



Policy Resolution Group Reconciliation & Infrastructure Update

April 1, 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 Pulse Election Analysis: What Retirements Mean for the Midterms
- PRG Podcasts
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State of Infrastructure and Reconciliation Negotiations

Little public progress has been made on the partisan reconciliation package this past week, but the legislation may start picking up steam in the coming weeks and months as Democratic leadership works to achieve compromise with holdout Senator Joe Manchin (D-WV). President Biden's newly released Fiscal Year 2023 budget request and the accompanying Treasury "Greenbook" signaled the administration's intention to fulfill Senator Manchin's desire for deficit reduction, while leaving a placeholder for prescription drug price reforms and clean energy tax incentives, the other core elements of any prospective deal. Notably, the proposal would also ensure American clean energy producers can continue to claim their full credits even after a prospective global corporate minimum tax comes online, though it does not provide further detail. The President's budget request and preliminary tax proposals will be altered significantly over the course of negotiations in Congress, but they could provide a framework to resolve some of the thorny conversations that will inevitably crop up when reconciliation debates come back in full force.

Liam Donovan's Bottom Line

This week's Beltway news was dominated by the release of President Biden's budget request, a perennial buffet of fiscal fantasy that nonetheless provides clues as to which policies the White House might pursue. Recall that last year's presidential budget provided a first draft of the Build Back Better agenda, then known as the American Jobs Plan and the American Families Plan, respectively, complete with policy explanations and revenue tables. With that in mind, the FY2023

edition might reasonably be expected to reflect the shifting political realities in the interim. But for all its messaging flourishes—and indeed, the administration billed this as its plan to lower costs, reduce the deficit, and curb inflation—the contents are merrily detached from anything that might conceivably become law.

Now, we should note that the President’s budget is fundamentally a political document—a vehicle for the administration to signal its priorities and rally its stakeholders irrespective of the odds of passage. At the same time, there is a certain dissonance between the headlines, which deem it a “[peace offering](#)” built around “[Manchin priorities](#),” and the substantive reality of what the administration chose to include. And while there have been significant thematic adjustments since last year’s focus on transformative investment, the coverage has largely elided the White House decision to simply [assume passage](#) of the House Build Back Better tax title (minus SALT relief), incorporating its revenue provisions into the baseline in order to prop up rosy fiscal numbers.

The budget does include a “deficit neutral reserve fund” for legislation that “reduces cost, expands productive capacity, and reforms the tax system,” a placeholder for negotiations over a to-be-determined reconciliation package, should one materialize. And the thematic pivot toward moderate, Manchin- and midterm-friendly messaging is unmistakable. But given the opportunity to signal concessions as a means of moving his agenda forward, the President elected to double down, proposing more than \$700 billion in additional tax increases, including a newsy non-starter in a “billionaire minimum income tax” (BMIT) that Manchin quickly [shot down](#).

Much like the BBB baseline gimmick, these changes were incorporated in service of politically necessary deficit reduction goals, but it remains striking that they chose to recycle numerous provisions that Senator Kyrsten Sinema (corporate and individual rate hikes,) Manchin (repeal of fossil fuel preferences) and various others (repeal of stepped-up basis) have pointedly and publicly rejected. As the White House seeks to re-engage these members on a reconciliation package, building on the sense of narrative momentum that seemed to be materializing last week, these off-key elements stand to make a [tense dynamic](#) even more stilted. If nothing else, it raises questions as to whether the White House has learned the right lessons from a year of frustration and futility.

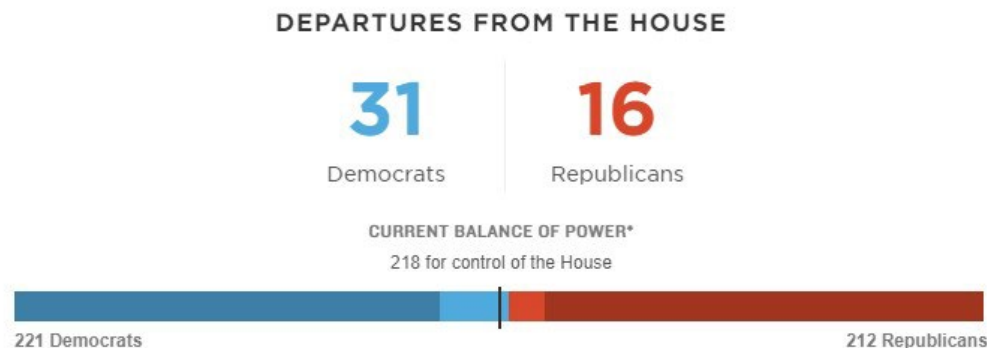
With Congress racing to wrap up its pending work heading into the Easter recess, we are unlikely to see any meaningful developments on reconciliation until the next work period, which stretches from late April through May. Memorial Day remains a crucial waypoint for tangible signs of a breakthrough. And with the White House and Democratic leaders increasingly spooked by grisly poll numbers, their focus remains on near term measures that can be seen to alleviate energy prices, like tapping the strategic petroleum reserve (SPR), or address ongoing supply chain issues, as with invoking the Defense Production Act (DPA) for critical minerals. The immediate imperative of appearing responsive to consumer—and ultimately, voter—angst compounds the timing challenge facing Democrats as the window for legislative action narrows. The next two months will determine whether they can keep the salvage effort on track.

