

## **AASA UPDATES MEETING 10-02-2020**

### **House Democrats Introduce New COVID-19 Economic Relief Bill**

House Democrats have introduced a revised version of their COVID relief bill. The new price tag is \$2.2 trillion, down from \$3.4 trillion in the May version of the HEROES Act. The bill sees cuts in some places and increases in others. In addition, there are some new inclusions.

The primary cuts came largely from state and local government aid, to the tune of nearly half a trillion in cuts. The slimmed bill includes \$436 billion in state and local aid, compared to over \$900 billion in May. For comparison, the Republican HEALS Act, which failed to advance in the Senate, had no funding for states and municipalities. The revised HEROES act would also cut rental assistance by \$50 billion compared to the May version of the bill. The latest proposal includes reductions to the stimulus payments for children down to the original \$500 level in the first round of payments in the CARES act. If passed, adults would again receive \$1200 stimulus check.

However, other areas saw increases. For example, education funding was increased to \$225 billion in the revised HEROES Act. This includes up to \$185 billion in support for K-12 education, up from less than half of that in the original HEROES Act. The bill also includes an increase of \$12 billion in funding for the E-rate program to help school districts close the digital divide, and \$5 billion for emergency repairs for public school facilities.

The Democrats included no liability protections for schools, a sticking point for Republicans. Liability protections prevent the filing of COVID-related lawsuits against businesses. This has long been a demand of Republicans, while Democrats have stated an unwillingness to budge.

The administration might begin negotiations later this week, which would provide an additional signal as to whether another emergency relief package is likely, or even possible, before the election.

### **House and Senate Pass Continuing Resolution**

Last night, the Senate in a bipartisan 84-10 vote extended about \$1.4 trillion in government funding until Dec. 11. While Trump missed the official midnight deadline to sign the measure because he had an evening campaign rally in Minnesota, he put pen to paper around 1 a.m. after returning to the White House.

Importantly, the bipartisan continuing resolution includes nearly \$8 billion to extend the Department of Agriculture's school nutrition waivers that provide the flexibility necessary for districts to safely serve meals to all students until September 2021. Moreover, this funding will also be used for the purpose of expanding and supporting the pandemic EBT program, which provides aid to SNAP eligible families.

Looking ahead, government funding will continue until Congress reconvenes in a lame-duck session after the election. What happens then depends on whether Senate and White House control will shift to Democrats next year.