



Policy Resolution Group Reconciliation & Infrastructure Update

March 18, 2022

Please find below the latest edition of the Policy Resolution Group's FY2022 Budget Reconciliation & Infrastructure Update.

Included in this newsletter are sections on:

- State of Infrastructure and Reconciliation Negotiations
- Liam Donovan's Bottom Line
- PRG Podcasts
- Document Library

State of Infrastructure and Reconciliation Negotiations

There has been little public progress on the reconciliation package formerly known as Build Back Better, with attention primarily focused on the Russian invasion of Ukraine and record high gas prices. With action stalled in Congress on the clean energy tax provisions, members of the Congressional Progressive Caucus called on the Biden administration to take sweeping executive action to combat climate change; Democratic members also introduced a variety of legislation geared at reducing oil prices. However, these actions have been characterized as "complementary" to the larger bill, which may gain momentum in the coming weeks. As Senator Joe Manchin (D-WV) has called for the revised legislation to proceed through normal committee procedures, this week's hearing on prescription drug pricing could mark the start of proceedings to reach a compromise that addresses his three core priorities: lowering prescription drug prices, reforming the tax code, and enacting clean energy tax incentives.

Liam Donovan's Bottom Line

The past week in Washington served to reinforce the back burner status of efforts to reboot elements of the Biden domestic agenda via budget reconciliation. With the conflict in Ukraine monopolizing Congress' immediate attention, and fallout from a global retreat from Russian goods roiling energy markets, lawmakers have been focused on the dueling priorities of penalizing Putin's aggression while seeking to soften the blow to consumers at the pump. And while last week's passage of the omnibus government funding bill represented the last truly must-pass item before the November midterms, nominally clearing the decks to salvage what's left of the Biden agenda, Congress appears poised to double down on the international focus, limbering up for a

formal bicameral conference on China-minded competitiveness legislation. All of which pushes the realistic timeframe for movement on a potential reconciliation package well into late spring at the earliest, with significant back-end pressure in the form of August recess and the home stretch of a heated general election.

The most urgent topic facing Congress remains the American response to the Russian invasion of Ukraine, which has prompted a number of overlapping executive actions and legislative proposals aimed at sanctioning Putin and his allies and downgrading the terms of Russia's trade relationship with the United States. The House this week passed its most recent sanctions package and removal of Russia's "Permanent Normal Trade Relations" status on an overwhelming bipartisan basis, though there likely remain some particulars to be worked out in the Senate. Though public opinion polling shows these actions to be wildly popular with the American people, the net effect of the broader freeze-out of Russian exports has been a dramatic spike in energy prices. Fearing these price shocks will impact their midterm fortunes, Democrats have offered a variety of ideas to lower costs or otherwise make consumers whole. While most of the proposals being floated—from windfall taxes on oil companies to gas tax holidays and rebates they are designed to finance—amount to dead-end election-year messaging gambits, they do underscore the preciousness of the scarcest resource in Washington: a moving tax vehicle. As we saw in the context of the recent omnibus, there is a strong appetite among stakeholders to move various tax provisions, from expiring TCJA and COVID relief policies to perennial so-called extenders. But with the government funded through September, and an inevitable continuing resolution to get beyond the midterms, there simply isn't an obvious place to hitch a ride. And should reconciliation efforts falter, the best hope may be a lame duck bill that merely continues the status quo.

What is increasingly clear is that the next major order of legislative business for Congress will be resolving differences to the chambers' respective competitiveness bills, what the Biden Administration has dubbed the "Bipartisan Innovation Act." With Majority Leader Chuck Schumer (D-NY) filing cloture on the motion to proceed to the House-passed *America COMPETES Act*, the Senate is poised to get onto the bill, swap the language for that of its own *USICA* legislation, and send it back to the House, which can motion to disagree and request a conference. The procedural hoops are likely to eat up the final weeks of the work period, setting up a formal conference that begins in April and stretches potentially into May. Between this and the Senate focus on the historic Supreme Court nomination of Judge Ketanji Brown Jackson, the idea of Congress and the administration having the bandwidth to make progress elsewhere in the interim is highly unlikely. Which is to say that May and June become the critical window for a breakthrough on Democratic efforts to wrangle 50 votes for a narrow party-line package.

