

Trump signs into law stopgap funding bill to avoid government shutdown

WASHINGTON (Reuters) – President Donald Trump on Friday signed into law a two-day stopgap extension of existing federal funds passed by Congress to avoid a midnight government shutdown, as lawmakers negotiate a \$900 billion pandemic aid bill and as part of \$1.4 trillion government spending package.

The House of Representatives and Senate, with little debate and with only hours to go before government funding expired, gave congressional leaders more time to try to craft a bipartisan COVID-19 aid bill that would ride along with the massive spending legislation.

“I believe all sides feel we are making good progress on a major relief bill that would travel with the full-year appropriations measure,” Senate Republican Leader Mitch McConnell, a Republican, said just before the temporary spending bill was passed.

Trump signed the bill into law Friday night, the White House said, leaving lawmakers to try to beat a new Sunday midnight deadline, which comes almost exactly two years after an unresolved spending fight triggered a 35-day government shutdown, the longest on record.

After months of partisan finger-pointing and inaction, Republicans and Democrats have been negotiating intensely on what is expected to be the biggest package since spring to provide relief to a country struggling with a pandemic killing more than 3,000 people a day.

With some support from Trump, who leaves office on Jan. 20, and Democratic President-elect Joe Biden, they have reported progress.

But significant differences remain, including a dispute over a Republican-backed plan to rein in Federal Reserve lending programs intended to ease the pandemic’s economic sting.

Some Republicans accused Democrats of using the lending authorities as a

backdoor way to provide aid to state and local governments that Republicans dismiss as a “slush fund” for Democratic-controlled local governments.

Other sticking points include relief for arts venues closed by COVID-19 restrictions and whether to include increased reimbursements from the Federal Emergency Management Agency to local governments for items like personal protective equipment for schools.

Many issues, though, have been settled. The coronavirus legislation is expected to include onetime checks for most Americans of about \$600 each, extended unemployment benefits of \$300 per week, help for states distributing the vaccine, and assistance for small businesses struggling through the pandemic.

Congressional leaders plan to attach the COVID-19 aid to the \$1.4 trillion spending bill.

‘OPTIMISTIC’

The prospect of a government shutdown increased pressure to come up with a relief plan. An extended shutdown would force thousands more people out of work and disrupt services just as the country is ramping up distribution of coronavirus vaccines, though the effects would not be fully felt over the weekend.

“We have a government of 2 million people that are waiting every hour to find out if they are going to be working,” Representative Steny Hoyer, the second most senior House Democrat, told reporters.

Congress was also spurred to action by an alarming increase in hospitalizations and deaths. The U.S. coronavirus death toll, now over 311,000, is by far the world’s highest, and many Americans – who do not receive government aid that is automatic in many other nations – are at risk of homelessness and going hungry.

Biden has said he wants COVID-19 relief for Americans passed immediately, promising to do more after he is sworn in on Jan. 20.

Republicans also have a wary eye on the impact inaction might have on a pair of Jan. 5 runoff elections in Georgia, which will determine whether their party maintains control of the Senate for the next two years or hands it over to Democrats.

Democrats say Republican Senator Pat Toomey is promoting his plan to rein in the Fed's emergency lending authority in an effort to make it more difficult for Biden's incoming administration to handle the public health crisis.

Toomey denied this, saying the lending authorities were expiring anyway.

Larry Kudlow, director of Trump's National Economic Council, told reporters at the White House that the Trump administration was "strongly in support" of Toomey's plan.

Brian Deese, Biden's pick to succeed Kudlow, said the relief bill should not include Toomey's provision.

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