

## ***Policy Resolution Group COVID-19 Legislative Update***

***February 12, 2021***

### **Introduction**

The Biden Administration and Democratic leadership in Congress appear to have settled on a plan to push through the next phase of COVID-19 relief legislation. Today's update gives you Liam's insights into the legislative process, and an overview of the shape that the massive relief package is taking.

Also, if you are interested in COVID relief you will definitely want to check out the newest episode of "The Lobby Shop" podcast (available on all your favorite podcast platforms or click [HERE](#)) for a discussion about the COVID legislation between Liam Donovan and Jeff Stein from The Washington Post.

### **Back With Budget Reconciliation**

#### **The House**

House Democrats have moved smoothly and expeditiously from the procedural commencement of the budget reconciliation process into the substantive work of producing legislative "recommendations" to be included in the eventual package. The resolution adopted last week directed committees to provide language pursuant to its instructions by February 16. In a matter of days, a dozen committees have gone from posting legislative text to moving their respective pieces through the mark-up process. While the proceedings were prolonged by the parade of amendments offered by the minority, virtually all of which were summarily rejected, all 12 are poised to wrap up their work with their legislative products intact. Three committees with minor roles in the package--Foreign Affairs, Natural Resources, and Science--will [not hold formal mark-ups](#) despite GOP complaints.

The emerging House package is almost unfailingly faithful to the Biden administration's \$1.9 trillion "[American Rescue Plan](#)" outline, which itself is largely cribbed from the House-passed Heroes Act from last summer. There has been little in the way of surprises, and the process has been top-down, with seemingly little input from the committees or their chairs. It should be noted that, which one notable exception in the much-debated minimum wage increase, the House bill was largely written so as to satisfy the parliamentary constraints placed on the reconciliation process by the Senate. [One example: the lapsed paid leave mandate from "Phase Two" of the congressional COVID-19 response that Democrats had intended to reprise was [quietly dropped](#) last week before the bill was unveiled.] The House Budget committee will meet next week to bundle the committee recommendations into a single package, mark it up with any additional changes, and approve it for floor consideration. The full House will aim to take up and pass the bill the week of February 22, at which point the action heads to the Senate.

#### **The Senate**

The Senate process has been in flux as the chamber sits for the impeachment trial. As the trial wraps up in the coming days, attention will quickly turn to COVID-19 relief. The Senate, and specifically, the handful of centrists that constitute its tipping point, remains the lowest common denominator in this process. Whatever passes muster on the Senate floor will be what is enacted, though it is not yet clear the nature or scale of changes that will entail. With the House product largely baked, we do not expect the Senate to go through a similar process of producing its own committee recommendations—there simply isn't time. Remember, the relevant legislative horizon is March 14<sup>th</sup>, when the December extension of federal unemployment programs is slated to expire. Look for House and Senate leaders to work with the White House in the coming weeks to “pre-conference” a package that will be able acceptable to all parties, perhaps most importantly squeaky wheels like Joe Manchin (D-WV) and Kyrsten Sinema (D-AZ). These members will support the package in the end—however, it is not yet clear the scope or scale of the changes that will be necessary to get them to yes.

**Bottom Line:** A package on the order of \$1.6+ trillion is likely to go directly to the Senate floor, be ratified by the House, and signed into law in time for the March 14 deadline. Some items (such as \$15 minimum wage) will fall prey to the so-called “Byrd bath”; some may be shaved down to win the necessary 50 votes; but the general size and shape of the bill is crystal clear.

### What's in the Package?

Policy	Biden Plan
Issue Third Round of Economic Impact Payments	~\$450 billion
Provide Direct State and Local Aid	\$350 billion
Extend and Expand Unemployment Benefits	~\$300 billion
Provide Funding for Vaccinations, Testing, and Other COVID Containment Measures	\$180 billion
Provide Aid to Schools and Transit	\$155 billion
Expand Tax Credits for Low- and Middle-Income Households	\$130 billion
Expand Health Insurance Coverage and Subsidies	\$92 billion
Provide Additional Small Business Support	\$50 billion
Extend Paid Family and Sick Leave	~\$50 billion
Increase the Minimum Wage	~\$50 billion
Increase Child Care Funding	\$40 billion
Provide Funding for Higher Education	\$35 billion
Increase Funding for Housing Assistance and Homelessness	\$35 billion
Support the Safety Net	\$17 billion
Fund Technology Improvements	\$10 billion
<b>Grand Total</b>	<b>\$1.944 trillion</b>

Source: Committee for a Responsible Budget

Last week the House and Senate adopted [S. Con. Res. 5](#), a shell budget resolution containing reconciliation instructions to the various committees of jurisdiction that unlocked the ability to move associated legislation by majority vote. The 12 House committees charged with reconciling their figures pursuant to can be found below

along with their targets under the instructions and the status of their recommendations. Legislative text and summary documents can be found at the links.

**[Agriculture](#)**

Not more than \$16B

[Reported Favorably 2/10](#)

**[Education & Labor](#)**

Not more than \$358B

[Reported Favorably 2/10](#)

**[Energy and Commerce](#)**

Not more than \$188B

Yet to be reported as of 2/12

**[Financial Services](#)**

Not more than \$75B

Reported Favorably 2/10

**[Foreign Affairs](#)**

Not more than \$10B

Yet to be reported as of 2/12

**[Natural Resources](#)**

Not more than \$1B

Yet to be reported as of 2/12

**[Oversight and Reform](#)**

Not more than \$351B

Yet to be reported as of 2/12

**[Science, Space, and Technology](#)**

Not more than \$750M

Yet to be reported as of 2/12

**[Small Business](#)**

Not more than \$50B

[Reported Favorably 2/10](#)

**[Transportation and Infrastructure](#)**

Not more than \$96B

[Reported Favorably 2/10](#)

**[Veterans' Affairs](#)**

Not more than \$17B

[Reported Favorably 2/11](#)

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**Ways and Means**

Not more than \$941B

Reported Favorably 2/11