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COVID-19 Legislative Update

August 27, 2020

Please see below for updates on legislation related to COVID-19. Updates are published every Monday and Thursday evening. For past updates, click here. For updates before May 8, click here. If you believe you have been accidentally unsubscribed, you can resubscribe here.

8.27.2020. COVID-19 Legislative Update

Legislation

Supplemental IV

<u>Timeline:</u> The big news of the day with respect to the status of negotiations on the next COVID relief package was a phone call between Speaker Pelosi and Chief of Staff Meadows this afternoon which reportedly lasted about 25 minutes. The conversation broke weeks of relative silence between the White House and Democrats, as the two sides hadn't had any formal talks since August 7. While there is a clear desire on both sides to continue work towards a deal, Democrats have maintained that negotiations are unlikely to resume until a tentative agreement is reached on the topline funding level. Speaker Pelosi released a statement after the call indicating no progress had been made on the overall size of the package and that Republicans need to offer a funding level that will "meet the needs of the American people" if they want talks to continue. Pelosi indicated to reporters this afternoon that a package of \$2.2T would indeed meet that middle ground and allow negotiations to continue regarding "the particulars."

In terms of timing, with the Republican convention wrapping up this evening and neither Chamber set to return to D.C. until after Labor Day (unless a deal were reached), there is hope that talks will resume and progress can be made ahead of what will be a whirlwind work period for both chambers in September. Congress will return to a number of pressing issues - in addition to the possible COVID-19 relief package, there is now an appetite among some Members for an emergency supplemental in response to Hurricane Laura, in addition to a fast approaching deadline to pass a CR along with a number of

<u>Process/Politics</u>: Given the continued stalemate regarding overall funding levels on the next package, it is difficult to see how progress can be made unless the White House agrees to increase their topline offer. Currently, Republicans are seeking to keep the package closer to \$1T and Democrats are insisting they meet in the middle at slightly north of \$2T (after having offered to come down from the initial \$3.4T price tag of the HEROES Act).

Leader McConnell for his part again expressed a desire to reach a deal telling reporters today that "we need another one, the country needs another one." The draft "skinny bill" circulated last week was an effort to unify his conference around a set of policy priorities, though it remains unclear how many GOP Senators would support even a dramatically slimmed down version of the bill if put up for a vote.

With the expiration of the expanded unemployment insurance provision continuing to cause economic pain for constituents, rents being due at the end of the month, and the continued turmoil and delays at USPS, the pressure for both sides to work towards a deal will continue.

That pressure will only increase on both sides as the end of the fiscal year on September 30 looms. It seems that leaders will need to either 1) come to an agreement in early September on the next COVID-19 bill and then later in the month pass a continuing resolution (CR) before fiscal year 2020 funding runs out on September 30, or 2) combine the CR and COVID-19 bill into one large package and pass it later in September. If they do not pass a CR by September 30, the government will shut down. An unfortunate but possible alternative scenario is that 3) Congress has reached no agreement and either allows a shutdown or may fall back on short-term clean extensions of government funding to buy more time for additional negotiations.

<u>Policy</u>: On Saturday, the House passed the Delivering for America Act (H.R. 8015) by a vote of 257-150. Text <u>here</u>. Highlights include:

- Prohibition of any changes to policies and operating procedures revert to the policies that existed on January 1, 2020.
- Prohibition of the closing of Post Offices, other facilities, and "Blue Boxes".
- Disallow the prohibition of overtime.
- Mandate that all elections mail is treated as First Class.
- \$25 billion for emergency funding to ensure the above provisions are executed.

As previously mentioned, a sizable group of moderate and vulnerable House Democrats expressed a desire to vote on additional relief measures while the House was back in session on Saturday, thought leadership ultimately decided to stay the course in pursuit of a comprehensive package. The text of Rep. Beyer's bill tying unemployment insurance to economic indicators, the Worker Relief and Security Act, is here. Summary here. Press Release here. The New Democrat Coalition also organized support for this bill, including a

Senate Republicans <u>released</u> a pared down COVID recovery bill last week, which would include funding for unemployment insurance through the end of the year, funding for the Paycheck Protection Program, liability protections, and health and education funding. It does not include individual stimulus payments, the non-Labor HHS appropriations included in HEALS, and tax incentives. Notably, **there is no inclusion of Democratic priorities like funding for state/local/tribal governments and childcare** (among other things). Text of the Delivering Immediate Relief to America's Families, Schools and Small Businesses Act <u>here</u>. Highlights include:

