows patients and doctors to consult remotely. This can help to reduce the spread of COVID-19 by letting people get care without waiting in crowded waiting rooms. Congress should go beyond these efforts and ensure that all patients who want to seek telemedicine care can do so across state lines regardless of where a doctor is located.

**The Commission recommends that Congress make federal funding portable for children from low-income families and children with special needs.** Congress should immediately make funding authorized under the Individuals with Disabilities Education Act (IDEA) student-centered and portable, allowing children with special needs to access learning services to which they are entitled under federal law. These IDEA funds could be used to pay for in-home tutors and behavioral therapies, among numerous other allowable uses, to help children with special needs continue to have access to critical service providers. Similarly, Congress should allow federal Title I dollars for low-income districts to follow students to private online education options of choice.

**The Commission recommends that Congress support the education of military-connected children.** The federal government has a mandate to oversee and provide for the national defense. The children of active-duty military families currently do not have access to the public schools nearest to the base to which their parents are assigned. Congress should provide the children of active-duty military families with education savings accounts, enabling them to access online tutors, online courses, textbooks, and curricula, to provide educational continuity during this time.

**The Commission recommends that Congress expand access to 529 savings accounts.** While millions of children—and their parents—are experiencing homeschool-

ing for the first time, Congress should allow Americans to access their 529 savings plans for homeschooling expenses. Those 529 savings plans are tax-neutral savings accounts funded with after-tax dollars contributed by the account owner or anyone else who wishes to put money into them. Anyone can contribute to a designated beneficiary's 529. Interest that accrues in the fund is tax-free as long as funds are put toward K-12 and higher education expenses. This means that there is no “second layer” of tax on the savings and investment in the account. Withdrawals from 529 savings accounts for qualified education expenses are not included in taxable income. Currently, 529 saving plans can pay for a broad range of education-related costs, such as college expenses and, more recently, private elementary or secondary school tuition in certain states. Yet homeschooling expenses are excluded from the eligible uses of 529 savings accounts. Immediately expanding qualified expenses

to include homeschooling—reflecting the fact that nearly every American family currently has to homeschool as a result of COVID-19—would be a timely and targeted policy.

**The Commission recommends that Congress protect civil liberties while creating any new programs related to testing, contact tracing, or any other public health measure.** The erosion of civil liberties in the name of security is never temporary, as we have seen post-September 11. America must not devolve into a surveillance state; such power is always susceptible to abuse and is a distinct danger inherent in the deployment of contact-tracing technologies. Congress should both investigate privacy issues regarding utilization of IT solutions and provide incentives for the development and deployment of those technologies consistent with American values and law.

# RECOMMENDATIONS: BUSINESSES, THE PRIVATE SECTOR, AND CIVIL SOCIETY



As cities and regions “reopen,” businesses, civic and community organizations, and religious institutions are invaluable in helping to get people back to work, helping to put lives back on track, and helping communities to stay vigilant and prevent another outbreak. The private sector and civil society already have played and will continue to play an important role. In fact, civil society is perhaps the segment of America that has shown most brightly in this crisis as everyday Americans have rallied in creative ways to help each other.

**The Commission recommends that private businesses and organizations lead in expanding and developing testing capabilities.** Private organizations should be leading the creation and distribution of testing. While much is still unknown about the virus’s nature, we should leverage the serological testing regarding immunity. To protect medical professionals and preserve resources, the testing should be expanded so that it can be administered easily by individuals in their own homes.

**The Commission recommends that companies and others offer tests to those with whom they work.** Businesses and communities (such as nursing homes and retirement communities) should develop their own plans to offer their workers and residents tests based on their own risk profiles to detect and isolate infected individuals and trace contacts. For example, employers could pay for employees’ tests as a condition of their return to work. An employer could then provide privacy-protected, anonymized data to officials without identifying information to aid the effort to supply data needed to understand local trends of the virus’s impact.

**The Commission recommends that corporations and private businesses work in conjunction with state and local governments to develop best-practice protocols, including testing, to strengthen their defenses against the reoccurrence of viral spread.** The objective of best practices and testing should also be to provide early-warning surveillance and thoughtful viral spread defenses so that, in the event of a local or an area-wide viral outbreak, the business entity is best positioned to

continue operations. Ideally, the business entity can aid local government by sharing privacy-protected anonymized testing data and by working to reduce any spread of disease through testing and contact tracing. The company, with hardened defenses, can also serve the community at large by maintaining employment and contributing to the strength of the local economy.

**The Commission recommends that no health care provider or state force hospitalization or other forms of institutionalization,** due to mental health concerns, without the consent of the individual, guardian, or supported decision-making team.

**The Commission recommends development of work plans for employees from industry and businesses that reflect state and local directions.** Businesses should encourage and facilitate “work from home” wherever possible. Where this is challenging, businesses should encourage and facilitate continued social distancing in the workplace, encourage shift-work strategies, and minimize mass gatherings wherever possible and as informed by public health for retail, entertainment, and restaurants and clubs if and when reopening such establishments becomes safe and appropriate.

**The Commission recommends that private businesses and industry associations share best practices for back-to-work plans.** Industry-specific sectors should develop and share back-to-work plans that might involve employee testing, social distancing, altered office and equipment layout, process modifications, routine deep sanitation, use of personal protective equipment, and other innovative ideas to protect employees and customers, meet CDC guidelines, enable a return to work, and protect employees and customers. To support the dissemination of ideas, private businesses and industry organizations should consider developing a database of best practices to share with members.

**The Commission recommends that insurance companies honor and courts enforce their contractual obligations.** The virus has caused extensive property damage,

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and many businesses that paid for business interruption insurance are not getting the coverage for which they contracted. Insurance coverage should be honored to the fullest extent agreed upon in the individual terms of contract, which should be enforced fully by the courts if necessary or resolved through legal arbitration.

**The Commission recommends that businesses form partnerships, or “sister companies,” in other countries to stimulate mutual recovery.** Some businesses in the U.S. do not intend to or will not be able to reopen. However, partnerships with a sister company in another country could facilitate the sharing of resources, including human capital, that would reinvigorate vacant space or unused resources and help both companies recover from the crisis.

**The Commission recommends that universities form consortia to help overcome financial challenges.** The coronavirus has put significant financial strain on colleges and universities across the country. University leaders should consider innovative, civil society–driven ways to meet the financial challenges, including forming consortia with other universities to share faculty resources and have faculty deliver lessons to multiple universities.

**The Commission recommends that state and local leaders, as well as church and other civil society leaders, focus public education campaigns about the need for public health measures on young people.** Leaders who work with young people should be engaged, especially as some evidence suggests that young people are the least likely to understand how their actions affect those who are at greater risk (e.g., their parents and grandparents).

**The Commission also recommends that civil society leaders give particular care to communities that live in multigenerational households.** The elderly are particularly at risk for lethal outcomes if they contract COVID-19. Churches and other organizations should work to ensure that young people in those communities understand the importance of protecting the vulnerable in their families. They should also ensure that all community members understand the need to combine going back to work with continuing to protect the more vulnerable who are known to be at special risk for contracting the disease—the elderly, those in nursing homes, and those who have preexisting conditions.

**The Commission recommends increased wellness education, including education on nutrition, fitness, and risk avoidance, among minority communities by**

**government in partnership with grassroots and civil society organizations.** This is necessary because of the disproportionate effect of this virus in minority communities. For instance, in New York City, the mortality rates (per 100,000 people) for African Americans and Hispanics with COVID-19 are more than 200 percent and 160 percent higher, respectively, than the rate for whites. Likewise, in Arizona, 16 percent of all cases are Native Americans even though they comprise 4.5 percent of the state’s population. Churches, NGOs, and state and local governments can partner with the government to amplify the Surgeon General’s guidance for successful mitigation efforts to slow the spread of the virus and allow a return to normal life. Regardless of their race or color, Americans must be vigilant in adhering to mitigation efforts if they must leave their homes each day to go to work. If minority communities are not participating in recommended risk avoidance, they risk a slower return to normal.

**The Commission recommends that the Small Business Administration partner with historically black colleges and universities (HBCUs)** to disseminate information about financial resources to minority-owned businesses, including online courses aimed at mitigating the economic consequences of the pandemic.

**The Commission recommends that civil society leaders, when considering whether to prepare temporary isolation facilities in anticipation of a surge in COVID-19 cases, work with state and local public health officials to consider whether to take particular precautions for minority communities living in multigenerational homes.** Mandatory assignment to such facilities raises civil liberty concerns, but public officials should use public education campaigns to encourage people to protect their loved ones and not expose them to infection. Such a voluntary campaign holds great potential for reducing the rate of infection over time, as the experience of South Korea has demonstrated. The practice in the U.S. is to hospitalize those who test positive or send them home. In either case, people shedding virus are placed in close quarters with people who are uninfected. Having infected members stay at home is of particular concern in multigeneration minority households. South Korea sends such patients to temporary isolation facilities (repurposed dormitories or other similar spaces) until they test negative. Such facilities also serve as triage centers, with those exhibiting more serious symptoms being transferred to hospitals.

**The Commission further recommends that all communities follow recommendations in this report with respect to isolating those who test positive.**

**The Commission recommends an increased focus on mental, emotional, and spiritual health support in partnership with NGOs, faith-based communities, and civil society.** Community organizations are already noting mental health challenges for people experiencing social isolation and stress. Communities need programs designed to address mental health problems specifically related to the isolation of pandemic.

**The Commission recommends that any triage or rationing decisions be based solely on medical considerations about who is in greatest need and who is most likely to survive and benefit from treatment.** Medical providers should focus on a patient’s objective clinical state rather than such other considerations as maximizing “life-years.” Patients who are elderly

or who suffer from disabilities or chronic conditions should not count for less. No “quality of life” judgments should be made. Focusing solely on immediate medical need and immediate medical prognosis is the way to ensure that human dignity and equality are protected.

**The Commission recommends greater emphasis on bipartisanship to restore trust.** Our leaders must restore trust in the American republic and institutions. If we address how to get back to work without considering the overarching question of trust, we run the risk of missing the central concern and will not have societal trust to sustain our country and republic. Our leaders must work to rebuild this trust by resisting the temptation to “score political points” and by seeking bipartisan implementation of bipartisan solutions.

# PHASE 3



Continue to Build  
the Science

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## Recommendations for Phase 3



Americans have quickly become accustomed to a new language from epidemiological science: Flattening the curve. Social distancing. The public has learned a lot about the science of pandemics in general in a short period of time, but there is still much that we do not know about the nature of this novel virus itself, its transmissibility, its effects on the body, and its lethality. Important epidemiological questions remain, and work is ongoing to develop faster, more accurate testing; to create a vaccine in an unprecedented time window; and to identify replicable therapeutics, all of which are needed to save lives. While we have become conversant in the various ways to “flatten the curve” and Americans have embraced these methods in an effort to provide space and time for innovation, the fact remains that the discrete area “under the curve” can only be tackled by a preventive vaccine that does not yet exist or by effective therapies that are still developing against a virus that has already proven particularly difficult to categorize.

As we look to the future, we must continue to build the science. Once achieved, the results of scientific advancement often seem magical. But in fact, they are not. Progress requires focus, resources, cooperation, and opportunity for experimentation. The public and private sectors, academia, and international partnerships working together are needed to expand knowledge and drive solutions. Critical policy reform is also necessary to empower the private sector and reduce regulatory barriers that frustrate innovation and access to health care.

The Commission has focused on how to generate the forward momentum necessary to make scientific progress at the pace this novel challenge requires. One of the primary paths to acceleration is to remove impediments to collaborative research. We need to be particularly skeptical of excessive regulation, maintaining only those regulations that truly preserve and protect

health—not those that impede scientific research. In order to build collaboration, we have to generate reliable pathways of communication and interaction among those who are on the front lines.

Removing barriers is also an important approach for ensuring health care delivery to individual patients as we move forward. We need health care options that are adapted to the unique challenges of pandemic. Americans, for example, need to be able to continue to access doctors through telehealth to open another means of reaching effective care. As we address the specific needs of places that are facing an onslaught of the virus while others are not, we should be creative in enabling medical professionals to travel and practice across state

lines where they are most needed. The same is true of access to health plans: Americans need more flexibility and more options to increase their choices and decrease their costs.

As science mobilizes, expands, and tackles this crisis, solutions will be found. Americans need clear, trusted, and effective communication channels. Websites, ad campaigns, targeted outreach, and new technologies to deliver public health information—such as contact tracing—must be created and deployed effectively. And as we move forward with current tools, we also should be putting in place what is needed to use all of the technological tools at our disposal to ensure that consistent health messages reach the people who need them.

# RECOMMENDATIONS: STATE GOVERNMENTS



Americans need to be able to access care and treatments as the science evolves. To that end, state governments, with support from Congress where appropriate, should provide further relief from federal mandates to help the health care sector address the pandemic. To achieve that goal, the Commission makes the following recommendations:

**The Commission recommends augmenting hospital capacity only where needed and removing government barriers to a more flexible health care workforce.** Specifically, states should:

- Allow non-physician providers to practice to the top of their licenses (following the Trump Administration’s regulatory relief to do so for Medicare patients). Most states limit medical practice to licensed physicians. Whatever value this may provide in normal circumstances, it is an impediment during a medical emergency when the demand for doctors’ care is intense. Temporarily suspending rules that limit the care that well-trained advanced practice nurses, physician assistants, and other medical professionals can provide would enable doctors to deal with the patients in greatest medical need.
- Allow residents of their states to see medical providers licensed in any state (following the Trump Administration’s regulatory relief to do so for Medicare and Medicaid patients). Many states have licensure laws that, for example, would prevent a doctor from Massachusetts from treating patients in the Bronx. While these laws may be well-intentioned, they impede efforts to protect people in affected areas who have fallen ill due to the coronavirus. Allowing doctors from other states, either in person or through telemedicine, to assist during medical emergencies is an important way to combat the epidemic.
- Allow malpractice insurance to travel with the provider. Some medical malpractice in-

surance policies do not cover physicians who provide care in other states. Governors should work with medical malpractice insurance companies to waive such limitations for physicians who travel outside the state to treat COVID-19 patients.

- Allow supervised medical students and recent graduates to see patients in emergencies. Medical students provide a potential resource for enlarging the existing pool of medical providers. States should remove regulatory barriers that prevent students from conducting triage and treating patients under the supervision of licensed medical staff. New York is allowing students in their last year of medical school to provide care under some circumstances.
- Suspend “certificate of need” laws that restrict the ability of hospitals and hospital systems to add capacity, which can have devastating effects during a crisis. State certificate-of-need laws enshrine anticompetitive practices that impose barriers to entry for new medical facilities. Established hospitals use processes established by these laws to keep new competitors out of their communities. This is bad policy as a general matter, but it is especially problematic during a pandemic when a sudden outbreak can overwhelm existing hospital capacity. Waiving these laws would allow for enlarging capacity at a time when the need is most acute.
- Further help patients who want to communicate around the clock with medical providers through tools like phone, email, Skype, telemedicine, and other innovative delivery arrangements. Telemedicine not only broadens access to doctors in areas where the medical system is battling a surge of COVID-19 patients, but also is a way to get critical medical advice without interacting in an office or hospital setting with patients whom one might infect or who might infect oneself. Allowing

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telehealth consultations, both within a state and across state lines, by health professionals licensed in other states to deliver medicine this way during a crisis is a sensible and affordable way to expand access to care. Its adoption is up significantly thanks to recent regulatory relief that removed barriers to the use of telemedicine, including actions by the federal government to help Medicare patients access doctors via telemedicine regardless of where the doctor practices during the pandemic. States should follow suit by accepting the offer from the Centers for Medicare and Medicaid Services to work with them to waive this requirement in their Medicaid programs. States (or Congress) should also review laws for other barriers to the use of telemedicine, including by encouraging licensing reciprocity to allow for telemedicine delivery across state lines.

