



Policy Resolution Group COVID-19 Legislative Update

August 18, 2020

Today's short update discusses House plans to return to Washington and pass legislation to help to shore up the U.S. Postal Service (USPS), as well as the "skinny" COVID-19 relief bill planned by Senate Republicans in response. The GOP is hoping to capitalize on this sudden urgency among Democrats ahead of the mail-heavy November election to incorporate key provisions from their earlier *HEALS Act*. While the outlook remains unclear, any movement is positive for a process that had appeared to go all but dormant until after Labor Day.

USPS and the New Package

House returns for the mail: On Sunday, House Speaker Nancy Pelosi said she will call her chamber back to vote on [stand-alone legislation](#) to provide the USPS \$25 billion in funding and prohibit recent USPS operational changes the Trump administration has made that have slowed mail service around the country. That bill is expected to be out of committee today, and the House will be back Saturday to vote on it.

Senate Republicans go small: Senate Republicans are circulating a new, "skinny" [coronavirus relief package](#). If this package can get the support of at least 50 Senators, the Senate leadership strategy will be to attach this package to a "must pass" continuing resolution (CR) that Congress will use to fund the government past the September 30 deadline (in fact, the draft legislation includes the CR). Right now it is too early to tell whether this strategy can be successful.

A copy of the draft legislation is attached to this message, and it includes:

- A \$300/week federal unemployment benefit supplement that will run until December 27;
- Expanded eligibility, broader forgiveness provisions, and nearly \$160 billion in funding for a "second draw" of the Paycheck Protection Program (PPP);
- \$10 billion for the U.S. Postal Service;
- Additional funds for schools and COVID-19 testing; and
- Liability protection provisions similar to those in the *HEALS Act*.

UPDATE TO UPDATE: As we were writing this report, Postmaster General DeJoy [announced](#) that he is taking a variety of measures to ensure the post office can efficiently handle the mail, including delaying policies that had been the subject of significant criticism in recent days. Speaker Pelosi responded to the announcement by stating that this was the proper course of action and the result of the "heat" brought by Democrats. Right now it is not clear right now whether the announcement by DeJoy will change the plans in the House or the Senate.

What Does this Mean? Liam Will Tell You.

Speaker Pelosi is responding to a newfound urgency among core Democratic constituencies - and her caucus itself - to shore up the United States Postal Service and prevent any policy meddling by the administration intended to hamstring its operations this fall. Funding for the postal service has long been a Democratic priority, with newfound electoral importance in the context of the pandemic, and the House included this same \$25 billion appropriation in its broader *HEROES Act* stimulus package. But 76 days out from the election, with states on the precipice of voting, the efficiency and integrity of the federal mail system has taken on a new centrality, both substantively and symbolically.

In rushing back to move postal funding by itself, congressional Democrats have revealed a political pressure point. Despite insistence by Democratic leaders that they would only consider a large stimulus package rather than a "skinny" bill or its individual components, here they are moving to do just that.

Republicans have picked up on this strategic opening, though it remains to be seen whether they are able to capitalize. As we indicated in our last update, just two weeks ago the Senate GOP failed to marshal support within the conference to pass even piecemeal messaging amendments meant to force their Democratic counterparts into tough votes. How they intend overcome this by weaving a handful of these policies together is unclear. And unless and until they can line up 50 votes for a package, skinny or otherwise, they will not be summoned back to Washington.

While the USPS frenzy and the ad hoc congressional response may not bear immediate fruit, it has the potential to shift the stale dynamics of COVID-19 relief talks, paving the way toward a resolution in the context of a September CR.