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COVID-19 Legislative Update

September 3, 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.

9.3.2020. COVID-19 Legislative Update

Legislation

Supplemental IV

<u>Timeline</u>: There's been very little change this week, as **negotiations remain stalled**. After another fruitless phone call on Tuesday, this time between Speaker Pelosi and Secretary Mnuchin, Speaker Pelosi put out a <u>statement</u>. In the statement, she implied the White House is not taking the pandemic and its impacts on working families seriously and has defied science and experts' recommendations. Speaker Pelosi has made it clear that she believes Democrats have already offered a significant compromise by coming down from the \$3.5 trillion Heroes Act to \$2.2 trillion. Pelosi has continued to assert that she believes that **until the White House offers a compromise number, no negotiations will be useful**.

The Senate returns to town next week and the House comes back the following week. The physical presence of members may stir up additional momentum. Pressure will only increase in the coming weeks as the end of the fiscal year on September 30 looms. It seems that leaders will need to either 1) negotiations restart when the Senate returns 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) negotiations do not restart and it is more of the same positioning -- in this case, Congress could either allow a

Last week, Meadows <u>said</u> the White House was supportive of adding a continuing resolution (CR) on to whatever coronavirus package passes. Appropriations staff have already begun outreach to agency staff to discuss necessary anomalies, as funding runs out at the end of September. Speaker Pelosi has supported keeping the CR and coronavirus legislation on separate tracks.

<u>Process/Politics:</u> The readout from the Monday Democratic caucus call indicated that rank and file **Democrats remain united behind Speaker Pelosi's strategy** of holding firm. A handful of frontline members and those in the Problem Solvers Caucus continue to say various things for press purposes, but behind the scenes remain dedicated to Pelosi's strategy. Earlier today, Leader Schumer sent out <u>a Dear Colleague</u> that outlined the Democratic position and again asserted the Republicans have "refused to make any significant compromise".

Senate Republicans, however, have been putting pressure on leadership to do something. There have been a series of rumors that McConnell is putting together a skinnier bill, under \$1 trillion, possibly as low as \$500 million, in an attempt to find something to unify the conference. If McConnell can pull together something that Senate Republicans can agree upon, it could be a positive catalyst for negotiations and push McConnell back in the negotiating room. However, all indications are showing that there isn't something Republicans can rally around – some seem to be focusing on how their positions and votes taken now could affect them in the future (i.e. 2024).

Another dynamic at play, which both the Biden and Trump campaigns are aware of, is the possibility of the next package including **another round of stimulus checks**, which, depending on timeline, could wind up at voters' doorsteps in October, right before the election.

<u>Policy</u>: Senate Republicans have begun whipping on the draft bill they released earlier in August, which may now include a <u>childcare component</u> originally introduced in the Republican's HEALS Act. It's unclear whether the Senate will vote on the bill and if so, whether it will even pass. Notably, Democrats in the House passed the Heroes Act mid-May and Senate Republicans have yet to significantly unify around a bill. When HEALs was introduced, Senate leadership indicated that almost half the Senate Republican Conference would not vote for it.

On August 18, Senate Republicans <u>released</u> a draft bill, which was pared down considerably from what they included in HEALS. The bill 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 draft

- 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.

On August 22, 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.

HEALS: Senate Republicans released the eight-bill package the Health, Economic Assistance, Liability Protection, and Schools (HEALS) Act on July 27. See the following for the individual bills. American Workers, Families, and Employers Assistance Act (Senate Finance Committee provisions) text here, section by section here. Continuing Small Business Recovery and Paycheck Protection Program Act (Small Business provisions) press release here, text here, section by section here, one pager here. Coronavirus Response Additional Supplemental Appropriations Act (Appropriations provisions) text here, summary here. Restoring Critical Supply Chains and Intellectual Property Act (Supply Chain and Research provisions) text here, section by section here. Safely Back to School and Back to Work Act (Health, Education, and Labor Provisions) text here, section by section here, section by section here. TRUST Act text here, section by section here, one pager here.

<u>HEROES</u>: 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) <u>here</u>. Section by section <u>here</u>. One pager <u>here</u>. State and Local one pager <u>here</u>. NCAI's summary on tribal provisions <u>here</u>. Manager's amendment <u>here</u>.

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

 9/1 – The minority staff of the Select Subcommittee on the Coronavirus Crisis released a report on the Paycheck Protection Program. Report <u>here</u>.

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

<u>Tested Positive (2):</u> Rep. Jenniffer Gonzalez-Colon (R-Puerto Rico at large), Rep. Dan Meuser (R-PA)

Currently Self-Quarantined (0):

Recovered (13): Sen. Rand Paul (R-KY), Rep. Joe Cunningham (D-SC), Rep. Ben McAdams (D-UT), Rep. Mario Diaz-Balart (R-FL), Rep. Mike Kelly (R-PA), Rep. Nydia Velazquez (D-NY), Rep. Neal Dunn (R-FL), Rep. Tom Rice (R-SC), Rep. Morgan Griffith (R-VA), Rep. Louie Gohmert (R-TX), Rep. Raúl Grijalva (D-AZ), Rep. Rodney Davis (R-IL), Sen. Bill Cassidy (R-LA)

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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