- Ensure that residents of a state can buy a short-term limited-duration plan. Short-term limited-duration health plans provide coverage at a fraction of the rate of ACA-compliant plans. These policies are especially important

to the tens of millions of people who have lost their jobs because of social distancing. Unfortunately, many states place heavy regulatory burdens on these policies—burdens that reduce the choices available to residents. Federal law does not impose these restrictions. States should be encouraged to relax these regulations, particularly during the pendency of the pandemic.

- Ensure that residents of a state can buy an association health plan. Small businesses have been especially hard hit by social distancing. Many that have been ordered to close will struggle to reopen. Businesses that provide health coverage to their workers will be especially challenged during this period. The Trump Administration issued a regulation liberalizing rules that pertain to small businesses that band together to purchase health insurance coverage. These association health plans enable small firms to get good coverage for their workers at lower prices. States that are restricting the formation and expansion of association health plans should be encouraged to change their practices.

# RECOMMENDATIONS: FEDERAL GOVERNMENT



## EXECUTIVE BRANCH

### **The Commission recommends that the Centers for Disease Control take steps to improve the flow of information between medical providers in hot spots.**

Frontline clinicians, especially in intensive care units, currently have the most practical, and often unorthodox, information about treating COVID-19. Clinicians in hot spots treating patients are developing new understandings about how to treat the disease but are struggling to get the information out to other providers. They are busy treating patients and managing ICUs. The usual process for disseminating this information broadly is through medical journals, but with time of the essence, publication is not easy. Current information flow is occurring through things like conversations with colleagues, Twitter, and Facebook, but there is no public health forum where this information is collected, disseminated, and then used to update “best practice” treatment guidelines. A core useful role for government public health officials would be to ensure that this information is regularly shared, allowing doctors to use it to inform clinical decisions. Clinicians understand that early or preliminary information is based on incomplete data and will base their decision-making on their own knowledge, but they should be able to access the experiences of other doctors quickly and in a manner that supports the reality that they are under a lot of pressure and deserve support and targeted help that benefits them and their patients. In order to address these information flow coordination challenges, the Administration should immediately do two things:

1. *The Centers for Disease Control and Prevention (CDC) should host a call for doctors to have a conversation about new or emerging clinical treatments and best practices for COVID-19 treatments discovered by medical care providers practicing in hot spots.* This call should be scheduled, held, and made public as quickly as possible. Further discussion calls should be scheduled on an ongoing basis as providers make the CDC aware of new information.

2. *The CDC should supplement the calls by surveying clinical results from hot spot areas and collating them to create the most updated guidelines possible.* Ideally, this information would be in a centralized, easily indexable registry of clinician experiences that is publicly accessible, but policymakers should start with whatever is easiest. Even just collecting and presenting this information in one central place would be a good start.

### **The Commission recommends that the President require deregulatory plans from the FDA, CDC, EPA, and other relevant regulatory bodies within 30 days.**

These agencies should provide a clear, actionable, and comprehensive report to the President detailing how they will fast-track approval for disinfectants, therapeutics, and vaccines both in the current crisis and in the future. The purpose of streamlining regulations is to reduce burdens on health care and better enable innovation where regulatory “silos” have frustrated it and bureaucratic processes have slowed it.

### **The Commission recommends that the President task FDA and CDC with evaluating whether it is appropriate to clear away regulatory barriers so that academic research laboratories can deploy their capacity for conducting and evaluating patient diagnostic tests for the coronavirus.**

At the inception of the pandemic, preexisting federal rules undercut the ability of the United States to develop and deploy critical diagnostic tests, thus losing precious time. The CDC first deployed a faulty diagnostic test and then developed and deployed a second one but limited the use of its test to public health authorities. Thus, the research team at Johns Hopkins University was denied the CDC test kit because it was not categorized as a “public health lab.” At the same time federal rules blocked academic research labs from developing and deploying diagnostic tests. A full-scale regulatory review is in order to prevent such occurrences in the future.

### **The Commission recommends that the President task federal health agencies, as they build scientific understanding of COVID-19, with investigating the underlying**

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**causes of the virus’s disparate impact on minority and other communities.** Policymakers should rely on these findings when preparing for future pandemics.

**The Commission recommends that the President prepare the country now, prior to their development, to deploy promising therapeutics and vaccines.** The nation’s innovators are working hard to develop these tools, and the government should both facilitate their development and use the time we have now to prepare for their deployment. Specifically, the Commission recommends that the President:

1. ***Promote the expansion of manufacturing capacity by exercising his Administration’s authority to purchase promising therapeutics and vaccines prior to their receiving FDA approval.*** Specifically, the Commission recommends that the Department of Homeland Security (DHS) issue a determination that COVID-19 is a “material threat” and that DHS and the Department of Health and Human Services then issue contracts to purchase large quantities of promising drugs and vaccines for the Strategic National Stockpile. The Administration also should determine whether additional funding is needed for this purpose and, if it is needed, recommend how all or part of this funding can be achieved by means of transfers from lower-priority programs funded in the recent COVID-19 relief bills. Under the Project BioShield Act of 2004, DHS has the authority to determine whether a chemical, biological, or radiological agent presents “a material threat against the United States population sufficient to affect national security.” Such a determination triggers additional authority under the act for the government to issue contracts to purchase necessary countermeasures, such as drugs or vaccines, using the Strategic National Stockpile and the BioShield Special Reserve Fund. Importantly, purchases can be for countermeasures not yet approved by the FDA but for which HHS finds that the scientific data are sufficient to “support a reasonable conclusion that the countermeasure will qualify for approval or licensing within 10 years.” By using this authority to contract for the bulk purchase of promising new therapies and vaccines, the federal government can ensure that the private sector will have powerful incentives to invest in the rapid expansion or repurposing of manufacturing capacity to meet demand.

For the pharmaceutical research community, the challenge is extraordinary. Ordinarily, the development of a vaccine takes well over a year and requires the collaboration of well over a thousand researchers, engineers, and manufacturing experts and the conduct of hundreds of quality tests. With the current pandemic, and given the threat of a recurrence, the research community is tasked with developing a new vaccine for a novel virus and quickly scaling up production to immunize Americans on a massive scale.

2. ***Anticipate that the demand for therapeutics and vaccines will be global, with governments from around the world competing for supplies.*** The President should task his federal health agencies with taking steps, wherever possible and in cooperation with other countries, to develop protocols for the development, manufacture, and distribution of a vaccine.
3. ***Task public health agencies with developing and publicizing the criteria for prioritizing the populations that should get therapeutics and a vaccine, using risk stratifications as a standard.*** In addition, the Administration should work with other nations to harmonize these priorities. Priority should be given to front-line medical professionals and health care workers. Beyond that, age and health status should be the key criteria for vaccination. Based on the growing and robust body of epidemiological data, including CDC reports, those most at risk of death are persons over the age of 65 (more than three-quarters of all COVID-19–related fatalities) and persons with comorbidities such as cardiac or respiratory conditions, diabetes, and obesity. Following this high-risk category, a vaccine should then be available to persons aged 25 to 64 years, particularly if they suffer from an underlying medical condition, followed by persons who are 24 years old or less.
4. ***Through federal agencies, work with the scientific community and pharmaceutical companies to promote sound medical ethics while advancing therapies and vaccinations.*** Human life is sacred and should be protected in public policy. A robust pursuit of scientific discovery and ethical, life-affirming research can and must coexist.

5. *Task health agencies with reviewing whether the nation has sufficient capacity to develop and distribute sufficient therapeutic treatments of complications due to COVID-19.*
6. *Task health agencies with developing plans for innovative ways to effect rapid deployment of coronavirus therapeutics and vaccine distribution and administration to the state level.* States could distribute accordingly to schools and commercial establishments such as pharmacies. Once an effective vaccine is developed and produced, it is critical that it be administered in a highly efficient and effective manner across the country to suppress the virus. This will take forethought and planning, including looking for new venues to make vaccinations available so that as many people as possible can be safely inoculated to reduce illness and mortality from the virus. Normal influenza vaccine venues should be used for this vaccine.

## U.S. CONGRESS

**The Commission recommends that Congress remove regulatory barriers to the rapid development and use of new drugs. Specifically:**

1. *Congress should codify existing pandemic-related regulatory relief at the FDA, CDC, and EPA and any additional regulatory relief identified by agencies as needed.*
2. *The President further should task his agencies with evaluating whether additional relief is needed.* Approval processes should allow for novel testing of persons and disinfectant technologies, including any 3-D printed materials, for protective and other equipment outside of traditional categories or silos.
3. *Congress should provide a new federal regulatory fast track for access to therapeutics by designating drugs approved in other countries that use safety standards similar to those of the FDA and EPA as automatically available to patients in the United States.* While the FDA and EPA may set the “gold standard” for safety and effectiveness in drug approvals, the emergence of this deadly pandemic requires maximum global cooperation, especially among the countries of the European Union, as well as Israel and Japan. By accepting the validity of regulatory approvals for new therapeutics in

other countries and thereby speeding Americans’ access to medical relief and innovative solutions, Congress can ameliorate the devastating sickness caused by this coronavirus. Such a process of mutual recognition and reliance should remain in effect at least for the duration of the current emergency.

**The Commission recommends that Congress provide legal immunity to private actors who have taken reasonable steps to ensure the safety of health-related products and services connected to the pandemic, especially products that are consistent with FDA-approved and EPA-approved products.** The Public Readiness and Emergency Preparedness Act makes it possible for the Secretary of Health and Human Services to provide immunity from liability in public health crises. Secretary Alex Azar made a declaration in March triggering the protections of this law, although there is still confusion as to how it applies, and to whom and what it applies, during the pandemic. HHS should provide greater clarity and provide as much liability protection as authorized by law, including identifying some bright-line rules. To the extent that existing law does not provide adequate liability protection, Congress should expand the protection and set a very high threshold for imposing liability.

**The Commission recommends that Congress join the states in acting to ensure that patients have access to the care and coverage they need during the pandemic by:**

1. *Giving all patients the option to pay for care through accounts they own and control by:*
  - a. Suspending for the duration of the pandemic the requirement that a health savings account (HSA) be tied to a high-deductible health plan (HDHP). In order to be HSA-compatible, an insurance product must meet certain requirements. Among these is a requirement not to cover medical care or prescription drugs below the deductible, although an exception is made for preventive care. This means that many health plans, including Obamacare policies with high deductibles, are not compatible with HSAs. For example, a policy with a \$2,000 deductible that permits two medical visits at \$20 each before the deductible is met is not HSA-compatible. This is an unnecessary restriction on consumers who would benefit from making tax-free contributions to and withdrawals from HSAs. The government

should make any policy that has an actuarial value HSA-compatible.

b. Clarifying that HSAs can be used in conjunction with direct primary care arrangements and health care-sharing ministry arrangements. Consumers can use their HSAs to pay for most medical care, but if they use them to pay for direct primary care or a health-sharing ministry, they are subject to strict federal penalties. Direct primary care gives patients 24/7 access to a doctor and often entails other advantages, such as low-cost prescription medicines. Health-sharing ministries allow people to pool their resources to pay one another's medical bills. Allowing HSA disbursements for these arrangements would increase consumers' choice, giving them new options to select the health care financing arrangements that most benefit them and their families.

**2. *Ensuring that Americans can opt into the private health care coverage of their choice if they lose their jobs.***

Under current law, premium subsidies are available only to those who enroll in exchange-based coverage. In a time where millions of people are losing their jobs, it is imperative that those who are struggling to meet their day-to-day expenses have access to coverage that is more affordable than the plans sold on health insurance exchanges. Allowing subsidy-eligible people to apply those subsidies to more affordable, non-ACA-compliant policies would provide relief to people in that circumstance.

**3. *Protecting, with the states where appropriate, patients from surprise medical bills related to COVID-19 by giving patients more control of their health care costs with transparent information about medical prices, enforcing truth in advertising, and placing limitations on balance billing for emergency services.***

Patients who seek care at network facilities should not be presented with balance bills from non-network doctors who have privileges there. Insurers who represent facilities as being in-network and hospitals that represent themselves as being in-network have an obligation to keep their word to patients. If a patient, relying in good faith on these representations, seeks care at a network facility and receives a surprise

medical bill, the insurer and hospital should face federal penalties for providing false and misleading information.

**4. *Taking further steps to encourage adoption of telemedicine so that patients can communicate around the clock with medical providers through tools like phone, email, Skype, telemedicine, and other innovative delivery arrangements.***

Telemedicine not only broadens access to doctors in areas where the medical system is battling a surge of COVID-19 patients, but also is a way to get critical medical advice without interacting in an office or hospital setting with patients whom one might infect or who might infect oneself. Allowing telehealth consultations, both within a state and across state lines, by health professionals licensed in other states to deliver medicine this way during a crisis is a sensible and affordable way to expand access to care. Its adoption is up significantly thanks to recent regulatory relief that removed barriers to the use of telemedicine, including actions by the federal government to help Medicare patients access doctors by means of telemedicine regardless of where the doctor practices during the pandemic. Ideally, states should also encourage licensing reciprocity to allow for telemedicine delivery across state lines. Absent state action, Congress can also act to ensure that patients can see licensed providers across state lines. Importantly, telemedicine should also be accessible to persons with disabilities and unique needs for care and communication.

**5. *Removing federal prohibitions that block creation of new hospitals owned by medical providers.***

The Affordable Care Act (ACA) established a moratorium on new physician-owned hospitals. These facilities, sometimes known as specialty hospitals, provide a high quality of care, often at prices that are more affordable than those charged by larger hospital systems. Current law wrongly sides with incumbent facilities in banning new physician-owned facilities from seeing Medicare patients and by prohibiting existing facilities from expanding their capacity. Those restrictions on competition are especially counterproductive during a pandemic when the existing supply of hospital beds can be taxed in communities where infection rates are high. Congress should lift the moratorium on these hospitals.

**6. Suspending Medicare penalties and bonuses to nursing homes based on their Medicare re-hospitalization rates during a national or state medical emergency.** Because both nursing homes and hospitals have financial incentives for nursing homes to transfer patients to hospitals—even for illnesses that could be treated in nursing homes—a system of penalties and bonuses was put in place over the past decade to discourage potentially avoidable Medicare re-hospitalizations. In many viral epidemics, people who are older and have underlying health conditions will be most vulnerable to the disease. This is certainly the case for COVID-19 where Washington State, New York, and New Jersey, as well as other localities, have seen nursing homes accounting for a disproportionate number of COVID-19 deaths. In France, approximately half of the deaths have occurred in nursing homes. Nursing homes are generally not equipped to handle a complex clinical COVID-19 caseload. Neither nursing homes nor hospitals should have to worry that there will be penalties associated with moving critically ill patients to the most appropriate place to receive their clinical care. When a state has declared the end of a pandemic and/or has lifted other restrictions, regular Medicare payment rules should be reinstated.

The American people need clear, consistent, and reliable communication about all of the steps being taken to restore society as our country navigates this crisis. Effective public communication is the bedrock of any public health strategy. Unfortunately, an increasingly adversarial, performative, and sensationalist national press has contributed to panic and confusion and, whether knowingly or otherwise, has spread misinformation throughout the crisis. As a foundation of recovery, the American people need to be able to trust the public health information they are receiving.

Recommendations to support this goal include:

**The Commission recommends development of a single, robust, user-friendly information clearinghouse outlining all of the work being done at the federal, state, and local levels and by the private sector to “Build the Science” and “Rebuild the Economy.”** To do this, the Administration, in partnership with congressional action, should use the current Coronavirus.gov site as a portal for all ongoing and future work related

to COVID-19 recovery and renewal. BuildTheScience.gov and RebuildTheEconomy.gov microsites should be created within the existing Coronavirus.gov structure. The site should include simple and visual-heavy explanations of what agencies and departments are responsible for what phases and duties related to the response, how the federal government works in partnership with state and local governments, and the levels at which crucial decisions are made.

**The Commission recommends that the President begin to use Coronavirus Task Force briefings as one method to address and update the country on economic recovery.** The White House should identify an effective economic spokesperson to provide economic information on a regular basis and highlight states, sectors, businesses, and individuals that are finding innovative and safe ways to return to work.

