

# ALCALDE & FAY

## GOVERNMENT & PUBLIC AFFAIRS FIRM



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## THIS WEEK IN WASHINGTON

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*Week of August 23-27, 2021*

### FEDERAL UPDATE

The House was briefly in session earlier this week, returning to Washington to consider the Senate-passed Fiscal Year (FY) 2022 budget resolution (S.Con.Res.14; text [here](#); summary [here](#)) containing budget reconciliation instructions, as well as legislation (H.R. 4; *John R. Lewis Voting Rights Advancement Act*, summary [here](#)) to restore components of the Voting Rights Act of 1965 (VRA) that advocates have argued were diminished by recent Supreme Court decisions. Democrats ultimately agreed, within their caucus, to use a procedural tactic to consider a single rules resolution that would “deem” the budget resolution as being adopted and that also set guidelines for upcoming floor consideration of the Senate-passed bipartisan infrastructure bill. The agreement on a path forward came after nearly 24-hours of negotiations between Democratic leadership and a group of 10 moderate House Democrats who threatened to oppose the resolution until the House voted on the Senate-passed bipartisan infrastructure bill. Those threats were ultimately dropped when Leadership agreed to hold a vote on the bipartisan infrastructure bill no later than September 27<sup>th</sup>. The rule addressing the budget resolution and infrastructure debate was adopted on Tuesday afternoon in a party-line vote of 220-212, with all House Democrats voting in favor, and the VRA bill was approved shortly thereafter in a 219-212 vote.

### BUDGET RECONCILIATION

As previously reported, the FY 2022 budget resolution directs 12 Senate Committees and their 13 House counterparts to draft their respective portions of a \$3.5 trillion budget reconciliation bill that will contain several policy proposals previously outlined in President Biden’s American Jobs Plan and American Families Plan. The Committees have until September 15<sup>th</sup> to submit their section to the Budget Committee in their respective chamber, to be packaged together as one bill. House Speaker Nancy Pelosi (D-CA) indicated this week that the House Committees would work closely with their Senate counterparts to draft the various sections of the reconciliation bill, potentially avoiding lengthy conference negotiations and allowing a final negotiated bill to be considered in a timely manner. Moderate Democrats in both chambers have expressed concern with both the overall size of the package, as well as some of the offsets that have been discussed (corporate and international tax reforms/increases, tax increases on households earning more than \$400,000, and health savings through lowering prescription drug prices). While those negotiations are expected to continue over the next several weeks, a vote in the House on a final reconciliation package could come as soon as the week of September 20<sup>th</sup> when the House returns to Washington.

The summary document provided by the House Budget Committee (available [here](#)) highlights several policy initiatives Democrats will seek to include in the reconciliation package, including investments in child care, two years of free pre-K and community college, the expansion of Medicare benefits and the Child Tax Credit (CTC), and creating a national paid family medical leave program. Additionally, the summary highlights proposed investments in clean energy (establishing a Civilian Climate Corps, extending and expanding clean energy tax credits, etc.), increasing the supply of affordable housing, enhanced research and innovation infrastructure investments, and of providing a pathway to legal permanent resident (LPR) status for Dreamers.