



## ***GOP signals no support for relief 'down payment'***

*Alexander Bolton*

*Senate Democrats are justifying their support for a \$900 billion coronavirus relief bill as a "down payment" on a larger relief bill they hope to pass next year.*



*Greg Nash*

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*The dilemma from their perspective is that Republicans are signaling they don't want to pass another measure to stimulate the economy after President-elect Joe Biden takes office - and the GOP may continue to hold the Senate majority in January.*

*"I don't see it that way," said Senate Republican Whip John Thune (S.D.) when asked about the Democrats' characterization of the emerging \$900 billion deal as a down payment.*

*"We'll have to wait and kind of see what circumstances are like," said Sen. John Cornyn (R-Texas), an adviser to the Senate GOP leadership.*

*"Hopefully with more people getting vaccinated, more people getting back to work and the economy opening up there will be less need for Congress to come in." Sen. Lindsey Graham (R-S.C.) said "we don't know what next year holds."*

*"There may some things we need to do next year," he added. "We don't know how quickly the vaccine gets out, how well does it work."*

*Senate Republicans in March and April, shortly after Congress passed the \$2.2 trillion CARES Act, said another round of federal aid would be likely.*

*Nine months later, with the \$900 billion bill expected to pass before Christmas, GOP lawmakers are sounding much more skeptical about passing another relief package over the next year.*

*"The incoming administration is viewing it as something they can do now and they come back at this next year. A lot of it probably depends on what happens in Georgia," said Thune, referring to two Senate runoff races in Georgia scheduled for Jan. 5 that will decide if Republicans keep their Senate majority next year. Democrats must win both races to retake the majority.*

*A number of Republicans are describing the bill now being negotiated as a bridge to when the economy will bounce back as people get vaccinated, not as a down payment.*

*Thune said if Congress addresses the nation's needs now "and things improve next year as the vaccine gets out there and the economy starts to pick up again, there may be less of a need."*

*Senate conservatives are sounding a decidedly skeptical tone on another package. Sen. Ron Johnson (R-Wis.), who helped steer the Senate GOP conference to support a \$500 billion relief proposal in the late summer after they first unveiled a \$1.1 trillion relief proposal at the end of July, said the pending \$900 billion is too expensive.*

*Johnson said it's "unbelievable" to think of it as a down payment.*

*"I think our targeted bill is more than adequate," he said. "We shouldn't be scattering [money] with a shotgun approach, just providing all kinds of money to all kinds of people."*

*"I think this pandemic will be over before more people realize," he added. "We didn't have to spend \$900 billion."*

*Biden, in contrast, has spoken of the coming package as he's sought to coax Democrats to back it. Most Democrats are disappointed at the size of the package. Biden on Wednesday said the emerging deal is a "down payment, an important down payment on what's going to have to be done beginning the end of January into February."*

*The emerging deal is expected to include more than \$250 billion for another round of Paycheck Protection Program small-business loans, more than \$150 billion in direct stimulus checks, 16 weeks of \$300-per-week supplemental federal unemployment assistance as well as money for vaccine distribution, contact tracing and to help schools and colleges reopen.*

*New funding for small-business loans, school re-openings, vaccine distribution, protective equipment for health care providers, virus testing and relief funding for hard-hit industries such as the airlines are Senate Republicans' top priorities. Those items are expected to be included in the emerging deal. Once that relief is signed into law, Republicans will have less incentive to agree to another deal anytime soon.*

*Biden acknowledges in a new campaign ad for the Democratic Senate candidates in Georgia, Jon Ossoff and Raphael Warnock, that he may not be able to pass another relief deal if Republicans keep control of the Senate.*

*"There are folks in Congress threatening to do everything in their power to block our efforts," Biden tells viewers in the ad, which aired Thursday.*

*The brewing Republican opposition to passing another large COVID-19 relief deal early in the new Biden administration raises the stakes of the Jan. 5 runoff in Georgia.*

*If Democrats failed to win both and flip control of the Senate, Biden could face a very tough path to passing another large relief bill.*

*Democrats realize this and are pushing hard against language sought by Sen. Pat Toomey (R-Pa.) to rescind funding for and bring to a close the credit facilities established by the Federal Reserve under authority provided by the CARES Act.*

*Toomey worries that Democrats may try to "morph" that authority to use Fed facilities "to bail out states and municipalities."*

*A Democratic senator said preserving the Federal Reserve's power to stabilize the economy "is one of the things we're talking about behind the scenes."*

*"If we don't win Georgia and don't get another package next year, we're going to want the Fed to have as much flexibility as possible," said the lawmaker.*

*Even now there is strong Republican opposition to a proposal to distribute up to \$90 billion in federal aid to state and local governments through the Federal Emergency Management Agency, which some GOP lawmakers suspect is a way to get around the decision to leave new state and local funding out of the deal.*

*"I don't think that people want to view that as a conduit to get state and local dollars out there that had previously been rejected," Thune said Thursday.*

*Alexander Bolton*