**The Commission recommends partnerships with tech and social media companies and persuasion and messaging experts to gain insight into best practices and content types to reach and activate diverse audiences, especially the young and urban demographics.**

**The Commission recommends exploring innovative outreach methods and local advocacy models with civic organizations to engage underserved and highly vulnerable communities and drive them to these information portals.**

**The Commission recommends partnerships with such social influencers as sports stars, actors, and recording artists.** The “imagery” would resonate, highlighting widely enjoyed recreational and cultural activities and emphasizing that responsible citizenship will result in a return to normal and even enjoyment.

To support this effort, Congress should:

**Fund the information portals** to create a steady flow of the highest-quality multimedia storytelling content and drive unprecedented “all of society” engagement in all communication channels and through all of the recommended partnerships.

**Fund and allocate resources** through the Department of Health and Human Services to significant advertising in traditional (radio, television, and print) and non-traditional (social media and streaming services) platforms similar to the opioid advertising projects.

# RECOMMENDATIONS: PRIVATE SECTOR AND CIVIL SOCIETY



**The Commission recommends that private centers of medical research, including universities, build scientific understanding of COVID-19's disparate impact on minority and other hard-hit communities and the underlying causes of that impact.**

**The Commission recommends that civil society organizations work in partnership with government health agencies to distribute best mitigation practice information, tests, treatments, and (if available) vaccines at the local level while also taking into account any religious or conscience-based concerns.**

**The Commission recommends that federal, state, and local health officials partner with local grassroots civil society organizations (including houses of worship) to gauge the impact of COVID-19 and government response efforts on the mental health of citizens, including through focused research on minorities.** These health officials should also track and highlight and promote civil society responses to strengthen mental, emotional, and spiritual health.

**The Commission recommends that federal, state, and local health officials partner with local grassroots civil society organizations (including houses of worship) to recognize mental illness due to abuse.** COVID-19 recovery will require more than restarting interrupted systems of disability supports. Sexual and physical abuse has increased, causing even greater mental health issues. Separating support personnel from persons with disabilities, another common practice during the virus, caused isolation and vulnerability to abuse to increase along with their psychosocial effects. In these matters, we must consider the intersectionality of gender, race, and age with disability for those who are exponentially vulnerable and in need of special treatment.

**The Commission recommends that private-sector experts on mental, emotional, and spiritual health be included on the President's advisory boards on coronavirus recovery.**

**The Commission recommends that private developers and manufacturers of tests, treatments, vaccines,**

**and medical devices continue their voluntary efforts to leverage their resources to create what is needed to respond to COVID-19 and that policymakers commend them for doing so while also removing any barriers to their work.** Policymakers should take a flexible regulatory approach toward allowing pharmaceutical companies to collaborate and accelerate the development and testing of new vaccines.

**The Commission recommends that private technology companies continue their voluntary efforts to work together to develop better digital contact-tracing tools and that policymakers commend them for doing so while also removing any barriers to their work.**

**The Commission recommends that private health coverage providers continue their voluntary efforts to respond to COVID-19 by removing barriers to their enrollees' ability to access tests and treatments and that policymakers commend them for doing so while also removing any barriers to their work.**

**The Commission recommends that health care professionals, providers, and organizations work to reopen the full spectrum of health care services and practices as soon as possible while continuing to treat COVID-19 patients by putting in place necessary steps to mitigate the future spread of disease.** Many services, including cancer treatments, were canceled under government policies put in place in the early days of the pandemic response that have since been lifted at the federal level. Medical providers are skilled at figuring out how to mitigate rather than spread disease and should take the lead in implementing specific tactics that are needed for their specific practices.

**The Commission recommends that health care provider organizations develop guidance for their members on how to return safely to providing all services quickly by putting in place necessary steps to mitigate the future spread of disease and protect the vulnerable.** Many providers have put in place steps to allow them to practice again, and they should share les-

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sons learned with each other to help cut the time needed for implementation.

**The Commission recommends that health care providers consider using telemedicine to provide service where appropriate and identify and communicate any barriers to telemedicine’s use to policymakers so that they can remove them.** Telemedicine not only broadens access to doctors in areas where the medical system is battling a surge of COVID-19 patients, but also is a way to get critical medical advice without interacting in an office or hospital setting with patients whom one might infect or who might infect oneself. Telehealth consultations, both within a state and across state lines, by health professionals licensed in other states to deliver medicine this way during a crisis are a sensible and affordable way to expand access to care. Regulators have taken steps to make it easier for providers to treat Medicare and Medicaid patients, and adoption is increased. Policymakers need to hear from providers about any additional roadblocks they face.

**The Commission recommends that private companies that develop medical tests and laboratory equipment should work with their associations, such as the National Association of Manufacturers, the Chamber of Commerce, and the National Federation of Independent Business, to continue to educate Congress, the Administration, and state governors about the regulations that make it difficult for them to deliver products and services to customers.** Similarly, Congress, the Administration, and governors should take steps to receive and review these recommendations for consideration as soon as possible.

**The Commission recommends that medical providers focus on a patient’s objective clinical state rather than other considerations like maximizing “life-years” in making treatment decisions.** Any triage or rationing decisions must be based solely on medical considerations about who is in greatest need and who is most likely to survive and benefit from treatment. Patients who are elderly or who suffer from disabilities or chronic conditions should not count for less. No “quality of life” judgments should be made. Focusing solely on immediate medical need and immediate medical prognosis is the way to ensure that human dignity and equality are protected.

**The Commission recommends that the medical community continue to increase its focus on epidemiologic science and population-level surveys so that we may continue to increase our understanding of this novel disease.**

**The Commission recommends that, as the knowledge and understanding of COVID-19 transmission pathways and implications on the health of workforces are known, corporations and private businesses should continue to be proactive.** As data indicates, modification to work schedules, operating procedures, and safe practices should be refined to enhance the safety and well-being of employees and customers. Additionally, companies should continue the ongoing development and modification of testing protocols, in cooperation with state or local government, and consistent with the continued availability of testing capability, to build resiliency and increase the likelihood of continuing operations with the ebb and flow of viral outbreak.

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# PHASE 4



Establish U.S. Leadership  
in Economic Recovery of  
the Free World

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## Recommendations for Phase 4



In all of history, there has been no better model than that of free markets in lifting people out of poverty and into better, healthier standards of living. America must leverage its natural strengths of freedom and free enterprise to reinvigorate economic activity at home and abroad. The U.S. should intentionally and strategically remove barriers to the free flow of goods and people, taking measures to improve the United States' competitiveness internationally. The virus has posed global challenges, and solutions will similarly come through network response with America's allies and partners.

Countless American jobs involve the exchange of materials, skills, and talents of people from among allies and trading partners around the world—and vice versa. Reopening international supply lines and removing barriers to free trade will be critical to increasing access to innovative life-saving technology and products

to fight the virus, rebuilding supply chains, and leveraging collaboration to reinvigorate businesses from the ground up.

Resuming robust international travel will be an essential component of pursuing free trade and revitalizing the economy, but the return to prior levels of international travel will not be quick or easy. The federal government should recommence and increase international travel in a phased process, based on health conditions in each country or region. Working with international carriers, foreign governments, and port authorities, the U.S. federal government will need to plan thoroughly how to perform health screenings and collect additional personal contact information and documentation for air, land, and sea modes of transportation to prevent spikes in virus cases while processing passengers as expeditiously as possible.

Immigration to the United States is part of international travel and directly affects the American economy. Health and labor officials should continue to provide input for recommendations to the President to continue, lift, or add U.S. immigration restrictions based on health conditions in other countries and American labor market needs. To help Americans get back to work and return to historically low levels of unemployment, it is important to prioritize employment for U.S. citizens and lawful permanent residents currently in the U.S.

Empowering economic freedom in free markets among free people requires transparency and information sharing among countries and international organizations. Because COVID-19 adversely affected the health and economy of every country across the world, this includes the opening of China for an honest and thorough examination of COVID-19 events. Transparency and information sharing should include a rights-based approach in countries' prevention, preparedness, and response efforts regarding contagions and other potential emergencies to safeguard nations' public health and economies.

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# RECOMMENDATIONS: STATE AND LOCAL GOVERNMENTS



**The Commission recommends that governors lead in an effort to encourage international business activity that is important to their economies.** This includes the opening of international supply lines that are critical to health, domestic production, the restaurant industry, and the service sector.

**The Commission recommends that mayors and other local officials facilitate a “sister city initiative” through which information on using trade to restart the economy can be shared between cities that have common characteristics and ongoing relationships.**

**The Commission recommends that governors consider agricultural production and the food supply chain as a priority when distributing health and safety supplies and testing used to protect against the spread of the coronavirus.** Few issues are more important than ensuring that Americans are able to secure food. Recent closures at meatpacking plants caused by the spread of the coronavirus help to illuminate the existence of potential threats to the nation’s food supply. As important health and safety supplies and testing are distributed by states, individuals on the food supply front lines—especially those in the highest-risk roles—should be given high priority.

**Governors should waive transportation and logistical barriers that hamper the domestic and international distribution of food and agricultural products.** Food products in interstate and foreign commerce have to go through states to reach their final destinations, be they domestic or foreign. Various state obstacles, such as truck weight limits and the closing or restricting of services at rest stops that are important to truck drivers, can hamper these efforts. Governors should allow for more freight to be delivered on trucks and should not merely open rest areas, but make it possible for important rest area services to be provided to truck drivers. This includes allowing for the sale of food by food trucks at rest stops. Governors should engage with leaders in transportation and logistics to identify additional solutions to expedite the distribution of food and agricultural products.

**The Commission recommends that direct-care workers (paid caregivers for elderly and disabled persons)**

**be designated as essential workers in every state.** This would enable caregivers to help aged and disabled persons access needed services, ensure that workers receive supports such as personal protective equipment and child care, and allow these workers to stay in their jobs where they are critically needed. Direct-care workers should qualify under emergency paid sick leave policies. Currently, nursing assistants in nursing homes are covered, but home-care workers are not. Requiring sick caregivers to continue working will do more harm than good. These workers should therefore be guaranteed paid leave. States should step in where the federal government has fallen short.

**State and local governments should partner with private philanthropists to provide grants to civil society groups to increase services for at-risk populations that are unable to return to regular activity.** Adequate provision of community services is key to helping elderly, disabled, or otherwise vulnerable individuals remain at home safely for an extended period. The crisis has dramatically increased the need for assistance with food, rent, and other necessities. In addition, many are dealing with mental health challenges caused by stress and prolonged isolation. Isolation during the pandemic will have increased the number of cases or exacerbated preexisting conditions of mental illness in persons with disabilities and their caregivers. Faith-based and civil society groups such as community-based volunteer organizations are well positioned to help meet these needs but need increased funding if they are to provide increased services without disruption.

**The Commission recommends that states rein in administrative spending at public universities.** The pandemic has affected every source of revenue on which colleges and universities currently rely. As the National Association of Scholars notes, Moody’s Investors Service recently downgraded higher education’s credit outlook to negative, which, among other impacts, will lead to less favorable terms for borrowing and bonds. There are the stock market declines, which affect university endowments, and the likely reductions in revenue generated from tuition, room, and board. Charitable contributions to higher education could also be affected,

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and declines in tax revenue resulting from an overall economic downturn will likely affect available state higher education appropriations. At the same time, it is possible that universities will see enrollment—and as a result tuition revenue—increase in the near and middle terms as Americans face a dimmer job market and enroll instead in postsecondary education or pursue postgraduate degrees. While this is promising, universities must prepare for an economic downturn by working to adjust budgets and, in some cases, their academic model. Colleges should revisit their budgets and trim non-core education spending, including trimming their operations so that dollars are targeted toward academics rather than used to bolster administrative bloat. As the National Association of Scholars points out, non-in-

structional staff and administrative positions now account for more than half of higher education payroll costs. States should begin a formal review of administrative and non-teaching positions at public universities, make those findings public, and condition future state support on substantial reductions in administrative overhead.

**The Commission recommends that states implement an immediate freeze on new capital expenditures and construction at public universities.** Unless there is a threat to student safety under current conditions—*asbestos, a hole in the roof, etc.*—states should put an immediate freeze on new capital expenditures and construction at public universities.

# RECOMMENDATIONS: FEDERAL GOVERNMENT



## EXECUTIVE BRANCH

**The Commission recommends that the Administration rescind tariffs.** The Administration has imposed Section 201, Section 232, and Section 301 tariffs over the past two years. These should be removed and other tariffs should be eliminated to increase the trade freedom that will play a vital role in economic recovery by creating certainty in supply chains that will encourage employment and by freeing finances for American families. Countless U.S. jobs depend on materials from Great Britain, the EU, and around the world—and vice versa. Removing tariffs benefits all parties.

**The Commission recommends that the Administration lead on removing unnecessary sanitary (human health) and phytosanitary (animal and plant health) measures imposed by governments.** Countries can have legitimate reasons to impose certain health and safety restrictions on imported food, animals, and plants that result in limiting trade. However, a widely recognized problem is the use of these measures to protect domestic economic interests. Sanitary and phytosanitary measures should be based on the best available science, risk-based, nondiscriminatory, and narrowly tailored to achieve their health and safety objectives. The need for strong protections against unnecessary measures is especially important now in order to help ensure that countries are meeting their citizens' demand for food.

**The Commission recommends that the Administration oppose restraints on exports of food.** Numerous countries have already imposed export restraints on such important agricultural commodities as rice and wheat. These restraints are used to stockpile domestic food supplies while severely hampering the flow of food to other countries, including some that could be in dire need of imported food. These actions can hinder the global food supply chain, lead to shortages, and drive up food prices, all of which generally has a disproportionate impact on the poor.

**The Commission recommends that the government work with U.S. trading partners to move cargo stuck in ports and mitigate costs related to COVID-19 delays.**

Shippers today are largely moving goods that were purchased by importers several months ago, but due to COVID-19 business closures around the world, demand for many goods has dropped. Additionally, goods traded by ship are charged a variety of fees at ports, primarily to manage the flow of container traffic. Shippers are experiencing delays caused by decreased demand, and COVID-19-related cargo inspections have led to longer waiting times and increased port fees for many shippers. For example, wait times to move cargo at some European ports have been as long as 100 hours. The U.S. Trade Representative and Customs and Border Protection should work with their foreign counterparts to relieve these burdens on trade.

**The Commission recommends that the Department of Transportation create greater clarity with respect to its current waiver of hours-of-service regulations for truckers and identify ways to expand on it.** Getting medical supplies, food, and other vital products to their destinations in a timely fashion is of critical importance. While DOT issued a waiver of the onerous hours-of-service regulations for truckers, it still has limitations that can create confusion for truck drivers and require them to take valuable time to document compliance. The waiver itself covers specific types of deliveries. A broader waiver would not only serve to cover additional important deliveries, but also ease some confusion that might exist as to the waiver's coverage.

**The Commission recommends that the White House Advisor on Faith-Based and Opportunity Initiatives and corresponding offices in federal agencies track and highlight the best civil society responses to the pandemic, including responses to medical and material needs as well as mental, emotional, and spiritual health.** A rights-based emphasis will present a clear contrast between America's vision for global leadership and China's.

## U.S. CONGRESS

**The Commission recommends that Congress make the full expensing for all research and development permanent (this would include medical R&D) before the end of 2021.** Starting in 2022, R&D expenses are

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no longer fully deductible and must be amortized over five years. Extending the time over which a business can deduct the cost of new research expenses will discourage R&D spending, slowing rates of innovation. As the private sector reorganizes to meet the needs of a post-coronavirus recovery and develops new remedies for pandemic containment, R&D spending will be critical. Expensing for other purchases, such as new spending on machinery and tools, also begins to phase out beginning in 2022, similarly raising costs for investments of all types.

