

Federal Legislative Update, as of August 5, 2020

Negotiations on the next round of federal COVID-19 relief have progressed very little since Senate Republicans released the text of their counteroffer to the most recent House-passed coronavirus response bill (the *HEROES Act*). As was widely anticipated, the \$1 trillion Senate Republican leadership proposal – known as the *HEALS Act* – does not include *any* new fiscal relief for state and local governments. In contrast, the *HEROES Act* would provide \$915 billion for states and localities to mitigate the public health and economic impacts of the pandemic.

With a significant number of Senate Republicans choosing not to endorse the *HEALS Act*, Majority Leader Mitch McConnell (R-KY) has been largely sidelined during the current round of COVID-19 discussions. Instead, senior White House officials have been negotiating directly with House Speaker Nancy Pelosi (D-CA) and Senate Minority Leader Charles Schumer (D-NY) in an attempt to reach consensus on a compromise bill.

On Tuesday, August 4, White House officials and Democratic leaders identified Friday, August 7 as the target date to complete their negotiations on a new COVID-19 relief measure. While the self-imposed deadline appears to be providing some optimism that an agreement can be reached, there is still a long way to go given ongoing disagreements over a number of major issues.

While the White House has reportedly agreed to a continuation of unemployment insurance benefits, the two sides have yet to identify how much weekly support beneficiaries would receive. In addition, the Trump administration has signaled a willingness to renew the housing eviction moratorium into December 2020. For their part, congressional Democrats have indicated that they are prepared to accept a lesser amount of emergency funding for the U.S. Postal Service. As of this writing, no agreements has been made relative to new funding for state and local governments.