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Covid-Aid Talks Face Time Pressures

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WASHINGTON—Lawmakers are weighing another stopgap spending measure to give themselves more time to wrap up negotiations on a coronavirus relief bill, as they raced Thursday to complete the details of the roughly \$900 billion package.

With a government funding deadline approaching, top Republicans and Democrats are closing in on a relief package that would send another direct check to many Americans, enhance unemployment benefits, provide aid to small businesses and fund the distribution of the Covid-19 vaccine, among other measures.

Because they are planning to approve a relief bill alongside a broad government spending package, lawmakers had hoped to finish the relief bill before current government funding expires at 12:01 a.m. Saturday. But as that deadline neared, negotiators said they may pass a short-term spending patch to tide the government over until the relief package is finalized.

“I continue to appreciate our productive discussions, but I hope we remember just how urgent this situation is for millions and millions of our fellow citizens,” Senate Majority Leader Mitch McConnell (R., Ky.) said Thursday. “We’re going to stay right here until we’re finished, even if that means working through the weekend, which is highly likely.”

As Covid-19 cases continue to increase across the country, nearly 900,000 people applied for jobless benefits last week, in another sign that the economic recovery is slowing down. Forms of unemployment assistance and other relief measures will expire in the coming weeks without congressional action.

Negotiations continued Thursday after Treasury Secretary Steven Mnuchin, House Speaker Nancy Pelosi (D., Calif.) and Senate Minority Leader Chuck Schumer (D., N.Y.) spoke late Wednesday night.

“None of the remaining hurdles cannot be overcome. Everyone is committed to achieving a result, and we will not leave until we get the job done,” Mr. Schumer said Thursday.

The White House also pushed for a deal.

President Trump is “adamant on delivering relief to workers, families, and small businesses before the holidays,” White House spokesman Ben Williamson said Thursday morning. “Conversations with Capitol Hill leaders are ongoing and we’re optimistic we can reach an agreement within the next 24 to 48 hours,” he said.

Lawmakers on Thursday were discussing aid to live-performance venues, which Mr. Schumer has pushed for. Republicans are pushing to repurpose money previously allocated for emergency lending programs at the Federal Reserve.

Mr. Mnuchin earlier this year declined to extend the lending facilities, and Sen. Pat Toomey (R., Pa.) wants to include language in the relief bill dictating that the lending programs must shutdown at the end of the year. Ending the programs could significantly curtail the degree to which the Biden administration could rely on them next year, even if they are revived, because the funding enabled the Fed to make riskier loans.

Other issues that have been in play include the duration of \$300 weekly boost to unemployment benefits distributed by the Federal Emergency Management Agency, according to people familiar with the talks.

Democrats are seeking to adjust the cost-sharing between the federal government and state and local governments for emergency aid.

Negotiations on a long-discussed relief package picked up this week after Republicans and Democrats dropped the two most contentious issues: aid for state and local governments and

enhanced liability protections for businesses, schools, and health-care providers. The two parties had quarreled for months over the issues, and a bipartisan group of rank-and-file members were unable to reach a compromise on liability protections.

Many Republicans had been skeptical of providing more money to state and local governments, who faced fiscal challenges during the pandemic, while Democrats had opposed making it harder for people to sue businesses or employers if they contracted Covid-19.

Mr. McConnell proposed shedding the two topics from the current aid bill, dropping his insistence on including liability protections in an aid package. While Democrats initially rejected the trade-off, the aid package lawmakers are aiming to soon complete will exclude both state and local aid. A person familiar with the talks said the package would provide some aid to state and local governments through other avenues.

At roughly \$900 billion, the current aid package falls between what the two parties had previously proposed. Republicans had favored a roughly \$500 billion package for much of the fall, while Democrats have pushed for a \$2.4 trillion package. In negotiations before the election, the Trump administration proposed a \$1.8 trillion package, though many Senate Republicans had opposed spending at that level.

Senate Majority Whip John Thune (R., S.D.) said Wednesday that the package will include a direct check that will likely be worth \$600 to \$700, a decrease from the \$1,200 check sent to many Americans earlier this year.

—*Catherine Lucey contributed to this article.*