The one bit of good news for reconciliation-watchers this week came in the form of a Wednesday Senate Finance Committee hearing on prescription drug prices. While a committee hearing wouldn't ordinarily merit mention, this one was meant to build out the record on a core element of Biden's rebooted agenda, satisfying the desires of Senator Joe Manchin (D-WV) to see any policies go through a bipartisan committee process. In a letter to his colleagues last week, Leader Schumer promised that the Finance hearing would kick off a series of such committee activity on Democratic efforts to lower costs, the newfound auspice for budget reconciliation.

These small signs of motion notwithstanding, Democratic nerves are clearly fraying. In comments to [Business Insider](#) on Tuesday, Senator Dick Durbin (D-IL), the chamber's #2 Democrat, expressed pessimism and frustration, "assuming" that reconciliation would not happen, and saying it would "surprise" him if it does. These remarks are notable not because Durbin has any special insight into or role in the success or failure of a bill, but because the gloom and doom narrative, especially

coming from a member of leadership, can easily become self-fulfilling. If Democrats internalize the narrative that a slimmed down package isn't possible, they'll inevitably be proven correct. It's worth noting that the attitude also lets their squeaky wheel colleagues off the hook by throwing in the towel before the proposition was ever truly tested. The path to a deal remains clear but forging one will take clarity and assertiveness from the White House, not the griping or cajoling of Senate leaders.

PRG Podcasts

Need more PRG? Try listening to our podcasts!

The Lobby Shop - On March 11, 2022, Bracewell's Policy Resolution Group hosted a fierce, but friendly faceoff between Senior Principal and Former Senior Policy Advisor to then-Senator Kamala Harris **Yasmin Nelson** and PRG Principal, pundit and former Republican strategist **Liam Donovan**! The one-hour conversation, moderated by PRG Co-Head Scott Segal, provided a political temperature check on some of the hottest political issues, including an analysis of the Biden administration's first year in office and predictions for the 2022 Midterm elections. Listen **HERE**.

Madam Policy - Kara van Stralen—named one of the “top people to watch in tech” by The Hill—is definitely worth keeping an eye on! After serving for over ten years on Capitol Hill as a tech and telecommunications policy expert, Kara van Stralen hit the road, taking her experience and knowledge to the Centennial State in October 2021. Working as the Director of Policy and Research to Colorado Governor Jared Polis, Kara has skillfully maneuvered the transition from federal to state level politics. Kara has played a vital role in some of the most important technological issues of our time, including the implementation of FirstNet and working to bring high-speed broadband internet access to Coloradans. Along the way, she's mentored other women, sharing her institutional knowledge about successfully navigating complex political issues, building coalitions, and engaging stakeholders. Join us for a new episode of Madam Policy as hosts Dee Martin and Yasmin Nelson chat with Kara about how she has taken the tech policy world by storm and what she's doing to create pathways for other women. Listen **HERE**.

Document Library

New Relevant Documents

For a memo issued by Patrick Gaspard, CEO of the Center for American Progress Action Fund urging Democratic offices to pass a skinner version of the Build Back Better plan click **HERE**.

Bill Text and Summaries

For the House Committee on Rules information page on the Build Back Better Act, including recordings of committee meetings and proposed amendments click **HERE**.

House Bill Text and Comparisons:

- For the House Rules Committee Print of the Build Back Better Act released on November 3 click **HERE**.
- For the 1st Manager's Amendment adopted and agreed to on November 6, 2021 click **HERE**.

- For the 2nd Manager’s Amendment adopted and agreed to on November 18, 2021 click [HERE](#).
- For a comparative print between the November 3 print and the October 28 print click [HERE](#).
- For a comparative print between the November 3 print and the initial text of H.R. 5376 click [HERE](#).
- For the House Committee on Rules page on the Build Back Better Act, including announcements, videos, bill text, amendments, and votes click [HERE](#).

