



## Policy Resolution Group Alert: House Passes Build Back Better Act

November 19, 2021

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

Included in this newsletter are sections on:

- House Passes Build Back Better Act
- CBO's Estimates of Parts of the Build Back Better Act As of 11/18/2021
- What's in the Build Back Better Act?
- Document Library

### **House Passes Build Back Better Act**

Congressional Democrats took a major leap forward at approximately 9:45AM EST this morning in their quest to enact the centerpiece of the Biden agenda, as the House approved the Build Back Better Act 220-213. The vote split along party lines with the exception of Rep. Jared Golden (D-ME), who opposed the measure over concerns over the increased state and local tax (SALT) deduction, while expressing an openness to support the final bill as modified by the Senate. Successful passage sends the bill to the upper chamber, where Senate leadership hopes to complete their work on the legislation before the end of the year.

The final vote was delayed until morning following a marathon Thursday night floor speech by Minority Leader Kevin McCarthy (R-CA), who used his privilege as party leader to launch a filibuster-style broadside against the bill, laying out the GOP critique of reckless spending and tax hikes until nearly 5:00AM. In contrast, the drama-free roll call marked an anti-climactic finish to a process that had bedeviled House leadership through several months and multiple false starts. But with the bipartisan infrastructure deal signed into law earlier in the week and official budget scoring arriving within the realm of expectations, erstwhile moderate holdouts were ready to reciprocate the legislative trust fall with the hope that their Senate counterparts would send back a final package more to their liking.

With the Congressional Budget Office in overdrive on Thursday afternoon, delivering the final components of its analysis on Thursday afternoon, and the Senate parliamentarian completing a scrub of the legislative text, Speaker Pelosi was able to accelerate her already-ambitious timetable of

passage by week's end, making minor changes in the House Rules Committee before proceeding to the floor late Thursday evening. The numbers came in largely as expected, with the bill adding \$367 billion to the deficit over ten years, a figure that is trimmed to \$159 billion when accounting "unscored" revenue associated with increased IRS enforcement funding. The White House preemptively pushed back on this figure, citing its own estimates that more than double the CBO figures, defusing a potential trouble spot and allowing Democrats to argue that the bill actually reduces the deficit by more than \$100 billion.

We don't yet know if senators will agree with the White House budget numbers or if they will feel the need to include more revenue raisers. Also, while portions of the House bill have been pre-negotiated by representatives of the House, the Senate and the administration, we are told that will not preclude a lively debate on senators' additional legislative priorities. Significantly, Senator Joe Manchin (D-WV), who represents the necessary fiftieth vote for the package, has not yet committed to support the bill and may very well present the Senate Majority Leader with a wide-ranging list of demands required to get him on board. We will have more on the legislative path forward in a later update.

**CBO's Estimates of Parts of the Build Back Better Act As of 11/18/2021**

<b>Title</b>	<b>Budget Authority</b>	<b>Deficit Impact</b>
Title I (Agriculture)	\$82 billion	\$77 billion
Title II (Education & Labor)	\$455 billion	\$454 billion
Title III (Energy & Commerce)	\$299 billion	\$281 billion
Title IV (Financial Services)	\$156 billion	\$151 billion
Title V (Homeland Security)	\$2 billion	\$1 billion
Title VI (Judiciary)	\$116 billion	\$115 billion
Title VII (Natural Resources)	\$17 billion	\$16 billion
Title VIII (Oversight & Reform)	\$14 billion	\$14 billion
Title IX (Science, Space, & Technology)	\$9 billion	\$9 billion
Title X (Small Business)	\$5 billion	\$5 billion
Title XI (Transportation & Infrastructure)	\$39 billion	\$36 billion
Title XII (Veterans Affairs)	\$5 billion	\$5 billion
Title XIII (Ways & Means)	-\$997 billion	-\$1,005 billion
<b>Total, Estimated So Far by CBO</b>	<b>\$202 billion</b>	<b>\$160 billion</b>

Sources: Congressional Budget Office, [Joint Committee on Taxation](#), and Committee for a Responsible Federal Budget. Numbers may not sum due to rounding. Note: The estimate for the Ways and Means title includes \$207 billion in non-scoreable revenue from IRS enforcement provisions aimed at reducing the tax gap.

Link to graphic [HERE](#).