**The Commission recommends that Congress pursue accreditation reform both to return accreditation to its original function as a mechanism for quality assurance and improvement and to allow for flexible higher education solutions during the pandemic.** First, Congress should take steps to remove the monopoly currently granted to regional accreditors, instead allowing these agencies to specialize in the oversight of particular types of institutions nationwide and allowing institutions the opportunity to choose the agencies most appropriate for their mission. Second, Congress must prevent accreditors from using their gatekeeping power to impose inappropriate regulations on institutions. Federal law currently allows accreditors the unlimited right to adopt standards not otherwise covered in the Higher Education Act (HEA). Congress should amend this “elastic clause” so that an institution cannot lose eligibility for Title IV funding based on standards not included in the HEA. Closing this loophole would go a long way toward eliminating accreditors’ potential to intrude on institutions’ self-governance and ensuring that accreditors once again focus on issues of academic quality.

**The Commission recommends that Congress avoid additional bailouts for colleges and universities.** Higher education received nearly \$14 billion in new funding through the Higher Education Emergency Relief Fund. Every sector of society is struggling as a result of the economic downturn in the wake of the pandemic. Additional federal bailouts for colleges and universities, which have needed to moderate their spending for years, will not help schools to weather either this recession or the next and will leave future generations with a growing debt burden.

**The Commission recommends that Congress reduce and clarify service CARES Act mandates for passenger airlines.** Section 4005 of the CARES Act, which established a minimum service mandate for airlines utilizing federal loans and grants, is overly broad and imposes unnecessary costs on the struggling airline

industry. With passenger volume down by 95 percent–98 percent from a year ago, the service mandate forces airlines to operate flights with empty or nearly empty cabins on a regular basis, creating tremendous economic and environmental waste. Congress should substantially reduce the mandated frequency of flights for major airlines, reduce or eliminate service mandates for small airlines, and reduce or eliminate the mandate for service to small airports. This would ensure reasonable access to the skies for most Americans while easing the burden on airlines. Congress should also provide more detail and clarity regarding any remaining service mandates, which would provide needed guidance to both airlines and the Department of Transportation. If additional flights to a given area are warranted for relief work, Congress should provide targeted appropriations to pay for these flights rather than imposing nationwide mandates on the entire airline industry. Finally, Congress should provide airlines with the ability to opt out of service mandates entirely on the condition that any grant funding they received under the CARES Act would be converted into loans.

### *International Travel*

**The Commission recommends that the State Department, in public messaging to the international community and at international organizations like the U.N., emphasize that its leadership is rights-based and engages civil society in the pandemic response, including through transparency and information sharing, encouraging private sector innovation, and freedom for medical professionals, scientists, journalists, and religious communities.**

**The Commission recommends that the State Department and CDC encourage partners and friends to engage civil society in efforts to combat COVID-19 and to integrate a rights-based approach into their own prevention, preparedness, and response efforts.**

**The Commission recommends that the Department of Homeland Security, the Centers for Disease Control and Prevention, the State Department, and the private sector (international carriers) be deliberate and methodical in reinstating international travel, both geographically and tactically, while also working with international partners to screen travelers before they come to the U.S.** As the U.S. government and carriers consider where to resume international travel, they should follow CDC guidance, including CDC Travel Health Notice Levels. The government and carriers must also plan such logistical details as where to perform health screenings of passengers before and after

boarding; physical distancing before, during, and after travel; providing passengers with masks and disinfectant; and cleaning the passenger space after each use. As in closing down international air travel to and from certain countries, the President is empowered to reinstate and must provide clear leadership for reinstating international travel.

**The Commission recommends that the Department of Homeland Security and the Centers for Disease Control and Prevention include all modes of international travel—air, land, and sea—and work with international partners in planning how to screen travelers before coming to the U.S.**

**The Commission recommends that Department of Homeland Security and port authorities streamline travelers’ screening up to and including point-of-care testing at transportation ports.** Collecting additional information from passengers, such as health data and contact information, and performing health screening will create lines of passengers in the transportation terminals. The government and port authorities should thoroughly plan locations and methods so that they can carry out these additional processes safely and efficiently. They should also work with states and metropolitan areas to provide guidance for other forms of mass transit.

**The Commission recommends that the Department of Homeland Security immediately and at regular intervals canvas the technology available for screening the health of passengers.** Infrared screening is one relatively noninvasive and rapid method by which to do this. Technology will continue to evolve, as was seen in response to the SARS pandemic and post-September 11 response.

**The Commission recommends that the Department of Homeland Security continue biosurveillance of Americans traveling to CDC Level Three countries.** Individual travelers should be required to self-report, under penalty of perjury, if they have been to a Level Three country, quarantine for 14 days, and provide contact lists so that those who have been in contact with them may be notified.

**The Commission recommends that the Department of Homeland Security and the Centers for Disease Control and Prevention deploy rapid tests to ports of entry when they are available.** As sufficient quantities of rapid tests are produced, they should be sent to transportation ports with increasing traffic and used to help process passengers efficiently.

**The Commission recommends that the Department of Homeland Security request medically cleared documentation from travelers when and where appropriate.** After individuals have recovered from the virus or have received a negative test result, it would be prudent for travelers to bring such health documentation with them. The international yellow card for vaccines could be the most appropriate documentation form for recording such information. DHS should consider requesting such documentation, when available, to facilitate the health screening of passengers.

### *Immigration*

**The Commission recommends that the Department of Homeland Security, the Centers for Disease Control and Prevention, and the State Department continue to base U.S. immigration restrictions and admissions on virus conditions in each country.** Just as DHS, CDC, and State suggested to the President that immigration and travel from countries with large numbers of virus cases be temporarily curtailed, they should advise the President to continue, remove, or add restrictions based on virus conditions in affected countries and regions.

**The Commission recommends that the Departments of Labor, Homeland Security, and State continue to prioritize American citizens and lawful permanent residents currently residing in the U.S. for getting people back to work and reducing unemployment while continuing those immigration employment programs that benefit America, given current market conditions.** These employment programs are particularly important for agriculture, the seafood industry, and other seasonal work.

### *Economic Freedom and Partnerships*

**The Commission recommends that the United States Trade Representative lead the way with our allies in committing to zero tariffs and zero export controls on medical supplies, pharmaceuticals, and food products during and after the pandemic.** These restrictions negatively affect supply and increase prices for Americans.

**The Commission recommends that the Administration encourage economic freedom by continuing to negotiate or opening new negotiations with allies and like-minded partners on free-trade agreements.** This would include free-trade agreements with Japan and Taiwan as well as the resolution of trade differences with India.

## North America

**The Commission recommends that the Administration provide Mexico with access to the U.S. private PPE, mask, and medical supply market and donate medications, where financially feasible, as U.S. health conditions improve.** Once America's emergency medical stockpile is replenished and domestic shortages are addressed, the U.S. should permit key partners like Mexico to purchase from the U.S. private market. Expediting Mexico's health recovery accelerates its economic recovery. Mexico is the U.S.'s largest trading partner, and its economic health is in the U.S. national interest. A continuation of Mexico's health crisis will only dampen the U.S. economic comeback.

**The Commission recommends that U.S. diplomats urge Mexico to purchase testing kits, PPE, masks, and other medical materials from reliable vendors.** Countries throughout Europe and Asia are reporting that Chinese companies are selling faulty testing kits, defective PPE, and substandard medical equipment. Poor-quality materials are a public health hazard, hamper global anti-pandemic recovery efforts, and are costly to governments. While it is unreasonable to expect the procurement of medical products to shift completely away from China, the U.S. should encourage allies and partners to find high-quality suppliers.

**The Commission recommends that the U.S. and Mexican governments, in consultation with their respective private sectors, align their lists of essential sectors permitted to operate during a national emergency.** Free-market forces best manage the complexities of our economic systems, and Mexico's decision to prohibit key companies and factories from operating has severely affected North American supply chains. To accelerate North America's productivity and competitiveness, the U.S. Administration should encourage Mexico to lift prohibitions on essential industries, such as aerospace, automotive, food and beverage, pharmaceuticals, defense, telecommunication, and mining, that fuel North American economies and service U.S. national security. These companies should be allowed to resume operations with strict health safety standards.

**The Commission recommends that the U.S. and Mexican private sectors synchronize their economic recovery timetables to overcome shortages and production delays caused by the economic pause.** The private sector needs a concerted effort to overcome the lingering consequences of supply chain disruptions. Mexico's emergency health declaration shut down manufacturing facilities that are essential for producers,

consumers, and suppliers on both sides of the border. Aerospace, automotive, defense, mining, and food and beverage companies already report critical problems in their operations. Private-sector leaders from both countries must work together to remove delays.

**The Commission recommends that the U.S., Canadian, and Mexican governments work closely together to ensure ease of border transit for goods and services.** Mexico and Canada, taken together, are the United States' largest trading partners.

**The Commission recommends that the U.S. Secretary of State and the United States Trade Representative transform the U.S.-Mexico High-Level Economic Dialogue into a trilateral economic recovery commission that includes Canada.** The U.S. can leverage and protect its economic interests by meaningful engagement with its regional partners. Agenda items should be focused on economic recovery, sharing best pandemic prevention practices, and reinforcing and diversifying supply chains that service critical industries to prevent single points of failure. In addition to State and the USTR, the commission should include senior officials from the Departments of Commerce, Treasury, and Homeland Security and DHS's Customs and Border Protection agency.

**The Commission recommends that the United States Trade Representative advance E-commerce with Canada in the context of accelerating implementation of the United States-Mexico-Canada Agreement's digital trade chapter.** The USTR should be proactive in taking steps to advance E-commerce during the implementation phase of the USMCA digital trade chapter. That chapter broke new ground and provides a solid basis for further development of already large cross-border E-commerce trade flows.

**The Commission recommends that the United States Trade Representative and Congress work together to ensure that the USMCA's automotive rules of origin are implemented in a way that does not hinder the industry's ability to thrive again during and after the pandemic.** In this time of transition to the USMCA, the uncertainty of the current situation is holding back new investment and any required adjustments of supply chains.

## Actions with Transatlantic Partners

**The Commission recommends that the United States Trade Representative refuse to fight protectionism with protectionism.** If there ever was a time to adhere closely to the principles of economic freedom, this is it. The U.S. and its transatlantic partners should avoid

protectionist policies and avoid regulatory harmonization. This can be accomplished by promoting market-based competition.

**The Commission recommends that Congress advance a U.S.–U.K. free trade agreement.** Brexit offers an opportunity for the U.S. to deepen its economic relationship with its closest global partner and the world’s fifth-largest economy. A U.S.–U.K. FTA should include elimination of tariffs and quotas on visible trade; promotion of visa liberalization; and development of new approaches to trade in emerging areas and systems of mutual recognition of standards in high-value areas.

**The Commission recommends that Congress expand the Visa Waiver Program (VWP).** The VWP is an important tool to keep Americans safe, reward eligible partners, and boost economic activity. The U.S. should expand the VWP by adding an alternative eligibility requirement for low visa-overstay rates and including allies that meet NATO defense-spending benchmarks in the program.

## *China*

**The Commission recommends that the Department of State counter Chinese incentives and pressures that influence international organizations, including the World Health Organization (WHO).** The U.S. should address Chinese influence through a broad, comprehensive, and long-term strategy that is based on a detailed assessment of Chinese interests and tactics and includes promoting U.S. leadership in key organizations, promoting U.S. employment in international organizations, and applying pressure purposefully and judiciously.

**The Commission recommends that the Department of State and the Centers for Disease Control and Prevention press the Chinese government to permit civil society organizations that are not affiliated with the government, including faith-based organizations and international NGOs, to operate and respond to COVID-19.** Specifically, they should press the Chinese government to lift the political requirements involved in NGO registration. The U.S. should also press China to eliminate the requirement that all faith-based NGOs register with a religious affairs bureau and be affiliated with one of the five Patriotic Religious Associations, which are in essence extensions of the Chinese Communist Party.

**The Commission recommends that the Department of State and the Centers for Disease Control and Prevention press the Chinese government to permit the U.S. CDC to enter the country to respond to COVID-19.**

Granting the CDC access to China would help to ensure that the U.S. government has maximum access to relevant data that could provide key insights into the disease.

**The Commission recommends that the Department of Commerce evaluate concerns about drug sourcing from China and quality control independently of the COVID-19 pandemic.** Congress and the FDA are already working to address sourcing and quality concerns. They need to keep doing so with all due diligence even after the current crisis has passed.

**The Commission recommends that the Department of the Treasury address concerns about the availability of strategic minerals (“rare earths”) by focusing on market-enabling deregulation at home.** These reforms include changes in the Clean Water Act and Endangered Species Act, repeal of the National Environmental Policy Act, prohibition of the use of the social cost of carbon (SCC) in regulatory proceedings, and elimination of agencies’ ability to regulate greenhouse gases. Rare earths are vital to modern technology and national security and are abundant in the U.S. Chinese threats to constrain their export are plausible only because overly burdensome regulations and seemingly endless litigation thwart their extraction.

## *Broader International Community*

**The Commission recommends that the State Department, in public messaging to the international community and at international organizations like the U.N., emphasize that U.S. leadership is rights-based and engages civil society in the pandemic response through transparency and the sharing of information, the encouragement of private-sector innovation, and freedom for medical professionals, scientists, journalists, and religious communities.** The involvement of U.S. NGOs in the fight against COVID-19, both domestically and abroad, models the importance of civil society engagement and the private sector’s strengths in addressing pandemics.

**The Commission recommends that the State Department and CDC encourage partners and friends to engage civil society in efforts to combat COVID-19 and to integrate a rights-based approach into their own prevention, preparedness, and response efforts.** The U.S. government should encourage other countries to reduce onerous restrictions on civil society engagement, model inclusive civil society involvement that mobilizes both faith-based and non-faith-based organizations, respect freedom of the press, and encourage freedom of speech in the midst of the pandemic.

# RECOMMENDATIONS: PRIVATE SECTOR AND CIVIL SOCIETY



**The Commission recommends that America’s thought leaders (economists, academics, authors, and journalists) investigate and communicate how freedom has shaped America’s response to the coronavirus and its economic effects in contrast to the way that authoritarian regimes like China have responded.**

America’s freedom of speech and press, freedom of association, freedom of conscience and religion, and right to free assembly have enabled civil society to participate in disseminating information about the virus and to provide medical, material, and social assistance to citizens in ways that government cannot. In addition, our freedoms have enabled citizens to hold federal, state, and local government accountable. These positive externalities of civil rights, in addition to economic freedom, should be included in messaging about America’s leadership of the free world’s economic recovery.

**The Commission recommends that NGOs encourage the World Health Organization to reform its policies and practices so that it can respond to pandemics expeditiously, effectively, and transparently.**

NGOs can play an important role in influencing government and international organizations to adopt much-needed reforms. The WHO is a critical part of the international health system, but it responded slowly and ineptly to COVID-19 and should be encouraged to reexamine its policies and the International Health Regulations so that it can detect and combat potential pandemics across the globe more effectively. It is important to report contagion outbreaks where they exist and to include expectations for reporting and consequences for failing to report outbreaks.

**The Commission recommends that NGOs use appropriate measures, such as disinfection, sanitation, and additional teleconference methods of communication within their organizations and entities with which they interact, to help prevent re-escalation of the virus.**

Recent experience illustrates that many meetings and conferences can be conducted remotely by means of virtual applications. NGOs and civil society should set an example by taking advantage of virtual technology for their meetings when possible and encouraging international organizations to hold virtual

meetings and conferences instead of the large in-person gatherings that were common before 2020.

**The Commission recommends that the private sector develop current abilities and contingency plans to retool production of goods and services and training of personnel to meet new demands expeditiously.**

Unlike local or regional emergencies that create significant need for goods and services in one state or a few states, national emergencies create competing needs for the same goods and services in most or all of the U.S. The federal government and the Federal Emergency Management Agency are not equipped to meet the competing needs of all 50 states at the same time. The private sector should adapt its production of goods and services and train personnel with new skills to meet the countrywide need.