Senate Bill Text:

- For the Senate legislative text for “Title I - Committee on Agriculture, Nutrition, and Forestry” click [HERE](#).
- For the Senate legislative text for “Title II - Committee on Health, Education, Labor, and Pensions” click [HERE](#).
- For the Senate Legislative Text for “Title III – Committee on Environment and Public Works” click [HERE](#).
- For the Senate legislative text for “Title IV - Committee on Banking, Housing, and Urban Affairs” click [HERE](#).
- For the Senate legislative text for “Title V - Committee on Homeland Security and Governmental Affairs” click [HERE](#).
- For the Senate legislative text for “Title VII – Committee on Energy and Natural Resources” click [HERE](#).
- For the Senate legislative text for “Title VIII - Committee on Commerce, Science, and Transportation” click [HERE](#).
- For the Senate legislative text for “Title IX - Committee on Indian Affairs” click [HERE](#).
- For the Senate legislative text for “Title X - Committee on Small Business and Entrepreneurship” click [HERE](#).
- For the Senate legislative text for “Title XI - Committee on Veterans' Affairs” click [HERE](#).
- For the Senate legislative text for “Title XII - Committee on Finance” click [HERE](#).

Summaries and Fact Sheets:

- For a section-by-section summary of the Build Back Better Act click [HERE](#).
- For a fact sheet on the agriculture provisions in the Build Back Better Act click [HERE](#).
- For a fact sheet on the homeland security provisions in the Build Back Better Act click [HERE](#).
- For a fact sheet on the science, space, and technology provisions in the Build Back Better Act click [HERE](#).
- For a fact sheet on the energy & commerce provisions in the Build Back Better Act click [HERE](#).
- For a fact sheet on the judiciary provisions in the Build Back Better Act click [HERE](#).
- For a fact sheet on the small business provisions in the Build Back Better Act click [HERE](#).
- For a fact sheet on the education & labor provisions in the Build Back Better Act click [HERE](#).
- For a fact sheet on the natural resources provisions in the Build Back Better Act click [HERE](#).
- For a fact sheet on the financial services provisions in the Build Back Better Act click [HERE](#).
- For a fact sheet on the oversight and reform provisions in the Build Back Better Act click [HERE](#).

- For a fact sheet on the transportation & infrastructure provisions in the Build Back Better Act click [HERE](#).
- For a fact sheet on the veterans' affairs provisions in the Build Back Better Act click [HERE](#).
- For a fact sheet on the ways & means provisions in the Build Back Better Act click [HERE](#).

Budgetary Effects

For the Congressional Budget Office's summary of the cost estimate for H.R. 5376, the Build Back Better Act, click [HERE](#).

For a December 8 update from the Congressional Budget Office on the budgetary effects of the Build Back Better Act, click [HERE](#).

For the Congressional Budget Office's report on the budgetary effects of making specified policies in the Build Back Better Act permanent, click [HERE](#).

House bill:

- For the Congressional Budget Office's estimated budgetary effects of the Homeland Security provisions in the Build Back Better Act click [HERE](#).
- For the Congressional Budget Office's estimated budgetary effects of the Small Business provisions in the Build Back Better Act click [HERE](#).
- For the Congressional Budget Office's estimated budgetary effects of the Veterans Affairs provisions in the Build Back Better Act click [HERE](#).
- For the Congressional Budget Office's estimated budgetary effects of the Science, Space, and Technology provisions in the Build Back Better Act click [HERE](#).
- For the Congressional Budget Office's estimated budgetary effects of the Transportation and Infrastructure provisions in the Build Back Better Act click [HERE](#).
- For the Congressional Budget Office's estimated budgetary effects of the Oversight and Reform provisions in the Build Back Better Act click [HERE](#).
- For the Congressional Budget Office's estimated budgetary effects of the Financial Services provisions in the Build Back Better Act click [HERE](#).
- For the Congressional Budget Office's estimated budgetary effects of the Energy and Commerce provisions in the Build Back Better Act click [HERE](#).
- For the Congressional Budget Office's estimated budgetary effects of the Judiciary provisions in the Build Back Better Act click [HERE](#).
- For the Congressional Budget Office's estimated budgetary effects of the Ways and Means provisions in the Build Back Better Act click [HERE](#).
- For the Congressional Budget Office's estimated budgetary effects of the Education and Labor provisions in the Build Back Better Act click [HERE](#).
- For the Congressional Budget Office's estimated budgetary effects of the Natural Resources provisions in the Build Back Better Act click [HERE](#).
- For the Congressional Budget Office's estimated budgetary effects of the Agriculture provisions in the Build Back Better Act click [HERE](#).