- Provides liability protections to businesses and healthcare providers;
- Provides \$300 per week in enhanced unemployment insurance through the end of the year;
- Allows small businesses to take out a second Paycheck Protection Program (PPP) loan if they have revenue loss of 35 percent or more (HEALS set the threshold at 50 percent or more);
- Provides \$257.7 billion for PPP, which includes \$100 billion in unused funds;
- \$105 billion for Education Stabilization Fund (66 percent for K-12 and 29 percent for higher education and 5 percent to governors to use for either higher education or K-12);
- \$29 billion for vaccine and treatment development and distribution;
- \$16 billion for testing/contact tracing; and,
- \$10 billion for the U.S. Postal Service the bill would convert a \$10 billion loan to the USPS into a grant if the USPS falls below \$8 billion in cash on hand.

The House passed the Democrats' opening bid for the next bill, the Heroes Act, on May 15. While it's been over two months since House passage of the bill and the contours of the debate and which issues are most pressing have shifted slightly, it can still serve as a marker of what Senate Republicans will be responding to in their bill. Heroes Act text (as of 5/12/2020) here. Section by section here. One pager here. Manager's amendment here. House Rules Committee report here.

Passed Legislation

Moving forward, this section will only include new information and guidance. For past information and guidance and passed legislation, please refer to the <u>archives</u>. For a summary of all supplementals, please see <u>here</u>.

New Implementation Information and Guidance

• There has been no new information and guidance since the previous update.

Members of Congress in Quarantine or Treatment (new additions in bold)

<u>Tested Positive (1):</u> Rep. Jenniffer Gonzalez-Colon (R-Puerto Rico at large), Rep. Dan

Meuser (R-PA)

<u>Currently Self-Quarantined (1):</u> Sen. Bill Cassidy (R-LA)

Recovered (12): Sen. Rand Paul (R-KY), Rep. Joe Cunningham (D-SC), Rep. Ben.

(R-VA), Rep. Louie Gohmert (R-TX), Rep. Raúl Grijalva (D-AZ), Rep. Rodney Davis (R-IL) Completed Quarantine (45): Sen. Ted Cruz (R-TX), Rep. Mark Meadows (R-NC)*, Sen. Lindsay Graham (R-SC), Rep. Don Beyer (D-VA), Rep. Sharice Davids (D-KS), Rep. Doug Collins (R-GA), Rep. Paul Gosar (R-AZ), Sen. Cory Gardner (R-CO), Sen. Rick Scott (R-FL), Rep. Matt Gaetz (R-FL), Rep. Jason Crow (D-CO), Rep. Julia Brownley (D-CA), Rep. Ben Ray Luján (D-NM), Rep. Gwen Moore (D-WI), Rep. Stephanie Murphy (D-FL), Rep. John Yarmuth (D-KY), Rep. Adam Schiff (D-CA), Rep. Vincente Gonzalez (D-TX), Rep. Drew Ferguson (R-GA), Rep. David Schweikert (R-AZ), Rep. Anthony Brindisi (D-NY), Rep. David Price (D-NC), Rep. Ann Wagner (R-MO), Rep. Kathleen Rice (D-NY), Rep. Matt Cartwright (D-PA), Rep. Tom Cole (R-OK), Rep. Steve Scalise (R-LA), Rep. Frederica Wilson (D-FL), Rep. Andy Kim (D-NJ), Rep. Kendra Horn (D-OK), Sen. Mike Lee (R-UT), Sen. Mitt Romney (R-UT), Rep. Katie Porter (D-CA), Rep. Seth Moulton (D-MA), Rep. Lizzie Fletcher (D-TX), Rep. Josh Gottheimer (D-NJ), Rep. Ayanna Pressley (D-MA), Rep. Mikie Sherrill (D-NJ), Sen. Lamar Alexander (R-TN), Rep. Randy Weber (R-TX), Rep. Kay Granger (R-TX), Rep. Mike Johnson (R-LA), Rep. Jody Hice (R-GA), Rep. Guy Reschenthaler (R-PA)

*Mark Meadows quarantined March 9-12 after coming in contact with a CPAC attendee who tested positive. On March 20, he resigned from his position in the House to become the White House Chief of Staff.







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