Overnight Agreement on Phase III Stimulus Reached

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Republicans and Democrats reached a hard-won agreement on the Senate’s $2 trillion worth of fiscal stimulus to shore up an economy crippled by the coronavirus pandemic. The Senate returns at noon Wednesday and, while a vote is expected, Majority Leader McConnell has not yet set a time.

The final version was the product of intense negotiations led by Senate Democratic Leader Chuck Schumer and Treasury Secretary Steven Mnuchin. Once the measure gets through the Senate, Speaker Pelosi will be under pressure to pass the measure quickly for President Trump to sign into law. As of yesterday, the plan had been to pass the bill under unanimous consent, which would not require Members to return to D.C.

The agreement, finalized at about 1:30 a.m. this morning, clears the way for the Senate to vote as soon as today and send the bill to the House. The House will likely pass the same version before sending it to Trump (there has been some bickering among rank-and-file Democrats about rubber-stamping the bill, so we will see how that pans out).

The agreement includes about $500 billion that can be used to back loans and assistance to companies, including $50 billion for loans to U.S. airlines, as well as state and local governments. It also has more than $350 billion to aid small businesses and there is $150 billion for hospitals and other health care providers for equipment and supplies.

For individuals, the package provides direct payments of $1,200 to each lower- and middle-income American adult, as well as $500 for each child. Senator Schumer said that President Trump has indicated these checks would go out on April 6.

Unemployment insurance would be extended to four months. The benefits
would be bolstered by $600 weekly and eligibility would be expanded to cover more workers.

Any company receiving a government loan would be subject to a ban on stock buybacks through the term of the loan plus one additional year. They also would have to limit executive bonuses and take steps to protect workers. The Treasury Department would have to disclose the terms of loans or other aid to companies and a new Treasury inspector general would oversee the lending program.