Senate bill:

- For the Congressional Budget Office’s estimated budgetary effects of the Senate’s “Title I - Committee on Agriculture, Nutrition, and Forestry” of the Build Back Better Act click [HERE](#).
- For the Congressional Budget Office’s estimated budgetary effects of the Senate’s “Title II - Committee on Health, Education, Labor, and Pensions” of the Build Back Better Act click [HERE](#).
- For the Congressional Budget Office’s estimated budgetary effects of the Senate’s “Title III – Committee on Environment and Public Works” of the Build Back Better Act click [HERE](#).
- For the Congressional Budget Office’s estimated budgetary effects of the Senate’s “Title IV - Committee on Banking, Housing, and Urban Affairs” of the Build Back Better Act click [HERE](#).
- For the Congressional Budget Office’s estimated budgetary effects of the Senate’s “Title V - Committee on Homeland Security and Governmental Affairs” of the Build Back Better Act click [HERE](#).
- For the Congressional Budget Office’s estimated budgetary effects of the Senate’s “Title VII - Committee on Energy and Natural Resources” of the Build Back Better Act click [HERE](#).
- For the Congressional Budget Office’s estimated budgetary effects of the Senate’s “Title VIII - Committee on Commerce, Science, and Transportation” of the Build Back Better Act click [HERE](#).
- For the Congressional Budget Office’s estimated budgetary effects of the Senate’s “Title IX - Committee on Indian Affairs” of the Build Back Better Act click [HERE](#).
- For the Congressional Budget Office’s estimated budgetary effects of the Senate’s “Title X - Committee on Small Business and Entrepreneurship” of the Build Back Better Act click [HERE](#).
- For the Congressional Budget Office’s estimated budgetary effects of the Senate’s “Title XI - Committee on Veterans' Affairs” of the Build Back Better Act click [HERE](#).
- For the Joint Committee on Taxation’s preliminary review of estimated budgetary effects of the Senate’s “Title XII - Committee on Finance” of the Build Back Better Act click [HERE](#).

Other Budgetary Estimates:

- For the Joint Committee on Taxation’s Estimated Budget Effects of the Build Back Better Act click [HERE](#).
- For the White House’s preliminary budgetary estimates of the Build Back Better Act click [HERE](#).
- For a Dear Colleague Letter from the Speaker of the House issued on November 4 regarding the preliminary budget estimate of the Build Back Better Act click [HERE](#).

October 28 Text

For the House Rules Committee Print of the Build Back Better Act released on October 28 click [HERE](#).

For a section-by-section summary of the Build Back Better Act click [HERE](#).

For the Build Back Better Framework released on October 28 click [HERE](#).

For the White House fact sheet on the Build Back Better Framework released on October 28 click [HERE](#).

September 27 Text

For the text of H.R. 5376 the Build Back Better Act as reported by the House Committee on the Budget on September 27 click [HERE](#).

For the report from the Committee on the Budget to accompany H.R. 5376 click [HERE](#).

Background Material

For the Congressional Research Service report on “The Senate’s ‘Byrd Rule’” click [HERE](#).

Provisional Text

For a preliminary budget reconciliation framework signed by Sen. Joe Manchin (D-WV) and Sen. Majority Leader Chuck Schumer (D-NY) on July 28 click [HERE](#).