**The Commission recommends that the private sector evaluate its supply chains to diversify sources and transportation methods in order to prevent single points of supply failure.**

Just as it is important for producers and employers to be adaptable with respect to the products or services they provide in national emergencies, it is important that they have contingency plans upstream in their business process. To prevent significant impact on business from supplier or transportation disruptions, the private sector should identify and arrange alternative sources and methods.

**The Commission recommends that international carriers work with the Department of Homeland Security to use contactless biometrics to verify identity and link to travel history and collected health data.**

International carriers and DHS will need to collect additional data from passengers, including personal contact information, travel history, and health data, temporarily for potential contact with these passengers at a later date. Use of a contactless biometric, such as a photograph, would result in faster and more accurate passenger identity verification in time-sensitive situations.

**The Commission recommends that colleges and universities form consortia and collaborate, sharing faculty and other resources.** As needed, colleges should

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share administrative and infrastructure resources and collaborate with faculty working in other institutions, particularly in virtual forums. A college in Appalachia, for example, might not be able to afford an entire department dedicated to ancient Greek but be able to enter into a reciprocity agreement with a larger state institution to provide such services. Colleges and universities were on an unsustainable spending and high-tuition trajectory before the global pandemic. Now, with limited international travel, difficult economic times, and increased online learning, educational institutions should return to basics, innovate, and provide degrees with strong returns on investment.

**The Commission recommends that boards of regents and trustees take their fiduciary responsibility seriously and call on colleges to manage budgets responsibly.** Trustees should demand data on how their college spent money last year. The American Council of Trustees and Alumni’s How Colleges Spend Money website provides a good starting place with a vast amount of information on spending at 1,500 colleges and universities across the country, including spending patterns on instructional and administrative spending. Trustees should leverage these and other data and ensure that there are not underenrolled sections at colleges, excessive spending on administration, or new capital expenditures.

**The Commission recommends that colleges and universities heavily enroll their online summer classes.** Enrolling online courses over the summer that many students would otherwise take in the fall is a shift that would benefit both students’ access to education and colleges’ bottom line. Although this could limit faculty research time over the summer, universities must get ahead of likely fiscal challenges and front-load the fall semester. This would help universities move students through the pipeline toward graduation while avoiding large classes in the process. As part of that process, they should differentiate tuition, charging a lower amount for the online courses than they normally would for the full in-person experience, and increase the number of students they admit.

**The Commission recommends that universities and colleges, in partnership with the Departments of Homeland Security and State, remain flexible in maintaining the ability of foreign students, teachers, and scholars to complete this academic year.** Whether

foreign students are abroad facing limited travel or in the U.S. facing education limitations, schools, students, DHS, and the State Department should keep each other informed of and be flexible with student and education changes to assist students in completing this academic year. Similarly, where appropriate, visas should be extended for a limited period of time for students, teachers, and scholars when virus conditions in their home countries make it safer for them to remain in the U.S.

**The Commission recommends that private companies identify ways to get food to countries that are likely to experience any significant food shortages.** Unfortunately, there might be food shortages in some countries, especially if major food exporting countries limit their food exports. These shortages may be commodity-specific rather than broad-based. Private companies can play an important role in alleviating this problem by being cognizant of these risks and looking for ways to increase food sales to these nations.

**The Commission recommends that American embassies help non-profit organizations understand which regulatory restrictions apply to their work during the COVID-19 response.**

**The Commission recommends that American-based corporations and private businesses should make their expertise in safe COVID-19 operations available to international suppliers, enhancing global resiliency.** American companies should discuss, encourage, and potentially require, depending on the relationship with the supplier, process improvements, operating procedures, and safe practices to thwart disease transmission and build supply chain resiliency.

**The Commission recommends that American corporations and private businesses with international operations should play an important role in helping the world defeat the viral pandemic.** The U.S. based company can do so by promulgating COVID-19 operating procedures and safe practices throughout its international operations. It should also consider deployment of U.S. testing protocols in concert with its own experience, modified as necessitated by host country governmental authorities. Further, such companies can play an important international leadership role by being a strong voice for recovery that protects “lives and livelihoods,” is proactive, and builds resiliency of business and civil society.

# PHASE 5



Reduce future risks  
of pandemics

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## Recommendations for Phase 5



A number of pandemics have affected the United States over the past 110 years. From 1918 to 1919, an H1N1 virus infected a third of the world's population and caused about 675,000 deaths in the U.S., the equivalent of 0.7 percent of the population. Forty years later, a new H2N2 virus, first reported in Singapore, caused around 116,000 deaths in the U.S., or about 0.07 percent of the population, and 1.1 million deaths worldwide. In just the past 40 years, humanity has also faced AIDS, Ebola, the Zika virus, the H1N1 Swine Flu, and a host of other pathogens.

Vaccines, therapeutics, antivirals, and antibiotics to treat secondary infections all help to combat the spread and consequences of infectious diseases today. However, as the SARS-CoV-2 outbreak has demonstrated, we will not be able to escape the arrival of known and novel pathogens, including those like SARS-CoV-2, against which we have no preexisting immunity. What we can

do is develop ways to mitigate risks associated with novel pathogens.

Public institutions at every level have played a critical role in responding to the novel coronavirus, but this does not mean that every government action was necessary or appropriate. In every crisis, mistakes are made. The military calls this “the fog of war.” This means that both human error and structural failure must be baked into crisis planning as fully expected factors. There is often a tendency for governments to expand in size and power in response to crises. This crisis was no different, with many states and local jurisdictions enforcing policies in the name of public health that enabled politicians to expand their power. Still others have used the crisis to push partisan positions. Furthermore, some Members of Congress have used this crisis to advance policies that are far removed from the pandemic and its economic and social fallout. On the other side, some states took a more

moderate approach that tried to balance health with protecting the well-being of businesses and workers. In Congress as well, some Members focused on targeted and temporary relief and prepared a path for recovery.

The net effect of the unbalanced, sweeping approaches dramatically affected business, health care providers, and patients. In order to combat the coronavirus epidemic, many state governments have imposed mandatory stay-at-home orders and closed so-called nonessential businesses. Even in states that did not impose these restrictions, businesses closed or dramatically changed their operations in response to individuals reacting on their own to the relevant public health information. Medical providers were not able to provide routine care or even cancer care, and 1.436 million medical jobs—a 9 percent drop—were lost in April alone. This is particularly stunning because this occurred at a time when concerns over health capacity were driving calls for stay-at-home orders. To mitigate the impact of these decisions, the federal government attempted to provide broad-based financial assistance for everyone to lessen the impact of the crisis instead of determining how best to target those who needed the most help.

A different approach is needed. It is critical that clear constitutional guidelines be reestablished so that every level of government understands the scope of their responsibility and their accountability. At the same time, it is also critical that we not cede civil liberties even in times of crises. Instead, we should take an approach that trusts and equips medical providers, individuals, families, businesses, schools, and churches to make common-sense, rational decisions when armed with information provided by the government, epidemiologists and doctors, and other organizations. The natural impulse of Americans is to respond to crisis with solidarity—to go out of their way to protect each other and impose their own informal rules that are best for the community. This quality should be celebrated and encouraged. The burden of proof should be on the government to explain why certain activities cannot take place or should be curtailed.

Getting the approach right requires that we start with the fundamental assumption and expectation that we will face novel viruses that threaten pandemic again in the future. We need to recognize that viruses have seasonal spikes in bad years. We will occasionally face novel contagions. The appropriate response is a balanced one. It should take targeted steps to protect public health while not shutting down all economic and social life. As those pathogens arise, the goal of public health mitigation efforts should be to protect the most vulnerable.

The COVID-19 pandemic has hit nursing homes, the elderly, and minority communities particularly hard. Hospitalizations are a disproportionately large problem among the elderly, and 80 percent of COVID-19 deaths are among people aged 65 and older, compared with fewer than 8 percent among people aged 54 and younger. Nursing home deaths represent anywhere from 27 percent to 51 percent of all COVID-19 deaths. Available data indicate that death rates of African American and Hispanic persons are 204 percent and 164 percent higher, respectively, than the death rates for white persons. We must determine the full extent and impact of this crisis in these communities, as well as its driving factors, to promote the recovery process and better fortify ourselves against future threats.

In developing solutions to mitigate the risks associated with another pandemic, it is essential that we not simply respond to the last pandemic. There are aspects of these events that are unique and not foreseeable. We should also acknowledge that as a country, we have already made investments toward a level of preparedness. Some of these approaches were useful in this present crisis; others were not. Now is the time to review and update our plans for when the next pandemic occurs. Only if we take the necessary steps will we be less likely to overreact or underreact in the future.

Over the past two decades, Congress has significantly increased the amount of funding that is available for federal, local, and international public health emergencies. Both the CDC and NIH budgets have more than doubled in nominal values since 2000 while holding fairly steady as a share of the economy. A significant amount of funding has also moved to emergency preparedness, including support for laboratories to test known and novel diseases. This also includes support for local public health departments through the Public Health Emergency Preparedness program (PHEP), which provides resources for both identifying and establishing surveillance systems for infectious diseases.

In addition, Congress has consistently funded a number of other programs that were intended to improve the response to any public health situation including pandemics. These include funding the national stockpile, the National Institute on Allergies and Infectious Diseases' biodefense research, the Hospital Preparedness Program, Project BioShield, and the Biomedical Advanced Research and Development Authority. States have made investments including in their own stockpiles. And the position of Assistant Secretary for Preparedness and Response was created in 2006 under the Department of Health and Human Services specifically

to prepare for and respond to the health effects of emergencies like the novel coronavirus.

This demonstrates the political tendency to address crises by building additional government programs on top of the infrastructure that already exists without first evaluating what is working and what is not. Calls have begun to create even more programs and provide even more federal spending to solve all of the issues that have been encountered—actions that reflect an implicit assumption that additional spending would have been the solution. This does not suggest that additional public health resources should not be provided at the federal level. However, it would be wise to evaluate the current resources, their use, and effectiveness prior to determining the extent of additional federal investments.

With history as a guide, it would be prudent for the private sector, as well as state and local governments, to assess the extent of the federal government’s capacity to deal with all of the issues that are important in reducing the risks associated with emergency events through more funding and additional programs. Certainly, the federal government does have an essential role which includes coordination of the response, ensuring the stockpiling of critical resources occurs, and continuous planning, including leading—under the direction of the President or his designee—regular table-top drills involving all levels of government and civil society, for managing large-scale crises caused by pandemics and other emergency events. However, we should also encourage new public health strategies that empower providers to provide care and innovators to provide solutions, that target needed government intervention and financial support to areas that are most in need, and that encourage people to take actions to be safe.

This experience has demonstrated the incredible ingenuity of the private sector in confronting a crisis. Manufacturers have quickly adapted technologies for the production of critical goods like personal protective equipment (PPE) and ventilators. The most talented people from across industries are pulling together to work on the same set of problems like helping to connect overwhelmed hospitals with medical professionals. And experts from a number of professions have applied their skills to answering some of the biggest questions while also providing accessible information to the public. This pandemic has highlighted exactly how important free markets and ideas are to overcoming crises. That same innovation will be needed to propel the creative dynamism needed to drive the development of a “new normal.”

We will not prevent events like the novel coronavirus from happening in the future, but we can better prepare ourselves for how to respond. We can do this by reducing the risks and costs associated with the next pandemic. Governments at all levels must review how funding is prioritized and amend their regulatory environments so that they can respond to crises as quickly and effectively as possible; businesses must learn how to adapt quickly to an environment in which large-scale innovations are needed so that they can continue to provide goods and services while responding to current demands; and civil society must be strengthened so that Americans have a place to turn when they need concrete assistance and support from their communities and to be reminded of hope. Where structural change is needed in our safety nets, health care systems, and financial systems, we should evaluate the needs and pursue appropriate reforms. Finally, it is essential that we rebuild trust in institutions at all levels of society because trust is needed more than ever when crises occur.

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# RECOMMENDATIONS: STATE AND LOCAL GOVERNMENTS



**The Commission recommends that state policymakers, working with Congress as necessary, prepare a new contingency plan to better train, equip, and prepare hospitals to cope with a major pandemic.**

The strategy used during the initial COVID-19 response failed. Virtually all Americans cooperated in not having our key capabilities overrun by COVID-19 patients, yet multiple hospitals, outpatient facilities, and physicians are threatened with bankruptcy and face unprecedented job losses: 1.436 million medical jobs were lost in April alone—a 9 percent drop in one month. Physicians, nurses, and other health professionals not directly on the front lines have been sidelined; many are losing their practices and jobs or have been furloughed—an unintended consequence of the initial response to the COVID-19 pandemic. This is due to government policy. Because government required medical providers to postpone all elective procedures during the active phase of the pandemic, many patients missed out on needed services including cancer treatment. The government tried to offset this micromanagement of medical providers' care decisions with new federal funds—a completely backwards approach. The nation needs a new strategy that trusts and empowers medical provider to provide appropriate care: They are trained to stop, not spread, disease, and this training must be leveraged. Policymakers should use a more targeted approach that:

1. Identifies contingency hospitals that can quickly be converted into infectious disease management facilities with a stockpile of needed equipment and supplies, with the remaining hospitals directing all suspected infectious disease patients to the repurposed infectious disease facilities while continuing to provide patients with all the other types of medical care.
2. Plans routinely for pandemics, with drills for both isolation and non-isolation hospitals. Isolation hospitals would hold periodic drills to plan for a quick and efficient transfer of uninfected patients to other facilities while rapidly converting the designated hospitals for pandemic use. Non-isolation hospitals would drill by implementing a process to screen and

redirect potentially infectious patients while maintaining their traditional role of patient care for the communities they serve.

3. Eliminates the need for bailouts. Washington policymakers should adjust payment to reflect this new, more targeted approach. Ideally, they would use specialized reimbursement to reward physicians and other medical professionals on the front line during the period of this national medical emergency. To facilitate a quick pivot to this new strategy, state and federal pandemic funding could be directed to designated isolation hospitals. Non-designated hospitals could continue their usual mission of providing a normal continuum of care without interruption, sustaining revenue and reducing the impact of the pandemic on already fragile health care delivery systems.

A version of this approach has been tried before—successfully. During the Ebola outbreak of 2014, the Centers for Disease Control and Prevention recommended a three-tiered approach to manage patients exhibiting Ebola-like symptoms. Certain hospitals became designated treatment centers for the infectious disease. Others were designated “assessment” hospitals or front-line hospitals with specific parameters for care, requirements for medical resources like personal protective equipment (PPE), and transfer protocols. A similar response may be warranted as our federal and state authorities plan for a potential second wave and develop a comprehensive response plan for the coronavirus-like pandemics of the future.

**The Commission recommends that state and local governments permanently sunset or repeal any regulatory authority curtailed in the present crisis.** All suspensions of regulation should be permanent until specifically reinstated by the legislature rather than by bureaucratic managers or executive action by the governor.

**The Commission recommends that state legislatures review (and possibly revise) their statutory grants of emergency powers to governors in light of executive**

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### **actions taken throughout the COVID-19 pandemic.**

In an effort to contain COVID-19, some governors have restricted movement, gatherings, and commercial activity across entire states. Legislatures granted these emergency powers to governors with an intent to enhance public safety and deliver aid to areas affected by hurricanes, blizzards, floods, or civil disturbances. For the first time in our nation's history, these powers are being used to impose statewide shutdowns. Legislatures should clearly define the emergency powers a governor may utilize to combat a pandemic, and any such declaration of emergency and restrictions should expire within a set amount of time absent an extension affirmatively granted by the legislature. Exigent circumstances may warrant a governor's applying emergency powers without first seeking legislative approval. This necessity to act unilaterally fades as democratic bodies gain an opportunity to conduct a full review of the situation. Separation of powers is a core component of effective self-governance, and granting the governor the ability to make laws and determine policy while enforcing those laws violates state constitutional separation of powers. Many state emergency powers acts provide that the governor's executive orders have the "force and weight of law," and violations may be criminally punished as misdemeanors. Ultimately, the legislature bears responsibility for lawmaking; the executive branch enforces the law. Emergency powers represent a temporary suspension of these norms and should never be an excuse to set aside the constitutional dichotomy between the legislative and executive functions.

