

Senate GOP releases Covid-19 proposal amid internal divisions

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Senate Republicans released their [\\$1 trillion coronavirus relief proposal](#) Monday afternoon, setting off what could be weeks of political battles with Democrats over unemployment insurance, state and local aid and liability protection for businesses and schools as the pandemic continues to batter the U.S. economy.

Senate Majority Leader [Mitch McConnell](#) outlined the pillars of the [proposal](#), which will include another round of \$1,200 in direct payments, more money for the Paycheck Protection Program, a reduction in boosted federal unemployment benefits, liability protection and more than \$100 billion for reopening schools and colleges.

With the introduction of the GOP proposal, talks with Democrats will begin in earnest.

"Which version of our distinguished Democratic colleagues are the American people about to get?" McConnell asked on the Senate floor. "Are they going to get the Democratic party we got in March when our colleagues met in good faith negotiations and worked with us to turn our framework into a bipartisan product?"

Top Senate Republicans laid out the proposal Monday afternoon. The Senate GOP plan calls for the reduction in increased federal unemployment benefits from \$600 to \$200 per week for a 60-day period, or until states are able to provide a 70 percent wage replacement. This prospective change had been floated by the White House last week, although there have been concerns whether state unemployment agencies could handle the revisions.

"The boosted unemployment benefits are significantly more than the Democratic Senate and Democratic president approved in the 2009 economic crisis," said Senate Finance Chair [Chuck Grassley](#) (R-Iowa.) on the floor Monday.

The GOP proposal provides additional flexibility for the \$150 billion in state funds provided under [the CARES Act](#) and extends the time frame under which that money can be used. The proposal also includes liability protection for businesses and schools in the event of lawsuits due to coronavirus exposure. Senate Appropriations Chair [Richard Shelby](#) (R-Ala.) also said the bill includes \$16 billion in new money for testing, \$26 billion for the development and distribution of vaccines, \$105 billion to help schools reopen, \$20 billion to assist farmers and ranchers and close to \$30 billion to "bolster the U.S. defense industrial base."

The bill also includes close to \$2 billion for the FBI to purchase personal protective equipment and boost the National Instant Criminal Background Check System, a White House priority. When McConnell was asked about the money at a press conference, the Kentucky Republican said "obviously we had to have an agreement with the administration in order to get started."

Senate Minority Leader [Chuck Schumer](#) was quick to pan the GOP proposal on the Senate floor.

"They can't even put one bill together they are so divided," Schumer said. "The greatest crisis America has faced in close to a century on health, 75 years on the economy, and our Republican colleagues can't even agree among themselves about what to do and have put out a few piecemeal pieces that don't even come close to doing the job."

Negotiations on the next coronavirus relief proposal comes as a federal \$600 boost in unemployment benefits from the March CARES package began to expire over the weekend. Democrats are pushing to extend those benefits into next year.

The release of the Senate GOP plan comes after Treasury Secretary Steven Mnuchin and White House chief of staff Mark Meadows spent the weekend negotiating with Senate leadership staff to hammer out the final details.

While the first three major coronavirus relief packages passed Congress with large bipartisan majorities — despite some intense partisan wrangling — this round of discussions is going to be much more challenging. Democrats want to spend at least \$2 trillion more than Republicans will propose, while GOP hardliners don't want to do a package at all.

In a sign that negotiations are going to be difficult from the start, Meadows and Mnuchin spent Sunday floating a piecemeal approach to the aid package. But McConnell has vowed that any upcoming coronavirus relief bill will be the Senate's last. Speaker [Nancy Pelosi](#) has also rejected the piece-by-piece idea.

In a statement ahead of the release of the GOP proposal, Pelosi called for an immediate start to talks. "I call upon the Republican leadership of the House and Senate and representatives of the President to come to the Speaker's Office and join Leader Schumer and me within a half an hour of releasing their plan today to negotiate and get the job done," Pelosi said in a statement.

Pelosi and Schumer will meet with Meadows and Mnuchin at 6 p.m. House Democrats were also quick to dismiss the idea of cutting federal unemployment benefits down to \$200 per week.

"It is the ultimate disconnect with what Americans are dealing with if they think an extra \$200 is enough for the families," Rep. [Dan Kildee](#) (D-Mich.) said. "They don't seem to understand that money is actually supporting that economy."

Democrats say they aren't entirely ruling out a short-term extension, if it could continue the extra \$600 per week in benefits. But many are skeptical of the GOP's efforts, citing the weeks of delay leading up to this point.

"My view is, we passed the Heroes Act two and a half months ago. It was a comprehensive and decisive response to a deadly pandemic. The administration and Mitch McConnell have done nothing ever since," said House Democratic Caucus Chair [Hakeem Jeffries](#) (D-N.Y.) Monday.

"It's time to act and act in a transformative way, and not with a short-term Band-Aid-like fix."

Schumer meanwhile said Monday morning on MSNBC that Democrats want to negotiate but "you can't negotiate with a ghost."

The stakes for Congress to get another major package through before leaving for the August recess are high, as coronavirus cases continue to rise nationwide. Pelosi vowed Sunday that Congress would not leave town without a deal. Democrats are pushing for [the \\$3 trillion HEROES Act](#), which the House passed in May, although McConnell has rejected that approach as far too costly.