For the House Committee on the Budget’s full text of the Build Back Better Act click [HERE](#).

- For Part 1 of the House Committee on the Budget’s report on the Build Back Better act click [HERE](#).
- For Part 2 of the House Committee on the Budget’s report on the Build Back Better act click [HERE](#).
- For Part 3 of the House Committee on the Budget’s report on the Build Back Better act click [HERE](#).

For the summary of the Senate budget resolution click [HERE](#).

- For the text of the Senate budget resolution click [HERE](#).
- For the committee print to accompany the FY22 budget resolution click [HERE](#).
- For Senate Majority Leader Chuck Schumer’s (D-NY) dear colleague letter regarding the climate impacts of the budget resolution click [HERE](#).

For the summary of the House budget resolution click [HERE](#).

- For the text of House Resolution advancing the bipartisan infrastructure agreement, the Senate budget resolution, and H.R. 4 the John R. Lewis Voting Rights Advancement Act of 2021 click [HERE](#).

For a summary of Sen. Ron Wyden’s (D-OR) proposals for tighter tax rules on partnerships and an excise tax on stock buybacks click [HERE](#).

- For the text of Sen. Wyden’s proposals click [HERE](#).

Markups

Agriculture: For the text of the House Agriculture Committee print containing legislative proposals click [HERE](#).

- For a summary of the proposals click [HERE](#).

Education and Labor: For the text of the House Committee on Education & Labor print containing legislative proposals click [HERE](#).

- For an amendment in the nature of a substitute offered by Chairman Bobby Scott (D-VA) click [HERE](#).

Energy and Commerce: For a fact sheet of the House Committee on Energy and Commerce markup of the Build Back Better Act click [HERE](#).

- For a memorandum on the markup click [HERE](#).
- For Subtitle A on Air Pollution click [HERE](#).
- For Subtitle B on Hazardous Materials click [HERE](#).
- For Subtitle C on Drinking Water click [HERE](#).
- For Subtitle D on Energy click [HERE](#).
- For Subtitle E on Drug Pricing click [HERE](#).
- For Subtitle F on Affordable Care Coverage click [HERE](#).
- For Subtitle G on Medicaid click [HERE](#).
- For subtitle H on CHIP click [HERE](#).
- For subtitle I on Medicare click [HERE](#).
- For subtitle J on Public Health click [HERE](#).
- For subtitle K on Next Generation 9-1-1 click [HERE](#).
- For subtitle L on Wireless Connectivity click [HERE](#).
- For subtitle M on Distance Learning click [HERE](#).
- For subtitle N on the Manufacturing Supply Chain click [HERE](#).
- For subtitle O on FTC Privacy Enforcement click [HERE](#).
- For subtitle P on the Department of Commerce Inspector General click [HERE](#).
- For a full committee action summary click [HERE](#).

Financial Services: For the text of the House Committee on Financial Services click [HERE](#).

- For an amendment in the nature of substitute offered by Chairwoman Maxine Waters (D-CA) click [HERE](#).
- For the committee Memorandum click [HERE](#).
- For the text of H.R. 5195, the “Native American Housing Assistance and Self-Determination Reauthorization Act of 2021” click [HERE](#).
- For the text of H.R. 5196, the “Expediting Assistance to Renters and Landlords Act of 2021” click [HERE](#).

Homeland Security: For the committee print of the reconciliation of the House Homeland Security Committee print containing legislative proposals click [HERE](#).

- For the amendments adopted click [HERE](#).

Judiciary: For the text of the House Committee on the Judiciary print containing legislative proposals click [HERE](#).

- For an amendment in the nature of a substitute offered by Chairman Jerrold Nadler (D-NY) click [HERE](#).

Natural Resources: For the text of the House Natural Resources Committee print containing legislative proposals click [HERE](#).

Science, Space, and Technology: For the committee print of the House Science, Space, and Technology Committee print containing legislative proposals click [HERE](#).