**The Commission recommends that state legislatures consider revisions and updates to vaguely defined state communicable disease laws in light of the extraordinary powers claimed by governors during the COVID-19 pandemic.** Measures taken by some governors to restrict activities outside the home have relied on a non-traditional understanding of quarantine powers. In Michigan, for instance, the statutory code explicitly says that quarantine requirements may not apply to entire "classes of people." Yet the governor's order applies to all residents of the state without regard to whether they have a reasonable likelihood of being transmitters of the disease. The law should make clear that the governor lacks the authority to quarantine or isolate either groups of people or the entire state unless it is known that they are exposed to someone who is confirmed to have the communicable disease.

**The Commission recommends that states and businesses clarify that the goal of public health mitigation efforts should be to protect the most vulnerable, this includes:**

1. Ensuring plans are in place to protect and isolate members of vulnerable groups, such as the elderly and those with other underlying health conditions, with special consideration for those in nursing or long-term care homes who are unable to move to new locations easily.
2. Updating workforce-related labels used in pandemic to encourage workers to take the necessary precautions to protect their health, particularly if they are in a vulnerable population. We must reject the notion that people can and should stay home because they are not designated "essential." Every business is essential to the livelihood of its workers, managers, and owners. Every person who stays at home is supported by people who continue to navigate the world, delivering food, supplies, and things that allow those at home to stay home. State leaders should replace the category of "nonessential" with a designation refined to indicate degree of risk (e.g., "low-risk," "medium-risk," and "high-risk") based on the institutional setting and/or type of activity. In doing so, states and local governments should encourage businesses and other institutions to develop alternative, stratified-risk operational plans in case of future public health emergencies that would allow more of them to stay open by shifting to such stratified-risk operational plans.
3. Addressing homelessness through plans that prioritize emergency shelter in place of encampments and offer a better pathway for treatment, recovery, and self-sufficiency.

**The Commission recommends that state and local governments develop plans to make their systems and governments more resilient in advance of the next pandemic. Specifically, they should:**

- Increase preparedness for emergencies so that they can be more self-reliant when national or local emergencies occur. It is not an enumerated power of the federal government to provide for all 50 states' response to such an emergency, nor is the federal government equipped to do so. Rather, it is incumbent on each of the states to fully prepare for emergencies—financially and logistically. Doing so will enable states to recover more quickly.
- Set aside a minimum of two months of operating expenditures or roughly 16 percent of ex-

penditures for times of crisis as suggested by the Government Finance Officers Association. States with historically more volatile revenues or expenditures should have higher balances.

- Overhaul and update government computer systems to the 21st century and use innovative ways to help agencies deal with high demand during emergencies. States should look for ways to operate more flexibly instead of permanently increasing government employment. For example, states should contract out some of their services and call lines to companies to help agencies deal with high demand.
- Ensure that public health agencies have trained epidemiologists and other experts on staff to provide accurate data collection and evaluation for policymakers.

**The Commission recommends that states and local governments reform their tax systems so that they rely on the most economically efficient and least volatile sources of revenue.** This means relying on property taxes and right-sized sales taxes, all at low rates. All levels of government should avoid highly progressive income taxes, capital gains and dividend taxes, and excise taxes or other narrow levies; each of these taxes is economically destructive and performs poorly in times of crisis, leaving governments underfunded.

**The Commission recommends that states improve public pension funding to weather downturns.** States should apply discount rates no greater than those required of private, single-employer pension plans under the Employee Retirement and Income Security Act (ERISA) and should impose automatic and across-the-board spending sequestrations for the year following any year in which the state fails to make its required pension contributions.

**The Commission recommends that states allow flexibility in state compensation.** As private-sector employers announce layoffs, pay cuts, suspended retirement contributions, and other compensation cut-backs, state and local governments need the flexibility to balance public employee costs with residents' needs. States should renegotiate their compensation terms, allowing for freezes in employees' pay and pension benefits, temporary breaks in pension contributions and accruals, and reforms such as increased retirement eligibility ages to improve long-term solvency.

**The Commission recommends that state and local governments allow K-12 schools to open this fall and selec-**

**tively quarantine any students, faculty, or staff who show COVID-like symptoms by sending them home.** The school should continue to provide online instruction for students who are sent home. Educators and health professionals should be prepared to extend the time an individual has to remain at home after having a fever before being allowed to return to school. They should also implement thorough cleaning and sanitization guidelines for all surfaces, especially eating areas, locker rooms, and bathrooms. Schools should consider manual contact tracing and testing for individuals who test positive in order to isolate members of vulnerable groups, such as the elderly and those with other underlying health conditions. For parents who choose to keep their children at home, schools should continue to offer online instruction while enabling students to demonstrate proficiency in mandatory subjects.

**The Commission recommends that state and local governments consider suspending in-person operations school-wide only if a school's COVID-19 cases increase beyond an acceptable number as determined by health professionals.** Teachers, students, and parents should consider being vaccinated against the flu this fall, as flu infections could promote the spread of COVID-19. In the event of a local outbreak, school personnel should consult with health officials as to whether social distancing rules should be applied to certain events, such as athletic events, but such disruptions should be implemented only on an as-needed basis.

**The Commission recommends that state and local governments make decisions based on data for the local district, and even the specific school, not the entire state.** If the cases in a single school that is not geographically connected to another school or schools rise beyond the number deemed appropriate by health professionals, in-person operations in an entire state or district need not be suspended.

**The Commission recommends that states ensure that food supply is not disrupted in the next pandemic and waive food labeling requirements that hinder restaurants and food manufacturers from selling grocery items to the public during a pandemic.** Food typically sold to restaurants and other commercial operations is not labeled for consumer sale. To alleviate shortages and enable them to continue operations, manufacturers of commercially oriented food products should be able to sell them to consumers during the pandemic even though these products do not comply with consumer labeling requirements.

**The Commission recommends that states and local governments leverage partnerships to promote well-**

**ness and resilience to disease in urban minority communities.** State governments could address the lack of fresh produce in urban minority neighborhoods by partnering with civil society groups to promote urban gardening. States could also partner with businesses to encourage stores in urban neighborhoods to provide fresh produce.

**The Commission recommends that state and local governments put in place plans for transit systems to protect the public and workers during epidemics.**

The operational aspect of transit infrastructure is and should be primarily the domain of state and local governments and the private sector. Having plans for emergencies such as pandemics is an aspect of responsible ownership. Groups operating vital infrastructure should have a plan in place to ensure proper staffing levels during an emergency and should be able to provide for the protection of employees. Transit agencies should also have a plan in place to adjust service and operations to minimize risks for passengers. Public transit agencies are unable to cope even with short-term revenue reductions because transit service in most U.S. urban areas far exceeds demand and employee compensation now far exceeds market levels.

**The Commission recommends that states and localities reform transit agency operations to reduce financial vulnerability.**

State and local governments should rein in transit service in low-density areas and reduce operational costs to ensure that transit agencies are more financially robust and less dependent on subsidies. A large portion of public transit agencies are unable to cope even with short-term revenue reductions. This is not a surprise given that transit receives massive annual subsidies from all levels of government. As a result of these subsidies, transit service in most U.S. urban areas far exceeds demand, and employee compensation now far exceeds market levels.

**The Commission recommends that states and localities prepare for future pandemics through a full community integration approach for individuals with disabilities.**

- State and local officials should structure public services for the disability community with inclusion in mind and pursue services that enable individuals with disabilities to live independently. Cities and towns, along with civil society actors, should pursue full community integration by enabling individuals with disabilities to participate in society in non-segregated life contexts. People with dis-

abilities primarily need physical and social access followed by full inclusion with reasonable accommodation to all spheres of society so that they not only survive, but also thrive in society. Disability services, which support the participation of people with disabilities in education, employment, and residential housing among other areas, too often end up being delivered in silos rather than as integrated solutions to treat issues systemically. Integrated solutions aim to ensure that no one with a disability will be left behind. They do this by purposefully pursuing access and inclusion with reasonable accommodation. This includes physical accommodations such as ramps and widened doorways for wheelchairs, along with crucial social inclusion to ensure that people with disability do not suffer from segregation leading to isolation. Services provided by states, cities, and civil society—including services provided by first responders in emergencies such as the current pandemic—should be accessible to all people with disabilities. Combined managed care in New York is one such example, with health services going in one direction and disability services in another.

- A second example is housing policy. Americans with intellectual and developmental disabilities commonly have a group home as their only option—a reflection of a broken system. Such platforms must engage circles of support from family, friends, specialists, and members of their associations. Policy reform in residential care should promote residential choices and independent living. People with intellectual and developmental disabilities need to be made aware of the options available, and they need a platform to tell their caseworkers and service providers what they want. The need for residential options has become an even more significant issue as a result of COVID-19. People with developmental and intellectual disabilities are exposed to the virus at a much higher rate as a result of living in group homes and being clustered together without adequate health instruction and physical protection. Such exposure could be reduced by enabling individuals to live with a friend or two in an apartment or at home with a family. States and local communities should reconceptualize housing policy for the disability community to enable individuals to

pursue independent living rather than being confined to group homes. This is good long-term public policy and critical public policy during the pandemic.

- People with disabilities receive a broad scope of care and services, some of which are functionally independent of one another. Yet this crisis has illustrated the fragmentation that exists in the delivery of various services. States should develop a more person-centered approach that better integrates and coordinates care and services for people with disabilities, especially during public health crises where rapid response and coordination is critical. In the recovery phase, we can look ahead to the next disaster within a risk reduction and resilience framework. The true connection between disaster (pandemic) and the economy is systemic. Systems are interconnected so the goal is to manage system dynamics. Improved effectiveness and economic efficiency will come through system interconnectedness. Local leaders (both public and private) should tailor disability services to the individual needs of Americans with disabilities. States and local communities should avoid crafting services for the disability community in a manner that assumes homogeneity. Instead, policymakers should look at the needs of each individual and assign care managers accordingly. Rebuilding services and access in a post-coronavirus environment not only should be undertaken with universal design that takes into consideration specific disability needs, but also should advance approaches that are useful to all. All disability services should be delivered through

a process of person-centered planning that allows individuals with disabilities ultimately to make the final decisions with respect to the services they need and how they should be delivered. To the greatest extent possible, these services should be delivered in community rather than institutional settings.

**The Commission recommends that states not impose tax residency for income tax purposes on persons who reside in their states temporarily during an epidemic.** New York, for example, taxes wages for people who work in the state more than 14 days in a year. It also—appropriately—has allowed doctors licensed in any state or Canada to practice in New York during the pandemic in order to surge resources. States that do similar things with their taxes should consider waiving this approach in order to encourage doctors to “self-surge” to hot spots.

**The Commission recommends that states treat remote work as office work for tax purposes.** Following widespread office closures and stay-at-home orders, Americans are now working in new locations, sometimes in a new state. Other front-line workers have traveled to pandemic hotspots to help care for the sick and support the health care response. These new work arrangements could ensnare unsuspecting taxpayers in new and complicated tax obligations. All states and localities should issue clear guidance to treat pandemic-related remote work as in-office work to narrow the chances of taxpayers having to comply temporarily with new tax laws. States should also make longer-term structural reforms to protect out-of-state workers in normal times by raising the threshold for having to pay income taxes and clarifying sourcing rules for telehealth consultations.

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# RECOMMENDATIONS: FEDERAL GOVERNMENT



## EXECUTIVE BRANCH

**The Commission recommends that the appropriate federal public health agencies collect and publicize on a regular daily basis data that are not routinely provided now.** To ensure that public health mitigation tactics are implemented in the right places, it is vital that policymakers and the public have accurate data on hospitalizations; mortality (whether deaths attributed to a pathogen raise the mortality rate above trend or to some extent substitute deaths from a new cause from those that would have occurred in the absence of a pandemic); related relevant infection and mortality factors (e.g., the ages and comorbidities of people in both circumstances); total net active cases (accounting for recoveries); and where hotspots or outbreaks occur so that they can adapt mitigation policies to the unique circumstances of the hotspot (e.g., a nursing home or a meat-packing plant, which have fundamentally different circumstances and needs). As part of this:

- Data should be broken out at zip code and county levels to allow for focused decisions about where to surge public health mitigation measures.
- It should be made clear to providers that reporting is not tied to payment for care. This would address concerns raised by doctors that they are being encouraged to mislabel cases as COVID-19-related because the government is reimbursing at higher rates for such care. Ideally, Congress should also structurally overhaul payment to reduce any such misincentives.
- Similar data should be collected by other countries, because pandemics by definition are contagious and will spread. Data will help to inform decisions about whether to close borders temporarily. To ensure accuracy and usefulness, independent auditors who are (or are training to be) trained epidemiologists should inspect, evaluate, and certify the quality of data in each country.

**The Commission recommends that the executive branch develop and submit to Congress a plan to re-focus federal public health agencies' functions within HHS to ensure quicker and more effective responses to future epidemics, pandemics, and infectious diseases.** The traditional role of public health is to protect the population from infectious disease through medical intervention (such as vaccines) and sanitary standards and practices. A series of federal laws, regulations, and programs enacted over the past century have contributed to the achievement of significant success in controlling and suppressing infectious disease. Yet one result of that incremental evolution has been that the numerous, discrete components of the federal government's approach to countering infectious disease have become scattered among different agencies, most of which have other responsibilities with competing demands for financial and personnel resources. Furthermore, past successes in combating infectious disease have led in some cases to "mission creep" that shifted agency priorities by addressing chronic but non-communicable illnesses (such as diabetes or heart disease).

It is time to clarify the basic distinction between protecting public health and promoting health and then to consolidate responsibilities and functions around those respective roles within HHS. This will enable the federal government to deploy existing resources more quickly and more effectively in response to any future public health emergency. This effort should include:

- Conducting a top-down assessment of the agencies' actions during the pandemic; identifying areas of success, failure, and weakness; and developing an after-action report that refocuses the agencies on better pandemic response.
- Considering whether to realign and reorganize HHS—with special consideration of the Centers for Disease Control and Prevention, the Food and Drug Administration, the National Institutes of Health, the Assistant Secretary for Preparedness and Response, and the Office of the Assistant Secretary for Health—to provide for a more effective and

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efficient executive response to health crises of all kinds.

- Evaluating the role of the Assistant Secretary for Preparedness and Response. The Administration should examine and report on whether the mission of this office, which was created to coordinate pandemic response, should be expanded to include oversight over the other agencies.
- Considering whether the CDC's mission should be fundamentally refocused on core functions required for a pandemic, with ancillary functions relocated elsewhere in the Department of Health and Human Services. Rapid response to a national emergency, such as a pandemic, requires an effective and efficient centralized point of decision-making authority that is both tasked with making and has the operational ability to execute decisions. The CDC's early stumbles in the response to the pandemic—crucially, around testing—suggest that this is the time to assess the focus of the CDC.
- Examining how the federal government can better serve in a coordinating, federalist-style role that supports state and local public health agencies' work to execute the bulk of the pandemic response.
- Identifying the appropriate federal health agency to coordinate with counterparts in other countries, and what they need to take a far more aggressive role in keeping in touch with their counterparts in other countries, as well as foreign based labs, to detect and contain emergency viruses.
- Identifying whether it is appropriate for a federal health agency to maintain a national stockpile and, if it is appropriate, how to ensure that the purchases do not become obsolete if unused. How much supply is sufficient to allow a lead time for private companies to ramp up production to meet needs during an emergency? Should this agency plan to release medical supplies for sale before their expiration? Some suggest that the Strategic National Stockpile (SNS) is important because it supports states and localities in responding to a public health emergency such as an epidemic. There are no current metrics upon which to

judge the sufficiency of the SNS. The purpose of this review is to delineate the role and responsibilities of the SNS and, once agreement is reached, recommend any necessary funding to ensure that those needs are fulfilled and maintained.