**What's in the Build Back Better Act?**

Policy	Cost/Savings (-)
<b>Family Benefits</b>	<b>\$585 billion</b>
Establish an affordable child care program (6 years)	\$270 billion
Establish a paid family and medical leave program	\$205 billion
Provide universal pre-K to all three-and four-year olds (6 years)	\$110 billion
<b>Climate &amp; Infrastructure</b>	<b>\$570 billion</b>
Invest in clean energy & climate resilience	\$235 billion
Establish or expand clean energy & electric tax credits	\$190 billion
Establish or expand clean fuel & vehicle tax credits	\$60 billion
Establish or expand other climate-related tax benefits	\$75 billion
Enact infrastructure & related tax breaks	\$10 billion
<b>Individual Tax Credits &amp; Cuts</b>	<b>\$215 billion</b>
Extend Child Tax Credit (CTC) increase to \$3,000 (\$3,600 for kids under 6) <i>for one year</i> ; make CTC fully refundable permanently	\$190 billion
Extend expanded Earned Income Tax Credit (EITC) <i>for one year</i>	\$15 billion
Other individual tax changes	\$10 billion
<b>Health Care</b>	<b>\$330 billion</b>
Strengthen Medicaid home- and community-based services	\$150 billion
Extend expanded Affordable Care Act (ACA) premium tax credits & make premium tax credits available to those in Medicaid coverage gap <i>through 2025</i>	\$120 billion
Establish Medicare hearing benefit	\$35 billion
Invest in the health care workforce	\$25 billion
<b>Other Spending &amp; Tax Cuts</b>	<b>\$335 billion</b>
Build & support affordable housing	\$175 billion
Increase higher education & workforce spending	\$40 billion
Other spending & investments	\$120 billion
<b>Reduce or Delay TCJA Base Broadening</b>	<b>\$280 billion</b>
Increase SALT deduction cap to \$80,000 through 2025	\$275 billion*
Delay amortization of research & experimentation expenses until 2026	\$5 billion'
<b>Enact Immigration Reform</b>	<b>\$110 billion</b>
<b>Subtotal, Build Back Better Act Spending &amp; Tax Breaks</b>	<b>\$2.43 trillion</b>
<b>Increase Corporate Taxes</b>	<b>-\$830 billion</b>
Impose a 15 percent domestic minimum tax on large corporations	-\$320 billion
Impose a 15 percent global minimum tax & reform international taxation	-\$280 billion
Impose a 1 percent surcharge on corporate stock buybacks	-\$125 billion
Enact other corporate tax reforms	-\$105 billion
<b>Increase Individual Taxes on High Earners</b>	<b>-\$640 billion</b>
Expand the 3.8 percent Net Investment Income Tax	-\$250 billion
Impose a 5 percent surtax on income above \$10 million & an 8 percent surtax on income above \$25 million	-\$230 billion
Extend and expand limits on deductibility of business losses	-\$160 billion

<b>Other Revenue</b>	<b>-\$180 billion</b>
Reduce the tax gap by funding IRS & other measures	-\$130 billion*
Reinstate superfund taxes on oil & impose methane fee	-\$20 billion
Expand nicotine taxes	-\$10 billion
Reform tax treatment of retirement accounts	-\$10 billion
Other receipts	-\$10 billion
<b>Health Care</b>	<b>-\$325 billion</b>
Repeal Trump Administration drug rebate rule	-\$145 billion
Reform Part D formula, cap drug price growth, & allow targeted drug price negotiations	-\$160 billion
Reduce DSH payments beyond 2026	-\$20 billion*
<b>Establish \$80,000 SALT deduction cap from 2026 through 2030 &amp; \$10,000 cap in 2031</b>	<b>-\$290 billion*</b>
<b>Subtotal, Build Back Better Act Offsets</b>	<b>-\$2.27 trillion</b>
<b>Net Deficit Increase, House Build Back Better Act</b>	<b>-\$160 billion</b>

Sources: Congressional Budget Office, [Joint Committee on Taxation](#), and Committee for a Responsible Federal Budget.

\*The House fully pays for an increase in the SALT deduction cap through 2026 on paper by extending the cap beyond 2026 after most provisions of the TCJA have expired. While this change raises revenue relative to current law, it would substantially increase the cost of extending the TCJA and thus is likely to result in lower revenue collections over time. We nonetheless count the new revenue as an offset in our official tally.

\*Represents the net cost of temporarily delaying the switch to amortization of research and experimentation expenses — the policy costs \$126 billion through 2025. \*DSH reductions through 2025 are subtracted against the ACA expansion.

Link to graphic [HERE](#).

## Document Library

### Bill Text and Summaries

Bill Text and Comparisons:

- For the House Rules Committee Print of the Build Back Better Act released on November 3 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](#).

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 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](#).

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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