PRG Pulse Election Analysis: What Retirements Mean for the Midterms

By: Dylan Pasiuk

With very little time left to legislate, President Biden’s dropping approval rating, and a slew of retirements, Democrats are increasingly worried about their prospects to hold onto both the House of Representatives and the Senate during the 2022 Midterm Elections. Throw in redistricting, where many traditionally safe Democratic seats are turning red, and many Democrats are seeing

the writing on the wall and are choosing to either run for higher office or retire from politics entirely. This is most certainly the case for Reps. Tim Ryan (D-OH) and Conor Lamb (D-PA) who are competing to replace retiring GOP Senators Rob Portman (R-OH) and Pat Toomey (R-PA) after their House seats turned considerably redder due to the redistricting process.



Source: National Public Radio

What is also concerning for Democrats is that many Committee Chairs and members of party leadership, such as Rep. Peter DeFazio (D-OR) (Transportation and Infrastructure), Rep. John Yarmuth (D-KY) (Budget), and Rep. Eddie Bernice Johnson (D-TX) (Science, Space, and Technology) have decided to retire, indicating that they feel they are likely to be plunged into the minority.

However, things aren't all bad for Democrats as the Senate map is much more favorable than the House. Also, there is only one Democrat retiring from the Senate, albeit the longest serving Senator and arguably one of the party's power brokers, in Senator Patrick Leahy (D-VT). Rep. Peter Welch (D-VT), another House retirement, is currently being tapped as his likely replacement.

Retiring from public office, 2022			
Name	Party	State	Date announced
Richard Burr	Republican	North Carolina	July 20, 2016 ^[1]
Pat Toomey	Republican	Pennsylvania	Oct. 5, 2020 ^[2]
Rob Portman	Republican	Ohio	Jan. 25, 2021 ^[3]
Richard Shelby	Republican	Alabama	Feb. 8, 2021 ^[4]
Roy Blunt	Republican	Missouri	March 8, 2021 ^[5]
Patrick Leahy	Democratic	Vermont	November 15, 2021 ^[6]

Source: Ballotpedia

Democrats need to hope that President Biden's approval rating, which is historically an indicator of Midterm results and the tide that will raise (or lower) all boats, turns around quickly. It is likely that many Democrats are banking on the passage of another reconciliation bill, something they can easily campaign on, to turn around their prospects and the President's approval. However, the closer we get to summer and the sprint of the campaign season, the harder it will be for Democrats to pass any meaningful legislation and the more likely that we will see a split 118th Congress.

PRG Podcasts

Need more PRG? Try listening to our podcasts!

Madam Policy - U.S. Representative Veronica Escobar (D-TX-16) uses her voice to promote democracy, stop injustice, and advocate for change. Join hosts Dee Martin, Caitlin Sickles, and Claire Cahoon for this special episode as they chat with trailblazer and history creator Representative Escobar, the first woman elected to represent Texas 16 and the first of two Latinas from Texas to serve in the U.S. Congress. Since taking office in 2019, Representative Escobar has hit the ground running, working to resolve some of the most complicated issues currently facing Americans. But her fight on these issues, and for her community, did not start in Congress. A third-generation El Pasoan, the Congresswoman has a record of working tirelessly to find solutions for tackling issues in her community surrounding healthcare, immigration, and gun safety. Learn more about how she is using her platform to inspire the next generation of leaders, shape policy, and create history. Listen [HERE](#).

Document Library

FY23 Budget

For President Biden's Budget Request for Fiscal Year 2023 click [HERE](#).

For Analytical Perspectives on the FY23 Budget Request click [HERE](#).

For the FY23 Budget Request Appendix click [HERE](#).

For Supplemental Materials on the FY23 Budget Request click [HERE](#).

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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