- Identifying how to enable medical providers and suppliers to self-surge and self-manage risk, both permanently and more effectively, and not rely on a government-driven or government-coordinated staffing or volunteer system. Instead, identify what needs to be adjusted to ensure that FEMA and public health agencies are set up to facilitate the arrival of self-surfing providers at hot spots. Early lessons to date from this pandemic also suggest that regulatory barriers, later partially relieved as a part of the response, prevented providers from self-surfing quickly at the start of the pandemic. Further, broad-based shutdowns of medical care resulted in delayed treatments and access to care, including cancer care. A better solution is to ensure that providers are set up to treat the infected through tools like isolation facilities while allowing medical practitioners to continue to practice routine care.
- Recommending how often the President, Vice President, or designated surrogate should conduct pandemic response table-top exercises both with the Administration and in coordination with governors and mayors. Table-top exercises would keep the various responsible parties engaged and help to expose any weaknesses in responses before pandemics hit.
- Immediately consolidating biopreparedness federal funding information at the Office of Management and Budget for ease of tracking, management, and planning. Funding for biopreparedness is currently in hundreds of different funding lines spread over multiple departments. For example, the Departments of Health and Human Services, Defense, and Homeland Security all undertake congressionally funded biopreparedness programs. Given the breadth of funded programs, it is difficult for elected officials to identify potential redundancies and gaps. It is important that the President establish and maintain visibility on these funding streams and program

responsibilities in a single document and provide that visibility to Congress in the form of a standard budget exhibit with explanatory notes. The document should make direct reference to a pandemic preparation plan so that leaders can see which required efforts are funded and at what level.

- Evaluating, under the direction of OMB, to what extent current funds are used to directly fight infectious disease and prevent pandemics, and which are used for other purposes, and to what extent future funding levels are set and agency mission should be realigned to advance the goals of fighting infectious disease and preventing pandemics.

**The Commission recommends that the Administration address food supply concerns and:**

- Repeal or significantly reform federal regulations that discourage competition and reduce operational capacity in meat processing. For example, federal law with limited exception prohibits both the sale of state-inspected meat and poultry products in interstate commerce and the commercial intrastate sale of meat produced in custom slaughterhouses. These types of restrictions should be repealed or significantly reformed. During any pandemic, such restrictions should be waived.
- Prioritize working with other nations to stop known food-related sanitary practices that have in fact caused epidemics and pandemics.
- Ensure that surges in welfare support are handled by temporarily increasing food stamps and, if needed, direct delivery of food for people who choose to self-isolate because they are sick rather than expanding multiple food safety net programs and doing so for everyone. This will target help to those who are sick and volunteering to sacrifice for others in an isolation facility, allow the public to know in advance where to go for help, and ensure more consistent oversight of how the programs are working.

**The Commission recommends that the President develop an executive order to task the Cabinet with examining and evaluating the crisis response systems related to this pandemic and developing recommendations for future preparedness. Specifically:**

- The Secretary of Health and Human Services, with the State Department, should assess and develop a report on the adequacy of international infectious disease surveillance and the factors that led to the World Health Organization's inadequate response to the pandemic. This report should examine the adequacy and responsiveness of WHO's international infectious disease surveillance and the factors that led to WHO's apparent inadequate response to the pandemic, including its interactions with the People's Republic of China.
- The Secretary of Health and Human Services, with the Department of Homeland Security, should examine and revise FEMA resources for quicker and more adaptable use when epidemics/pandemics occur. FEMA has grown accustomed to responding to local and regional disasters like floods and tornadoes. It needs to be flexible enough to manage national emergencies as well. In addition, as FEMA prepares for hurricane season during the COVID-19 pandemic, the agency should examine its resources and reserves to ensure that it can adequately manage both types of emergencies simultaneously.
- The Secretary of Health and Human Services, with the Director of National Intelligence, should assess and report on, with such recommendations for improvement as they deem necessary, the intelligence community's ability to provide the necessary early warning of an emerging infectious disease emergency. Information is the first line of defense in responding to an epidemic. Early and accurate warning of an outbreak overseas, especially when international cooperation is nonexistent or insufficient, could be instrumental in preventing its spread to our shores.
- The Secretary of Health and Human Services, with the Secretary of Defense, should assess and report on the appropriate role of the Defense Department, National Guard, and Reserves in responding domestically to an epidemic/pandemic. The U.S. military, with its unique capabilities within the U.S. government, including in the field of medicine and logistics, can play an important role in responding to an epidemic domestically. The role of the Defense Department should be examined to ensure that the military maintains the appro-

ropriate capabilities to respond to public health emergencies while preserving its readiness for its primary national defense missions.

- The White House should work with agencies to update workforce-related labels used in pandemic to encourage workers to take the necessary precautions to protect their health, particularly if they are in a vulnerable population. We must reject the notion that people can and should stay home because they are not designated “essential.” Every business is essential to the livelihood of its workers, managers, and owners. Every person who stays at home is supported by people who continue to navigate the world, delivering food, supplies, and things that allow those at home to stay home. State leaders should replace the category of “nonessential” with a designation refined to indicate degree of risk (e.g., “low-risk,” “medium-risk,” and “high-risk”) based on the institutional setting and/or type of activity.

**The Commission recommends that the FCC expedite the opening of mid-band spectrum for the deployment of fifth-generation (5G) wireless networks.** Future pandemic response innovations and capabilities will be critically enabled by the performance improvements of 5G, including much faster data gathering, processing, and dissemination in support of public health priorities and personnel.

**The Commission recommends that executive agencies streamline access to spectrum to accelerate deployment of the 5G network.** Among the most vexing barriers to deployment of the 5G network is the availability of spectrum—the government-controlled radio frequencies by which wireless signals travel. The President, working with Congress, should leverage budgetary authority and rulemaking powers to force agencies to abide by the Federal Communications Commission’s statutory authority for the reallocation and repurposing of spectrum.

**The Commission recommends that federal agencies, such as the FTC, free 5G investment and innovation from unnecessary regulation.** Restrictive interpretation of antitrust law will inhibit the investment and innovation needed to win the 5G race. Entrepreneurs also must be free to develop and market a variety of tiers of service to maximize low-band, mid-band, and high-band spectrum. Technological leaps will spring largely from creation of “intelligent” systems and immersive activities that harness 5G’s download and up-

load speeds, capacity, and ultra-low latency (the time it takes for a data message to reach its target and initiate a response).

**The Commission recommends that the DOJ and FTC double down on intellectual property (IP) protections.** Companies are freer to develop and deploy innovative technologies for the prevention of pandemics if the underlying IP is protected. To do this, antitrust agencies must abandon their anti-IP policies and reestablish their previous view of patents as property rights meriting strong protections.

## U.S. CONGRESS

**The Commission recommends that Congress take steps to mitigate economic and fiscal disruption from the government’s response to the pandemic. Specifically, Congress should:**

- Ensure that any financial support is directed to sick people or people suspected of being sick whose lives are disrupted by voluntarily self-isolating in an isolation facility—and reject efforts to shut down everyone and compensate them.
- Pay for some of the stimulus spending with the sale of federal property, both lands and buildings. The federal government holds a vast array of excess buildings and acreage that are expensive to maintain and could be sold to the private sector both for better use and to recoup some costs of stimulus spending for taxpayers.

**The Commission recommends that Congress strengthen the nation’s financial situation to better weather future crises, empower Americans to bolster their own savings, and:**

- ***Better prepare for the next national emergency before it strikes.*** Congress and the President should pursue fiscally responsible budgets that reduce spending and stabilize the national debt by prioritizing the federal government’s constitutional requirements. This includes budgeting for recurring and expected natural disasters and emergencies within agency budgets. Supplemental funding should be reserved for unforeseen and high-impact events. Regardless of the circumstances, Congress should ensure that all additional emergency spending is fully paid

for within 10 years. Reducing spending and debt levels now will give the federal government more flexibility to respond to the next health crisis without adding excessively to the national debt.

- **Refocus the federal government on national priorities.** The threats posed by COVID-19 serve as a painful reminder that the federal government has an important role to play in keeping Americans safe in responding to a pandemic public health crisis. However, an overstretched federal government that meddles in affairs best left to the private sector, states, and localities distracts lawmakers from fulfilling their national responsibilities, leaving the nation unprepared when a national emergency strikes. The Administration and Congress should work together to prioritize federal spending to meet the federal government’s constitutional responsibilities, stabilize the national debt, and protect current and future generations from higher taxes and severe austerity as a result of a public debt crisis. Structural budget reforms should eliminate inappropriate activities that can be carried out by the private sector and devolve other responsibilities to state and local governments that are best equipped to meet the public service needs of their constituents. Refocusing federal attention and resources on narrowly defined national matters will improve national emergency preparedness.
- **Create Universal Savings Accounts.** These all-purpose savings accounts can help Americans build a personal rainy day fund so that they can better weather the risks of a future economic or health crisis. Universal Savings Accounts (USAs) reduce taxes on savings for all Americans and help families to build their own financial security through a single, simple, and flexible account. Individuals would contribute post-tax earnings to their USA, and all withdrawals would be excluded from taxable income. All accrued earnings would be tax-free. Simple and flexible accounts allow more Americans at all income levels to save more of their earnings with fewer restrictions on where and when they can spend their own money.

**The Commission recommends that Congress and the executive branch work to remove all provisions of law, such as tariffs, quotas, domestic content re-**

**quirements, or “buy American” restrictions, that interfere with the flexibility of American manufacturers’ supply chains and reduce the availability or increase the cost of necessary intermediate goods and raw materials.** The complexity of modern production processes requires manufacturers to obtain specialized components and raw materials from dozens or even hundreds of individual suppliers. Government regulations, taxes, or protectionist measures that restrict those supplies or increase their cost impede the ability of American manufacturers to produce products at competitive prices and in some cases may drive them from the market altogether. An open market creates strong manufacturers, and America needs strong manufacturers that can adapt quickly to respond to the country’s needs in a time of crisis.

**The Commission recommends that Congress repeal the provisions of the Jones Act and similar laws that restrict maritime competition and artificially raise the cost of domestic shipments between U.S. ports and between those ports and outlying U.S. territories such as Puerto Rico.** The Jones Act, which became law in 1920, reflects an earlier era of commerce before the advent of modular transport and the expansion of international trade. Designed to preserve and strengthen America’s shipbuilding and maritime shipping industries, it has had exactly the opposite effect, raising costs to the point that American firms can no longer compete internationally in those sectors. The act has a particularly negative impact on the residents of Alaska, Hawaii, and Puerto Rico, but it affects residents in other states as well, particularly in emergencies when the speedy transport of supplies from one part of the country to another is most critical.

**The Commission recommends that Congress work with the White House to establish effective and appropriate liability limits that ensure effective pandemic mitigation and recovery policies and fewer frivolous tort lawsuits.** The Commission has previously recommended an expansion of the PREP Act to offer liability protections and now recommends passage of a uniform liability protection law similar to the “pandemic SAFETY Act” recommended by Heritage Foundation scholars. That proposed law, which would cover businesses of all sizes, would limit or eliminate pandemic-related liability for property owners, vendors engaged in pandemic control measures, and technology companies developing devices, such as contract tracing technologies, that are not regulated by the Food and Drug Administration. Businesses and other institutions that comply with state and federal orders and take reasonable precautions should not fear that opening their doors will lead to potentially

ruinous liability and costly litigation. Failure to address this issue will substantially slow economic recovery and increase unemployment.

**The Commission recommends that Congress examine whether to surge funding or provide other forms of relief to the National Bio Agro Defense Facility to increase zoonotic disease tracking and analysis.**

The National Bio and Agro Defense Facility (NBAF), located in Manhattan, Kansas, will be the world's premiere zoonotic disease research facility, replacing the Department of Agriculture's outdated Plum Island, New York, facility. The Kansas NBAF project, however, is running several years behind schedule in opening. The Commission recommends that Congress examine whether additional resources or flexibilities need to be dedicated to finishing construction and certifying the NBAF for full operation, as its resources and capabilities will be vital in identifying and containing any future zoonotic-based pandemics such as COVID-19.

**The Commission recommends that Congress assert its preemption authority to streamline 5G deployment.**

Municipalities are slowing deployment of the 5G network by squeezing broadband service providers for cash and other perks in exchange for access to public infrastructure and permits for siting antennae. Congress should assert its preemption authority and require that municipalities process 5G network upgrades as "non-substantial." Congress should also prohibit municipalities from imposing permit fees that exceed cost.

**The Commission recommends that Congress create a friendlier environment to encourage medical supply and pharmaceutical companies, researchers, and investment to return to the U.S and more easily adjust production to produce needed products, especially in times of crisis, by:**

- Making the full expensing permanent for all short-lived investments before the end of 2022. Under current law, short-lived assets (those with useful lives of 20 years or less) are eligible for full expensing through 2022, and then it phases out over the next five years. As businesses lose the ability to deduct the full cost of their expenses immediately, they will choose to invest less as the after-tax cost of investing increases. The threats posed by COVID-19 have shuttered large parts of our economy and delayed many business plans until next year or longer. Large purchasing orders for new equipment and tools often have long runways, taking months or years to

plan and execute. Following the uncertainty of the current crisis, the end of full expensing will come during our economic recovery. Uncertainty about the future of expensing could further delay necessary business investments. Congress should act to make existing-law full expensing permanent beyond 2022.

- Expanding accelerated write-offs to cover new structures. Under current law, the cost of all new investments with useful lives of 20 years or less can be deducted immediately. Structures such as new factory space or residential construction are not eligible for immediate expensing. Currently, it is 39 years before the full cost of investments in these big-ticket items can be deducted. This is a long time to wait, as a result of which structures face a significant tax disadvantage compared to other investments. These longer-lived investments should be extended the same benefits of immediate expensing that are given to shorter-lived investments. Expensing for structures would remove a current disincentive that raises costs for American businesses looking to repatriate foreign manufacturing and supply chains. Congress could also allow "neutral cost recovery" by allowing deductions to be adjusted for inflation or shorten the 39-year period to an accelerated, 10-year or 20-year write-off schedule.
- Making permanent the full expensing for all research and development (including medical R&D) before the end of 2021. Starting in 2022, R&D expenses are no longer fully deductible and must be amortized over five years. Extending the time over which a business can deduct the cost of new research expenses will discourage R&D spending, slowing rates of innovation and medical development. As the private sector reorganizes to meet the needs of a post-coronavirus recovery and develops new remedies for pandemic containment, R&D spending will be critical. Congress should make full and immediate expensing for all research and development permanent before the end of 2021.
- Revising federal laws that regulate clinical laboratories and clinical tests to accelerate the development and implementation of tests for new pathogens. Currently, three different agencies within HHS—the CDC, FDA, and CMS—are

assigned different sets of responsibilities with respect to the various aspects of clinical testing that encompass the tests themselves, the laboratories that process them, and associated equipment, standards, and procedures. Congress should look to revise and streamline the current regulatory structure to enable the quicker development and deployment of testing for new pathogens. Also, research laboratories, such as those in academia, are not subject

to the current regulatory regime because they do not conduct testing for clinical purposes. Yet research laboratories are the primary source of testing for the surge capacity that could be mobilized in response to a pandemic. Consequently, Congress should also look to establish a regulatory pathway for responding to pandemics by temporarily redeploying the resources available in research laboratories to support and augment clinical testing.

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# RECOMMENDATIONS: PRIVATE SECTOR AND CIVIL SOCIETY



**The Commission recommends that private-sector leaders conduct retrospective analyses, seeking feedback from all levels of their organizations, to learn from the pandemic response so that they can develop plans to prepare for the next one.** After careful evaluation, they should develop best practices and policies to allow for more seamless delivery of services and execution of their missions in the event of a future pandemic or mitigation effort. Specifically:

- Companies that make (or anticipate that they could make) critical supplies should identify now how they will create temporary isolation facilities for critical workers and families should the need arise.
- Companies should examine their supply chains of goods and services, identify alternatives (including transportation modes), and regularly update plans.
- Businesses should consider whether health-related and other adaptations made during the pandemic would serve the public well even when there is not a pandemic. The private sector has quickly adapted its practices to meet the needs of its customers during the pandemic. For example, grocery stores and other retail stores are utilizing partitions at the register, and most businesses are taking additional measures to clean or sanitize their work environments. Telework policies have been substantially liberalized, and investments in telework technology infrastructure and training have been made.
- Companies should invest in next-generation manufacturing technologies (e.g., 3D printing) that would allow for surge capacity for creation of PPE. Rapid production technologies, such as 3D printing, are essential to meeting a sudden and surging demand for items deemed necessary to fight the next pandemic. As we cannot fully know what those will be, it is important that companies have

tools that allow them to adapt and meet needs rapidly as they emerge.