- For an amendment in the nature of a substitute offered by Chairwoman Eddie Bernice Johnson (D-TX) click [HERE](#).

Small Business: For the text of the House Committee on Small Business print containing legislative proposals click [HERE](#).

- For an amendment in the nature of a substitute offered by Chairwoman Nydia Velázquez (D-NY) click [HERE](#).

Transportation and Infrastructure: For the text of the House Transportation and Infrastructure Committee print containing legislative proposals click [HERE](#).

- For the amendment in nature of a substitute click [HERE](#).

Ways and Means: For a summary of the House Ways and Means Committee markup of the Build Back Better Act click [HERE](#).

- For a memorandum on the markup click [HERE](#).
- For a section-by-section summary of subtitles A-E click [HERE](#).
 - For Subtitle A on Universal Paid Family and Medical Leave click [HERE](#).
 - For Subtitle B on Retirement click [HERE](#).
 - For Subtitle C on Child Care Access and Equity click [HERE](#).
 - For Subtitle D on Trade Adjustment Assistance click [HERE](#).
 - For Subtitle E, Part 1 on Health Careers click [HERE](#). For Part 2 on Elder Justice click [HERE](#). For Part 3 on Skilled Nursing Facilities click [HERE](#). For Part 4 on Medicare Dental, Hearing, and Vision Coverage click [HERE](#).
- For a section-by-section summary of Subtitle F-J click [HERE](#).
 - For legislative recommendations relating to infrastructure financing, green energy, social safety net, and prescription drugs click [HERE](#).
 - For the estimated budgetary effects of the revenue provisions from the Joint Committee on Taxation click [HERE](#).
 - For the estimated distributional effects of the revenue provisions from the Joint Committee on Taxation click [HERE](#).
 - For a description of the Chairman’s Amendment in the Nature of a Substitute from the Joint Committee on Taxation click [HERE](#).
 - For a summary of Subtitle F on Infrastructure from the Joint Committee on Taxation click [HERE](#).
 - For a summary of Subtitle G on Green Energy from the Joint Committee on Taxation click [HERE](#).
 - For a summary of Subtitle H on the Social Safety Net from the Joint Committee on Taxation click [HERE](#).
 - For a summary of Subtitle J on Drug Pricing from the Joint Committee on Taxation click [HERE](#).
- For a section-by-section summary of Subtitle I click [HERE](#).
 - For legislative recommendations relating to Funding Our Priorities click [HERE](#).
- For the Joint Committee on Taxation’s estimated budgetary effects of legislative recommendations relating to infrastructure financing and community development, green energy, social safety net, responsibly funding our priorities, and drug pricing click [HERE](#).
- For the final vote results click [HERE](#).

Letters

For a letter for Senate Majority Leader Chuck Schumer on the environmental benefits of the infrastructure bill and reconciliation bill see [HERE](#).

For Senator Joe Manchin’s Opinion piece calling for a strategic pause on spending click [HERE](#).

For a letter from Rep. Stephanie Murphy (D-FL) and Rep. Henry Cuellar (D-TX) rejecting deficit spending except on climate policy click [HERE](#).

For a letter from Democrats calling for increased support for biofuels click [HERE](#).

For a letter from House Democrats supporting the Polluter Pays Climate Fund Act click [HERE](#).

For a letter from House Democrats supporting an array of international tax provisions see [HERE](#).

For a letter from Democratic governors supporting the budget reconciliation bill click [HERE](#).

For an endorsement of the environmental provisions from a coalition of environmental groups see [HERE](#).

For a letter from the United Mine Workers of America opposing the initial proposal for a Clean Electricity Standard click [HERE](#).

For a letter from America’s Power opposing the Clean Electricity Performance Program click [HERE](#).

For a letter from the National Rural Electric Cooperative Association opposing the Clean Electricity Performance Program click [HERE](#).

For a letter from the American Public Power Association opposing the Clean Electricity Performance Program click [HERE](#).

For a letter from America Electric Power opposing the Clean Electricity Performance Program click [HERE](#).

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