



Infrastructure reconciliation legislation overview

A look-ahead at potential future reconciliation legislation in the 117th Congress following Congress' \$1.9 trillion COVID-19 relief bill

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Pres. Biden is weighing future reconciliation legislation addressing diverse policy areas

Democrats may divide a \$3-4 trillion proposal into two separate packages

BIDEN'S PROPOSAL COULD ADDRESS POLICY AREAS INCLUDING:



Infrastructure



Racial justice



Emissions reduction



Women's workforce participation



Job creation and economic inequality



Education

THE PROPOSAL COULD INCLUDE A RANGE OF REVENUE PROVISIONS:



Income tax increase for corporations



Lowering cutoff for highest marginal tax rate



Tax increase on corporate income earned abroad



Highest marginal tax rate increase



Some have called for Democrats to attempt to **pass infrastructure legislation in a bipartisan manner** instead of passing the legislation through the reconciliation process; however, a bipartisan bill could **face hurdles due to likely inclusion of climate provisions**

Pres. Biden's reconciliation proposal could draw on previously introduced plans

Key bills and plans that could influence the \$3-4 trillion reconciliation proposal

BIDEN'S BUILD BACK BETTER PLAN

- Biden's "**Build Back Better**" **economic recovery plan**, released during the 2020 presidential campaign, could shape the reconciliation package
- A key aspect of the campaign plan was Biden's **clean energy infrastructure proposal** to invest in emissions reduction, transit, electric vehicles, and climate-resilient infrastructure

GREEN NEW DEAL

- Parts of Biden's reconciliation proposal could resemble the **Green New Deal's focus on emissions reduction**
- Green New Deal advocate Rep. Alexandria Ocasio-Cortez (D-NY-14) has argued that the Green New Deal **increased the scope of climate proposals**
- Some have called for an even larger spending package than Biden's proposal to combat climate change

LIFT AMERICA ACT

- Congressional Democrats are **likely to continue introducing infrastructure plans** in 2021 in the build-up to broader legislation
- One such bill, Rep. Frank Pallone's (D-NJ-6) **LIFT America Act**, includes **\$312 billion in infrastructure spending** covering renewables, broadband, hospital infrastructure, electric vehicles, and more

Budget reconciliation overview



Allows for quick legislating

- Created via the Congressional Budget Act of 1974
- Provides an expedited process for passing congressional measures related to the budget



Cannot be filibustered

- Debate in Senate is limited to 20 hours
- Allows passage of certain legislation by simple majority



Provisions must abide by the “Byrd rule”

- Must have a non-incidental effect on the budget
- Must not change overall spending/revenue
- Must not add to the deficit outside the budget window covered by the bill

Budget reconciliation process

Both House and Senate pass a budget resolution which includes reconciliation instructions
(No filibuster - simple majority vote in both chambers)



Instructed committees develop and vote on policy recommendations related to the instructions
(simple majority vote)



Budget committees bundle proposals into budget measure and vote
(simple majority vote)



Full House votes
(rules for debate and final passage are by simple majority vote)

Senate debate limited to 20 hours (no filibuster) but unlimited amendments can be offered (vote-a-rama)



President signs budget reconciliation measure



**President
Joe Biden**

***The Biden Plan to Build a Modern,
Sustainable Infrastructure and an
Equitable Clean Energy Future***

**Key provisions:
By the numbers:**

- 1** Modern infrastructure
- 2** Auto innovation
- 3** Carbon-free power industry
- 4** Energy efficient buildings
- 5** Innovation in clean energy
- 6** Sustainable agriculture
- 7** Environmental justice

\$2T

total investment

40%

of benefits in key areas
directed towards
disadvantaged groups

4M

building efficiency retrofits

500K

electric vehicle charging
stations






2035

target date for carbon-free
electricity generation

2050

target date for net-zero
emissions in entire economy

Comparison of key Democratic climate change plans

	 Environ- mental justice provisions?	 Fracking ban?	 Phases out nuclear energy?	 Emissions- free energy by:	 Net-zero emissions by:
President Biden's clean energy infrastructure plan	✓	✗	✗	2035	2050
House Democrats' "Solving the Climate Crisis" overview	✓	✗	✗	2040	2050
Green New Deal	✓	✓	✓	2030	2050*
Biden-Sanders Climate Change Task Force recommendations	✓	✗	✗	2035	2050
Democratic climate platform	✓	✗	✗	2035	2050
Senate Democrats' climate plan	✓	✗	✗	N/A	2050

*Green New Deal states that keeping global temperature increases to no more than 1.5 degrees Celsius necessitates achieving "net-zero global emissions by 2050"