- Religious groups should plan now for the logistics of virtual worship during the next public health crisis. Civil society organizations, particularly religious charities and houses of worship, should evaluate the effectiveness of their response to COVID-19. Building on what worked best, these organizations should establish plans now so that they can respond quickly and effectively to the pandemic, particularly by developing protocols for worship services and other religious practices that would be compatible with social distancing and other health guidance.
- The private sector should develop strategies to adjust resource capacity to meet the demands of crises. Some companies voluntarily changed their production of goods to provide needed medical equipment, such as masks and ventilators. Other companies were instructed to do so. As companies return to their regular production lines and volumes, their emergency preparedness should include an evaluation of alternative goods and services they can provide in a crisis. Their emergency plans should include identified supply chains and transportation logistics that they can use to convert to such alternative production.
- The private sector should develop an ongoing monitoring system to collect and present data across the food supply chain regarding production levels and distribution challenges (including bottlenecks). This should be a one-stop shop in which the public and experts can easily identify production levels, distribution challenges, and other important information to understand not merely the availability of food, but whether the food is getting to Americans.

**The Commission recommends that philanthropists establish scholarships for graduate students, post-**

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**doctoral fellows, and professors to study epidemiology and other public health-related specialties.** More research and expertise are needed in infectious disease epidemiology and integrated responses to pandemics.

**The Commission recommends that civil society routinely assess potential emergency needs, including non-perishable food, and consider whether to build a contingency supply for community members.**

**The Commission recommends that media companies prioritize fact-based coverage during public health emergencies.** The public relies heavily on the crisis coverage provided by major cable, Internet, and print outlets. Yet as financially motivated institutions, they are not geared to the public benefit. Many serve progressive interests that also have international constituents, both private and public, and coverage is often geared to what is excitable, consumable, and political rather than to presenting the best and most verifiable information.

- These organizations undermine their credibility by bypassing crisis and health experts and featuring politically charged pundits and anchors. This is evident not only in the political animus displayed by some news outlets, but also in their focus on “breaking news alerts,” death count tickers, divisiveness, political narrative and invective, and fear-mongering. In this rush to produce the most politically charged content, many media operations have further eroded the little trust that the public has in them.

- The media’s emphasis on alarmism and cherry-picking the most ominous predictions and stories results in neglected coverage of the economic impacts of shutdown measures. They have staked credibility on deaths from the novel coronavirus epidemic reaching their highest estimates, thereby creating an incentive for their own reporting to ignore the consequences of the most severe economic ramifications of corresponding major public health measures. The media would better serve the public if they focused on providing relevant facts in full and appropriate context.
- A free press is an essential component of a free America, but being free from government intervention does not make the media free from just criticism. Recognizing that some of their politically charged commentary has done unnecessary damage to the country is a solid first step in restoring public trust.

**The Commission recommends that press and media outlets help the country transition to the “new normal” confidently and safely.** The media have the ability both to help inspire confidence and ingenuity as Americans re-engage and to influence part of the story as major sources of information for the American public. Media outlets should highlight Americans of all walks of life being agents of inspiration. They should publicize successful innovation in the face of economic peril and identify what policies and deregulation have helped small, medium, and large businesses survive and begin to rehire former workers.

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# About the Commission



**O**ur country is facing one of the greatest challenges of our lifetime. The lives and livelihoods of millions of Americans are now at stake from an invisible enemy: the coronavirus and COVID-19.

The National Coronavirus Recovery Commission, a project of The Heritage Foundation, is bringing together some of the nation’s top experts and thinkers to offer their specialized experience and expertise to chart the path ahead.

Our mission is to save both lives and livelihoods, helping to navigate our nation through this crisis and toward recovery. Specifically, we will address when and how to begin to get Americans’ lives “back to normal” again.

The National Coronavirus Recovery Commission will provide the American people and their policymakers with a set of recommendations for how to make this happen. The commission will be weighing what comes next and how to move prudently toward recovery.

On April 9, 2020, the commission adopted a five-phase plan to reopen America and combat the novel coronavirus. The phases and recommendations that accompany them detail the “all of society” approach that this requires, recognizing that decisions to reopen the American economy must proceed expeditiously and that our recovery over the months to come cannot follow a national or top-down approach.

Success requires coordination among the federal government, state and local governments, the private sector, and civil society.

The challenge at hand is a public health crisis with unprecedented implications. At this point in the progression of COVID-19, good public health policy is good economic policy: Americans’ lives will rebound when the American people are healthy and confident in the public health response.

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# Commissioners



The National Coronavirus Recovery Commission includes top experts and thinkers from government, public health, disaster response and relief, academia and education, business, and the faith community. Their diverse experience and expertise are helping to chart the path forward for America.

## COMMISSIONER BIOGRAPHIES



**The Honorable Kay C. James**  
*Chairman*  
*President, The Heritage Foundation*

Kay C. James is the President of The Heritage Foundation and the Chairman of the National Coronavirus Recovery Commission. She has extensive experience in crafting and implementing public policy and has held leadership roles in nearly every sector of America's economy. James has worked at all levels of government—local, state, and federal—and held executive posts under the administrations of former Presidents George H. W. Bush and George W. Bush and former Virginia Governor George Allen. She has also served dozens of organizations in the corporate and nonprofit arenas.



**The Honorable George Allen**  
*Former Governor and U.S. Senator,*  
*Commonwealth of Virginia*

George Allen is President of George Allen Strategies, LLC, and Chairman of the Manufacturing Competitiveness Initiative for the National Association of Manufacturers. Previously, he served as the 67th Governor of Virginia and as a U.S. Senator representing the Old Dominion. While serving in Congress, he chaired the Senate High Tech Task Force. Allen also served as Chairman of the National Republican Senatorial Committee for the 2004 election cycle. Allen is the Reagan Ranch Presidential Scholar for the Young America's Foundation and serves on the Reagan Ranch Board of Governors.



**John A. Allison IV**  
*Retired Chairman and CEO, BB&T; Retired*  
*President and CEO, Cato Institute*

John A. Allison IV is an Executive in Residence at the Wake Forest School of Business. He is a member of the Cato Institute's Board of Directors and was president and CEO of the Cato Institute from October 2012 to April 2015. Before joining Cato, Allison was chairman and CEO of BB&T Corporation from 1989 to 2008. He received his master's degree in management from Duke University and is also a graduate of the Stonier Graduate School of Banking. Allison is the recipient of six honorary doctorate degrees.



**Lawrence J. Blanford**  
*President & CEO, Green Mountain Coffee*  
*(Retired); Member, Board of Directors,*  
*Steelcase Inc.*

Lawrence (Larry) J. Blanford is the retired President and CEO of Green Mountain Coffee Roasters. Blanford retired in 2013, after nearly six years leading the company, and after a 37-year career in various positions of leadership. Since retiring, he has invested his time and energy working on boards to support for-profit and nonprofit enterprises. Blanford received a BS in Chemical Engineering at the University of Cincinnati in 1977, an MBA from Xavier University in 1984, and completed the Advance Management Program at Harvard University in 2000.

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**Kevin P. Chavous**

*President of Academics, Policy, and Schools, at K12.com; Former Education Committee Chairman of the Council of the District of Columbia*

Kevin P. Chavous is the President of Academics, Policy, and Schools for K–12 Inc. He is also a former member of the Council of the District of Columbia. Before joining K–12 Inc., Chavous worked to advance charter schools in a host of jurisdictions around the country. In 2016, he was inducted into the Washington DC Hall of Fame. For many years he was a Senior Partner at SNR Denton, LLP. Chavous is a founding Board Member for the American Federation for Children and is the founder of Democrats for Education Reform (DFER).



**Edwin J. Feulner, PhD**

*Founder and Former President of The Heritage Foundation*

Edwin J. Feulner, PhD, is the Founder of The Heritage Foundation and Chairman of its Asian Studies Center. He served as Heritage’s President from 1977 to 2013 and again in 2017. During that time, he also served on numerous presidential and congressional commissions and task forces. Before joining Heritage, he worked on Capitol Hill, first as an Administrative Assistant to Representative Philip M. Crane, then as Executive Director of the House Republican Study Committee. Earlier, he served as Confidential Assistant to Defense Secretary Melvin R. Laird and as a Fellow at the Hoover Institution and the Center for Strategic & International Studies.



**The Honorable Timothy E. Flanigan**

*Chief Legal Officer, Cancer Treatment Centers of America*

Timothy E. Flanigan, MD, is the Chief Legal Officer for Cancer Treatment Centers of America. Previously, Flanigan served as Senior Vice President and Principal Deputy General Counsel at BlackBerry. He was also a senior partner with the international law firm McGuireWoods, LLC, and Senior Vice President and General Counsel at Tyco International. Flanigan served as Senior Law Clerk to the Honorable Warren E. Burger, Chief Justice of the United States. He served as Deputy Counsel to President George W. Bush and was nominated by President George H. W. Bush as Assistant Attorney General for the Office of Legal Counsel.



**The Honorable William H. Frist, MD**

*Former U.S. Senate Majority Leader; Chairman of the Executive Council of Cressey & Company*

William Frist, MD, is a heart and lung transplant surgeon and former U.S. Senate Majority Leader. He is a partner at the health services investment firm of Cressey & Co. and a founding partner at Frist Cressey Ventures. Frist represented Tennessee in the U.S. Senate for 12 years and was elected Majority Leader in 2003. He led passage of the 2003 Medicare Modernization Act and the historic PEPFAR HIV/AIDS. Frist is a graduate of Princeton University and Harvard Medical School.



**Noe Landini**

*Managing Director and CEO, Rex Management*

Noe Landini serves as Managing Director and CEO of Rex Management, Lifestyle and Restaurant Group. His businesses include Landini Brothers, Junction Bakery & Bistro, Fish Market & Anchor Bar, and Pop’s Ice Cream in Alexandria, Virginia. In 2010, he built a members-only club, CXIIIEX. He opened Washington, D.C.’s Bar Deco in 2015 and Capitol Hill’s Junction Bistro, Bar & Bakery in 2020. Landini imports his own wines and olive oil from Italy as part of a partnership with two of Italy’s best winemakers.



**The Rev. Samuel Rodriguez**

*President, National Hispanic Christian Leadership Conference*

The Rev. Samuel Rodriguez is President of the National Hispanic Christian Leadership Conference. He has advised Presidents Bush, Obama, and Trump and frequently consults with Congress on advancing immigration/criminal justice reform, religious freedom, and LIFE initiatives. Rodriguez is Executive Producer of two films and serves as co-founder and lead pastor of TBN Salsa. He earned his master’s degree from Lehigh University and holds honorary doctorates from Northwest, William Jessup, and Baptist University of the Americas. Rodriguez serves as Senior Pastor of New Season Christian Worship Center in Sacramento, California.

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**The Honorable Nelson J. Sabatini**  
*Managing Director, Berkeley Research Group; Former Secretary of Health, State of Maryland*

Nelson J. Sabatini is Managing Director at Berkeley Research Group and Chairman of the Maryland Health Services Cost Review Commission. Previously, he served the State of Maryland as Health Secretary under both Democratic and Republican administrations. Other state posts of his include Secretary of Health and Mental Hygiene, Deputy Secretary for Health Care Policy, Finance and Regulation, Senior Executive Officer for Commissioner of Social Security, and Deputy Director for the Office of Disability Programs.



**Joni Eareckson Tada**  
*Founder and CEO, Joni and Friends International Disability Center*

Joni Eareckson Tada is a Christian stateswoman and respected global leader in disability advocacy. Tada serves as CEO of Joni and Friends, a Christian organization that provides programs and services for thousands of special-needs families around the world. She served on the National Council on Disability under Presidents Ronald Reagan and George H. W. Bush. Tada served as advisor to Secretary of State Condoleezza Rice on the Disability Advisory Committee to the U.S. State Department. The Colson Center on Christian Worldview awarded Tada its prestigious William Wilberforce Award, and she was also inducted into Indiana Wesleyan University's Society of World Changers.



**The Honorable Frances F. Townsend**  
*Executive Vice President, MacAndrews and Forbes Holdings, LLC*

Frances Fragos Townsend is an Executive Vice President for Worldwide Government, Legal, and Business Affairs at MacAndrews and Forbes Incorporated. From 2004 to 2008, she served as Assistant to President George W. Bush for Homeland Security and Counterterrorism and chaired the Homeland Security Council. She also served as Deputy National Security Advisor for Combatting Terrorism from 2003 to 2004. Townsend spent 13 years at the Department of Justice in the administrations of Presidents George H.W. Bush, Bill Clinton, and George W. Bush. She currently serves on the Director of National Intelligence's Senior Advisory Group. She is a trustee on the board of the New York City Police Foundation, CSIS, and the Atlantic Council. She also serves on the board at the Council on Foreign Relations.



**Brigadier General Richard J. Tubb, MD**  
*Retired Brigadier General; White House Physician Emeritus*

Retired Brigadier General Richard J. Tubb, MD, was the Physician to the 43rd President of the United States, Deputy Assistant to the President, and Director of the White House Medical Unit. Serving from 1995 to 2009, he is one of the longest-serving White House physicians in history. Tubb continues to serve as "White House Physician Emeritus" and as a Senior Consultant to the Physicians of Presidents Trump and Obama. Tubb was appointed to the U.S. Air Force Academy Board of Visitors and served on the Board of Reference for Project Rescue. He continues to consult for a Washington-based medical information, security, and threat mitigation enterprise.

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**The Honorable J.C. Watts**

*Former Member of U.S. House of Representatives; Founder & Chairman, J.C. Watts Companies*

J.C. Watts is Founder and Chairman of J.C. Watts Companies. In 1990, he won election to the Oklahoma State Corporation Commission and became chairman before being elected to represent the fourth U.S. congressional district of Oklahoma in 1994. In 1998, he was elected by his peers to serve as chairman of the Republican Conference. Watts served for eight years on the House Armed Services Committee and later on the House Select Committee on Homeland Security. He currently serves on the board of Dillard’s Department Stores, Paycom Software, and he is chairman of the Black News Channel.



**The Honorable Gail Wilensky, PhD**

*Economist and Senior Fellow, Project HOPE*

Gail R. Wilensky, PhD, is an economist and Senior Fellow at Project HOPE, an international health foundation. She also co-chairs the Bipartisan Policy Center’s initiative on the future of health care and helped organize the Convergence group’s Health Reform Roundtable. Wilensky directed the Medicare and Medicaid programs and served in the White House as a senior advisor on health and welfare issues to President George H. W. Bush. She was also the first chair of the Medicare Payment Advisory Commission. She currently serves on the Board of Regents of the Uniformed Services University of the Health Sciences and the Board of Directors of the Geisinger Health System Foundation. A member of the National Academy of Medicine, she is also a Director on the Quest Diagnostics and United Health Group boards.



**Robert L. Woodson Sr.**

*Founder and President, Woodson Center*

Robert L. Woodson Sr. is Founder and President of the Woodson Center. During the 1970s, he directed the National Urban League’s Administration of Justice Division. Later he served as a resident fellow at the American Enterprise Institute. Woodson is featured as a social commentator in print and on-air, including on C-SPAN, CNN, FOX, Meet the Press, and other national and local broadcasts. He is a contributing editor to The Hill and The Wall Street Journal and has published in Forbes, National Review, The Washington Post, the Milwaukee Journal Sentinel, the Harvard Journal of Law & Public Policy, and the Vanderbilt Law Review.

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