
Labor & Employment Law Daily Wrap Up

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The updated HEROES Act now heads for the Senate, but will there be sufficient motivation to pass another COVID-19 economic stimulus bill?

On October 1, 2020, the House passed by a narrow vote of 214 to 207 the Democrats’ updated version of HEROES Act, H.R. 8406, a COVID-19 stimulus measure to address needs that have developed since the House passed an earlier version (H.R. 6800) in May. The updated bill formalizes House Democrats’ proffer in ongoing negotiations between House Speaker Nancy Pelosi (D-Calif.) and Treasury Secretary Steven Mnuchin.

The massive legislation began as a $3 trillion measure but has been trimmed to a $2.2 trillion bill that Democrats expect will protect lives, livelihoods, and the life of American democracy (see Dems update HEROES Act to reflect new needs, bipartisan negotiations, September 29, 2020).

A few key provisions. The latest iteration of the bill provides, among other things:

- Additional direct payments, cushioning the economic blow of the coronavirus crisis with a more robust second round of economic impact payments of $1,200 per taxpayer and $500 per dependent.
- Payroll protections, by enhancing the new employee retention tax credit that encourages employers to keep employees on payroll.
- Worker safety assurance, by requiring OSHA to issue a strong, enforceable standard within seven days to require all workplaces to develop and implement infection control plans based on CDC expertise.
- For our heroes, $436 billion to provide one year’s worth of assistance to state, local, territorial, and tribal governments that desperately need funds to pay vital workers like first responders and health workers who keep us safe and are in danger of losing their jobs.
- Health coverage preservation, protecting Americans who are losing their employer-provided health insurance by making sure unemployed Americans automatically receive the maximum ACA subsidy on the exchanges, as well as a special enrollment period in the ACA exchanges for uninsured Americans.

Further economic stimulus urgently needed. Democrats have been underscoring the urgent need for another round of economic stimulus to help the country weather the ongoing COVID-19 pandemic. “The health and economic catastrophe facing our country continues to cry out for urgent action,” House Appropriations Committee Chairwoman Nita M. Lowey said in a statement. "The American people cannot afford to wait until next year for action, so House Democrats are making good on our offer to compromise. As negotiations continue, this updated version of The Heroes Act is a strong bill that meets the needs of the American people."

Said Speaker Pelosi: “Strong action is needed to crush the coronavirus and protect lives, livelihoods and the life of our democracy.... Our negotiations with the Administration continue, and I am hopeful that we can reach agreement. However, we still have significant disagreement in key areas."

The updated HEROES Act will now go to the Senate where there appears to be insufficient motivation at this time to pass another COVID-19 economic stimulus bill. That, of course, may change.