



Policy Update

September 9, 2021

Reconciliation – US House of Representatives and Senate Continue to Work on \$3.5T American Families Plan Reconciliation Measure As Congressional Democrats continue to draft the legislative spending elements of what will be the next reconciliation bill, the clock is ticking on whether Congress can pass a continuing resolution (CR) to keep the Federal Government open as well as a surface transportation bill by September 30. Additionally, Congress is still confronting the issue of waiving or raising the debt limit to ensure the US Government can meet its debt obligations. The budget battle will ensue once the House and Senate return to Washington later this month.

September 15th is a non-binding deadline that was set in the Budget Resolution for House and Senate Committees to markup and approve bills that will collectively become the reconciliation bill that both chambers must pass before the President can sign. Already, in the Senate moderate Senators have come out against the \$3.5T number, and are instead considering a lower number. However, progressive Democrats are opposed to anything less than \$3.5T. This puts both Speaker Pelosi and Leader Schumer in the difficult position of trying to corral the 50 Democrat votes in the Senate and the 218 in the House. Without the necessary votes on reconciliation, it could doom the infrastructure bill sitting in the House and already passed by the Senate. Progressives have threatened to withhold votes on infrastructure if they don't get the \$3.5T in reconciliation, and at this time, we don't know if any Republicans in the House will vote for the infrastructure bill, despite encouragement from some Republican Senators who did vote for the bill in the Senate. Speaker Pelosi has "committed" to a September 27th vote in the House on the Senate-passed infrastructure bill, but again without the necessary votes from either side to reach the 218-vote number, there would be no reason for her to call up the bill.

Further updates to come once Congress returns.