

BY ELEANOR MUELLER AND TAYLOR MILLER THOMAS

PRO POINTS

○ **The first package sent \$8.3B to federal, state and local health agencies.** H.R. 6074 became law March 6.

○ **The second package, which cost \$192B, expanded food aid and unemployment benefits, and mandated paid sick leave, among other things.** H.R. 6201 became law March 18.

○ **The third package allocated \$1.7T for a dramatic expansion of unemployment insurance, a rescue fund for state and local governments, immediate cash for hospitals and a huge pool of grants and loans for small businesses, along with checks to many Americans.** H.R. 748 became law March 27.

○ **The fourth package spent \$484B to replenish the Paycheck Protection Program and provide more cash for health care providers, testing and other things.** H.R. 266 became law April 24.

○ **House Democrats' proposal for the fifth package would spend \$3T on state and local governments, additional checks to Americans, extend Pandemic Unemployment Assistance, expand paid leave and more.** H.R. 6800 passed the House on May 15.

HOW WE GOT HERE

When the House passed the first coronavirus response package, there were 11 confirmed deaths in the U.S. from Covid-19. The death toll is now approaching 100,000. The growing health and economic crisis hit public and private entities in all sectors hard, and the federal government continues to face pressure to mitigate the damage.

Other entities like the Federal Reserve can and have taken steps to aid Americans. But much of the attention is on Congress, which has responded by almost literally throwing money at the problem. These packages are long, of record-breaking size, and have been thrown together quickly: Stimulus checks have been sent to the deceased, and large companies have received small business aid.

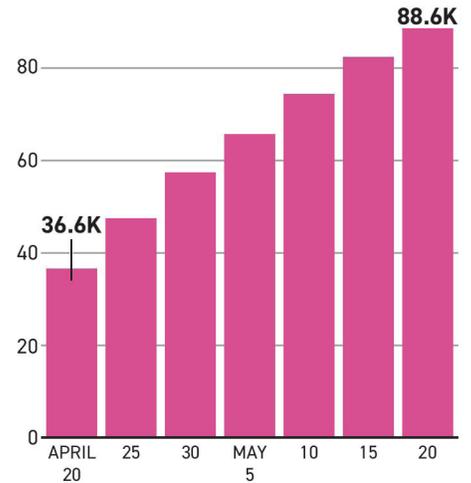
Some in Congress are calling to enact a fifth package immediately, while others say everyone should take a step back and assess what fixes should be made and what is essential going forward. Lawmakers will need to reach a consensus, and convince President Donald Trump to sign it, all while navigating partisan divides and acting fast enough to keep the U.S. out of an inescapable hole.

HERE'S WHAT'S IN THE FOUR ENACTED BILLS AND THE RECENT HOUSE-PASSED PROPOSAL

The first package funneled cash to federal, state and local health agencies to respond to the coronavirus. The bulk of H.R. 6074's funding went to HHS.

The second package provided for some paid leave, tax credits and free testing, expanded funding for food and unemployment aid and increased Medicaid funding. H.R. 6201 is often referred to by its short title, the Families First Coronavirus Response Act.

U.S. deaths attributable to Covid-19
THOUSANDS, CUMULATIVE TOTAL BY WEEK



Source: Johns Hopkins University

The third package, or CARES Act, sent money to airlines, hospitals and other health care providers, and state and local governments, among others. H.R. 748 also created Pandemic Unemployment Assistance to expand unemployment benefits, established the Paycheck Protection Program to provide loans and grants to small businesses and sent \$1,200 checks to most Americans.

The fourth package, termed the PPP and Health Care Enhancement Act, was seen by many lawmakers as an interim package. H.R. 266 replenished PPP and another Small Business Administration loan program, Economic Injury Disaster Loans. It also sent money to hospitals and set aside cash for testing.

