

PUBLICATION

Infrastructure Bill: Revitalizing and Rebuilding America – Issue Two

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Introduction

Baker Donelson's public policy group and The Daschle Group are pleased to provide our second update on the recent developments regarding infrastructure legislation. This is the second in a series of weekly updates designed to keep you informed of the negotiations underway and the progress being made. (Last week's installment available [here](#).)

All the Moving Parts

Infrastructure investments will likely come from three sources over the next few months: the Infrastructure Investment and Jobs Act, appropriations legislation, and a reconciliation bill.

LEGISLATION	INFRASTRUCTURE INVESTMENT AND JOBS ACT	FY22 APPROPRIATIONS	FY22 RECONCILIATION
Price Tag*	\$1 trillion	\$211 billion (House)	\$3.5 trillion
Timeline	August/September	September/October	August/September
Senate Vote	60 or more		51 or more
House Vote	Simple majority vote (218 or more)		

* Final figures will depend on final negotiations between the House and Senate

Major Developments This Week

Infrastructure Investment and Jobs Act

The Senate has been working through an amendment process for the bipartisan Infrastructure Investment and Jobs Act this week. As of Wednesday night, 12 bipartisan amendments have passed, and 10 amendments have failed. The amendments that have passed are passing by wide margins and are not significant alterations to the legislation. The "group of 22" bipartisan members who worked on the legislation have pledged to block any "poison pill" amendments and have already defeated such amendments. More than 480 amendments have been proposed as of Thursday night. Minority Leader McConnell (R-KY) would like to continue the amendment process but discussions to vote on more amendments broke down on Thursday. On Thursday night, Majority Leader Schumer (D-NY) moved to set up a cloture vote for Saturday at noon. More amendments are possible early Saturday, but seem unlikely. If cloture is agreed to, two more procedural votes will follow with a vote on final passage likely early next week. Majority Leader Schumer will attempt to move these votes as quickly as possible to ensure there is time to pass the budget resolution and for an August recess, which is set to start on August 9.

One potential risk to the legislation is the final score of the bill. The Congressional Budget Office (CBO) reported Thursday afternoon that the bill would add \$256 billion to the deficit over 10 years. The "group of 22" bipartisan members initially claimed the bill was largely paid for. It is unclear how much the CBO score matters to crucial Republicans in the bipartisan "group of 22." Leaders of the "group of 22," Senators Portman (R-OH) and Sinema (D-AR), have pushed back against the CBO estimate, claiming the CBO was "limited in what it can include."

Reconciliation Bill

Consideration of the budget resolution, which will contain the "soft infrastructure" funding levels, will likely immediately follow Senate passage of the Infrastructure Investment and Jobs Act. The budget resolution sets non-binding policy changes and budgetary targets and, if passed, would begin the reconciliation process to allow a 51-vote threshold for the final reconciliation bill with additional infrastructure spending. Democrats in both the House and Senate have signaled that they would oppose a budget resolution vote before passing the Infrastructure Investment and Jobs Act. Similarly, House Speaker Pelosi (D-CA) does not want to take up the Infrastructure Investment and Jobs Act until the budget resolution has passed the Senate. The text has not yet been released by Budget Chairman Sanders (D-VT), but once we receive draft text of the budget resolution, we will be sure to send an update with our analysis.

Appropriations

Last week, the House finished voting on the appropriations bills related to infrastructure but have yet to pass the two more controversial appropriations bills – Labor, Health and Human Services, and Defense. These bills contain the budgets for the Department of Defense and the Department of Health and Human Services, both of which continue to be sources of disagreement for Democrats and Republicans. The Senate began considering their versions of the appropriations bills this week but have yet to publicly release the text of the bills. Once the Senate passes their set of appropriations bills, the House and Senate will work out any differences.

While it will be relatively easy for House Democrats to pass appropriations bills with a simple majority vote, Senate Democrats will need at least 10 Republicans to support every appropriations bill and break the filibuster. The path to securing 10 Republican votes seems unlikely given Republican concerns with a variety of House passed provisions, including language removing the Hyde Amendment, which blocks the use of federal funds to pay for abortion outside of limited exceptions.

We will continue to track developments with this legislation and will provide updates. For more information, please contact one of the authors of this alert.