



Biden, Republican Senators Quibble Over Whether To Spend Billions or Trillions

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It's been a little over a month since Congress passed a \$900 billion pandemic relief bill that extended federal unemployment benefits, provided another round of loans to small businesses, and sent stimulus checks to most Americans. Now lawmakers have turned to other pressing issues, such as debating another relief bill that will extend unemployment benefits, provide another round of loans to small businesses, and send stimulus checks to most Americans.

On Monday, 10 Republican Senators—among them Susan Collins of Maine, Lisa Murkowski of Alaska, and Mitt Romney of Utah—previewed a \$618 billion stimulus bill before a scheduled meeting today with President Joe Biden, who is pushing for an even larger \$1.9 trillion relief package.

"Mr. President, we recognize your calls for unity and want to work in good faith with your Administration to meet the health, economic, and societal challenges of the COVID crisis," the senators said in a joint statement, according to *The Hill*.

If a sizable portion of senate Republicans are willing to go along with yet another relief package so soon, that doesn't bode well for fiscal restraint under Biden, says Chris Edwards of the Cato Institute.

"To restrain the big-government policies of Biden and the Democrats in the next two years, Republicans need to stick together," Edwards tells *Reason*. Even if Congress approves no new COVID-19 spending, he notes, the deficit this year will hit \$2.6 trillion.

Both of the proposals would spend an additional \$160 billion responding directly to the pandemic, including more money for vaccinations and expanded testing and contact tracing. The relief bill approved by Congress in late December dedicated \$30 billion for vaccine procurement and rollout, plus another \$23 billion for testing and contact tracing.

Where the two bills diverge is in how much they'd spend dealing with the fiscal and economic fallout from the pandemic and from related restrictions on economic activity.

Those 10 Republican senators want to spend another \$130 billion extending unemployment benefits at their current levels through the end of June. Biden's proposal would boost that weekly benefit to \$400 and extend it through the end of September. (December's relief bill provided an additional \$300 weekly unemployment subsidy to jobless workers through March 14 at a reported cost of \$120 billion.)

Both proposals would also provide Americans with another round of relief checks. The compromise Republican version would provide \$1,000 to each individual making up to \$40,000 a year, plus \$500 per child or adult dependent. That \$1,000 would taper off for those making more than \$40,000. Individuals making \$50,000 or more would get nothing.

The Democratic proposal would provide another \$1,400 round of stimulus checks to those making up to \$75,000. Congressional Democrats (and then-President Donald Trump) called for including \$2,000 payments in December's relief bill but ultimately settled for \$600.

Both the 10 Republican senators and Biden would provide another \$50 billion in aid to small businesses. Republicans would give K–12 schools \$20 billion to assist with reopening; Biden would shower them with \$170 billion. The president's plan also tacks on expanded child tax credits, a \$15 federal minimum wage, and \$30 billion in rental aid.

It's a sad state of affairs for small-government types when the moderate position on COVID relief—already being reamed by liberal commentators as heartlessly stingy—is to spend an additional \$600 billion *on top* of last year's unprecedented increase in federal spending.

According to the Committee for a Responsible Federal Budget, Congress has already spent or approved \$4 trillion on the pandemic—and that doesn't count around \$7.3 trillion in economic stimulus from the Federal Reserve. During the Great Recession, by contrast, congressional spending rose by a mere \$1 trillion.

Some aspects of Biden's plan are so expensive that they're provoking opposition within his own administration. *Bloomberg reports* that two of his top economic advisors, Heather Boushey and David Kamin, have privately expressed criticism about the size of the checks included in the president's plan.

So much for hopes that an evenly divided Senate might act as a check on profligate spending. Instead, the administration and certain congressional Republicans seem to be playing a game of reverse limbo: How high can go you?