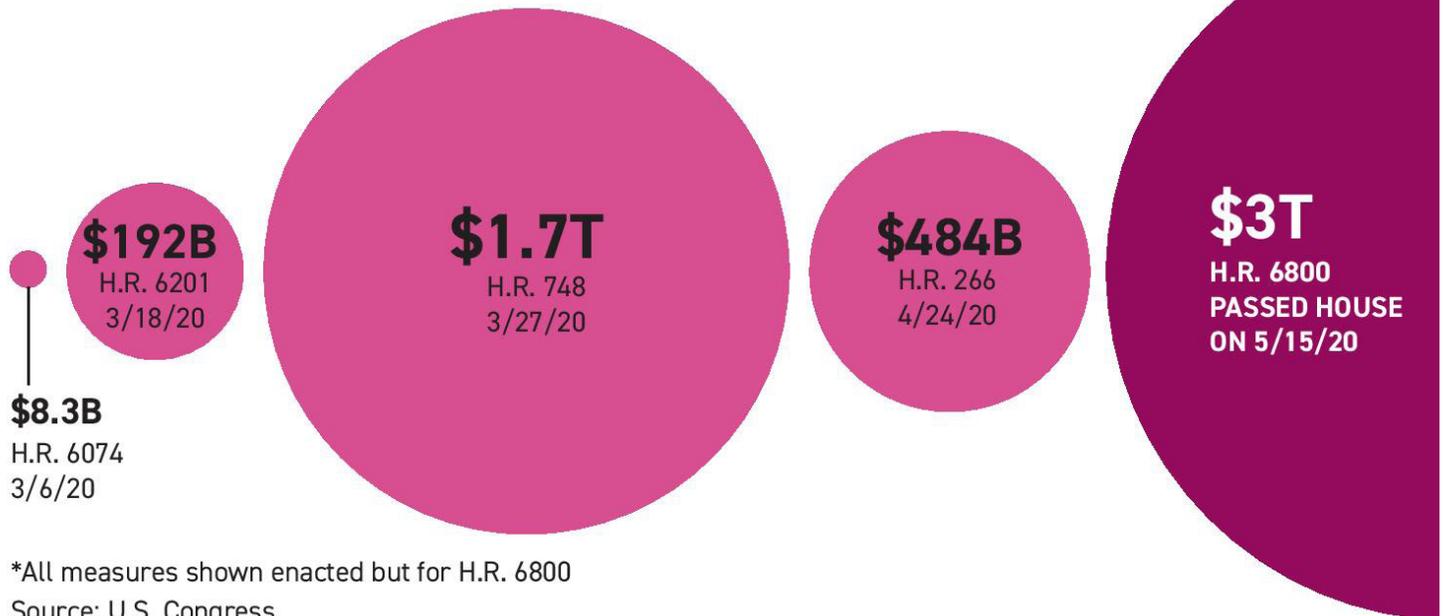
House Democrats' proposed fifth package, or The Heroes Act, would send nearly \$1 trillion to state and local governments, hand more cash to hospitals, expand paid leave, extend PUA and provide another \$1,200 check to many Americans, among other things. Senate Republicans say they won't take up H.R. 6800, but Democrats say it was important for them to lay down a marker before negotiations begin on the next package.

WHAT'S NEXT

Even before the House passed H.R. 6800, Republicans in both chambers panned it as partisan, unrealistic and premature. Senate Majority Leader Mitch McConnell said that although another package would likely be necessary, it was too soon after enactment of the fourth bill to determine how much and what kind of aid was needed. The GOP also holds out hope that shuttered businesses will soon reopen and the economy will begin to recover without Congress further breaking the bank.

Congressional coronavirus aid packages

TOTAL FUNDING PROVIDED AND DATE ENACTED*



But the Federal Reserve wants more aid to the economy, and Democrats want a lot more aid to the economy. The House, for its part, will return a few days after Memorial Day to follow up passage of the \$3 trillion package with consideration of a bipartisan bill to overhaul the PPP, amid growing concern it's become unworkable for many employers. Similar talks are underway in the Senate. That's a notable shift in strategy for Speaker Nancy Pelosi that could indicate a willingness to pass additional aid in smaller, more narrow bills rather than via another multi-trillion-dollar package. And it could reduce the sense of urgency some in Congress have to pass another big relief measure.

Possible flashpoints in the next round of negotiations include: enhanced unemployment benefits, which Democrats want extended but McConnell on May 20 assured House Republicans "will not be in the next bill;" funding for states and localities, along with whether to grant states flexibility over how they use funds allocated under the CARES Act; and whether to include liability protections, which McConnell has insisted be included in the next round of legislation to minimize lawsuits, but Democrats oppose.

Regardless, more than 30 million Americans lost their jobs in two months, and they all won't be getting hired back quickly. Nobody knows how many of the job losses will be temporary. Investors are counting on the government filling the gap; otherwise the reality of Depression-era unemployment levels will take a toll. A failure to maintain government aid could smack voters just months before the election. Republican Sen. Cory Gardner, facing a tough reelection race in Colorado, articulated that concern May 20, and others may follow suit, putting pressure on McConnell to return to negotiations on the next package.

POWER PLAYERS



House Speaker Nancy Pelosi and Senate Majority Leader Mitch McConnell



The two congressional leaders hold the keys here. Nothing will pass in the House without Pelosi's support, and nothing will pass in the Senate without McConnell's.



Treasury Secretary Steven Mnuchin

As far as negotiations between lawmakers and the White House, Mnuchin had a heavy hand in the enacted packages, and likely will again. "There is a strong likelihood we will need another bill," he said May 21.



President Donald Trump

Trump, of course, has veto power over it all, and so whatever the trio agree on will have to pass muster in the Oval Office.