

Bipartisan Negotiations Regarding New Coronavirus Aid Legislation

Republican and Democratic leaders have been involved in negotiations this week regarding a new round of coronavirus aid legislation, although a deal does not appear to be forthcoming. On Monday, Senate Republicans released their proposal, dubbed the HEALS Act. A meeting to reconcile partisan differences between Speaker Nancy Pelosi, Sen. McConnell, Sen. Schumer, and Treasury Secretary Steven Mnuchin ended in an impasse and it is unlikely a compromise is reached this week. Friday marks the end of expanded federal unemployment benefits, which has prompted a race against the clock for lawmakers to reach a bipartisan solution. Both Pelosi and McConnell have said they will not bring coronavirus aid legislation to the floor for a vote in their respective chambers without having an agreement first. The gap between each side's demands is so wide that White House Chief of Staff Mark Meadows proposed a "skinny deal" which would tackle the issues in the bill one at a time.

At the center of the negotiations is the impending lapse in expanded unemployment benefits for Americans rendered jobless as a result of the coronavirus pandemic. In March, the first round of coronavirus aid legislation, the CARES Act, provided an additional \$600 a week in unemployment benefits, as well as a moratorium on evictions. However, those are due to expire this week, and lawmakers on both sides of the aisle are concerned over the impact that will have on an already battered economy. On Wednesday morning, President Trump and Treasury Secretary Mnuchin proposed a temporary extension on the expanded benefits, but it was summarily rejected by Democratic leadership, and was also unpopular with several Republicans who argued it was disincentivizing work.

Back in May, House Democrats unveiled a \$3 trillion relief package inclusive of key relief funds such as aid for cash-strapped state and local governments, money to assist renters, and an expanded nutritional program to help lower-income families afford food. Speaker Pelosi criticized Republican leadership for not including any of these relief funds in their proposal, which she described as "not getting to the fundamentals" and "pathetic." Pelosi also accused the GOP of playing politics and being uninterested in finding an actual solution. For his part, Senate Majority Leader McConnell said his Democratic colleagues were just reciting talking points instead of working together to find an acceptable solution for both sides. Some Republicans have voiced concern over the impact of spending on the deficit, and would prefer to cap the cost of any aid legislation at \$1 trillion.

Members of the Republican conference and the White House have been keen to push an agreement through before Congress leaves Washington for its August recess, but Sen. Schumer and Speaker Pelosi have both said they don't have a time frame for getting the legislation passed. Sen. Schumer said Democrats would "keep talking" to reach a solution, but there is no set time period. Further complicating the process is a split among Senate Republicans, several of whom were opposed to the HEALS Act proposed by McConnell and who are sure to push back on any concessions given to Democrats.