



*The provisions of the \$3.5 trillion reconciliation bill are subject to change—here is where they stand, as of **September 24, 2021**:*

## **Reconciliation Highlights**

### **Natural Resources**

- \$3.5 billion for a Civilian Climate Corps (CCC), a green jobs training and placement program
- Increases royalty rates on oil and gas developers operating on public lands and waters from 12.5% to 20%
- Prohibits drilling in the Arctic National Wildlife Refuge
- Increases the minimum bid for oil and gas leases from \$2 an acre to \$10 an acre
- Prohibits the issuance of any new oil and gas leases located in the outer coastal continental shelf
- Reduces the lease term for drilling on federal land from twenty years to ten years

### **Agriculture**

- \$10 billion to support access to affordable housing and enhance mobility for low-income individuals and residents of disadvantaged or persistent poverty communities.
- \$1 billion in biofuel expansions
- \$9 billion in forest restoration and resiliency grants
- \$40 billion in forestry programs to help combat forest fires on public and private lands
- \$400 million in loan relief for rural borrowers

### **Transportation & Infrastructure**

- \$10 billion for high-speed rail
- \$4 billion in funding to reduce surface transportation-related greenhouse gas emissions
- \$4 billion for grants to reconnect communities divided by existing infrastructure barriers, mitigate negative impacts of transportation facilities or construction projects on disadvantaged or underserved communities, and support equitable transportation planning and community engagement activities.
- \$1 billion to the General Services Administration to invest in high-performance green buildings
- \$6 million to help the Federal Aviation Administration fully implement the provisions of the Carbon Offsetting and Reduction Scheme for International Aviation
- \$1 billion for the Department of Transportation to support investments for projects that develop, demonstrate, or apply low-emission aviation technologies or produce, transport, blend, or store sustainable aviation fuels.

- \$2.5 billion to the Maritime Administration to support more sustainable port infrastructure and supply chain resilience
- \$9.9 billion in competitive grants to support access to affordable housing and the enhancement of mobility for residents in disadvantaged communities

### **Judiciary**

- Amnesty for 8 million individuals
- \$2.5 billion (over 10 years) for community-based violence intervention initiative
- Includes language on reclaiming unused visas (recapture all supposedly unused visas between fiscal years 1992 and 2021), a procedure that could allow the Biden administration to speed up traditional legal immigration channels
- Revives the green cards of aliens who won the visa lottery in fiscal years 2017-2021, but who failed to obtain the visa and be admitted to the United States before the end of the fiscal year as required by law
- Offers an exemption from the green card annual numerical limits and the per country cap if they have the means to pay a supplemental fee (sunsets 2031)
  - Applies to aliens seeking to adjust status to lawful permanent resident, a process reserved for aliens already in the country, but who have to wait at least two years for a green card to become available based on the Department of State's Visa Bulletin. Through Section 60003 of the "budget" bill, any family-based prospective immigrant with a two-year wait can jump the line for an additional \$2,500, any employment-based prospective immigrant (preference categories 1-3) can jump the line for an additional \$5,000, and any EB-5 immigrant investor can jump the line for an additional \$50,000.

### **Homeland Security**

- \$400 million for CISA to implement President Biden's cyber executive order
- \$100 million to fund the creation of a cybersecurity education and training program
- \$210 million for general operations
- \$50 million for expanding CISA's Crossfeed program
- \$50 million for establishing a Multi-State Information Sharing and Analysis Center
- \$25 million for CISA to help develop and execute a national multi-factor authentication campaign
- \$20 million for the agency to expand its programs that work with international partners to protect critical infrastructure.

### **Veterans Affairs**

- \$15.2 billion for VA's capital investment portfolio
- \$375 million to boost clinical staffing through an increase in residency positions.

### **Financial Services**

- \$9.5 billion for Community Development Block Grants
- \$3.1 billion for the Minority Business Development Agency
- \$5 billion for the Federal Emergency Management Agency's National Flood Insurance Program (while also forgiving \$20.5 billion in existing debt)
- \$6 billion for loans and grants to finance green preservation of HUD multifamily housing

- \$75 billion for new Housing Choice Vouchers
- \$80 billion for public housing repairs
- \$77.25 billion to fully address the capital needs backlog of public housing
- \$35 billion for the HOME Investment Partnerships Program
- \$37 billion Housing Trust Fund
- \$10 billion to the Community Development Financial Institutions (CDFI) Fund
- \$2.5 billion for the 202 Supportive Housing for the Elderly program
- \$15 billion for Project-Based Rental Assistance Programs
- \$4.5 billion for a new HUD-administered Unlocking Possibilities Program. This new program is designed to provide planning and implementation grants to help communities improve housing strategies, reform zoning, streamline local regulations, and address sustainability and fair housing.
- \$7.5 billion for a new HUD-administered Community Restoration and Revitalization Fund. This significant funding provision would be used to finance grants for community-led projects that create “civic infrastructure to support a community’s social, economic, and civic fabric, create fair, affordable and accessible housing opportunities.”
- \$10 billion for a new First Generation Down-Payment Assistance Fund.

## **Energy and Commerce**

- Makes the two year Obamacare expansion from the American Rescue Plan permanent
- Provides EPA \$170 million for Diesel Emissions Reduction Act (DERA) grants to reduce diesel emissions from existing engines
- \$5 billion for investments in community-led projects in disadvantaged communities and community capacity building centers to address disproportionate environmental and public health harms related to pollution and climate change.
- Expands Medicare coverage for vision, hearing, and dental services
- Permanently extends funding for the Children’s Health Insurance Program (CHIP)
- \$3 billion to establish the Advanced Research Projects Agency for Health (ARPA-H)
- Establishes a federal Medicaid program for individuals who reside in states that have not expanded Medicaid beginning in 2025
  - (SOGI Concern) Funding for abortion on demand would be automatically included, under judicial precedents for Medicaid, because the program would be self-financed by a permanent appropriation that bypasses the Hyde Amendment in Labor/HHS appropriations (where traditional Medicaid is funded).
- \$10 billion to the Department of Commerce to support critical manufacturing supply chains and related administrative costs
- Provides grants to states to develop plans to expand access to Medicaid’s home and community based services (HCBS) and strengthen the HCBS workforce.
  - provides states with a permanent seven percentage point increase to the federal medical assistance percentage (FMAP) if the state implements an HCBS improvement program to strengthen and expand HCBS. It provides an enhanced FMAP of 80 percent for administrative costs associated with improving HCBS. It also provides a two-year increase to the FMAP of two percentage points if a state adopts an HCBS model that promotes self-direction of care and meets certain other requirements.
- SOGI Concerns

- Mandates Abortion Funding in Affordable Care Act (ACA) plans in Non-Expansion States in 2024
  - This provision mandates that ACA silver exchange plans cover abortion and transportation for abortions (without cost sharing) in 2024 for the Medicaid coverage gap population (&lt;138% federal poverty level (FPL)). It provides unlimited appropriations to finance this abortion mandate, and overrides state laws in 11 of the 12 non-expansion states that ban exchange coverage for abortion. The provision also guarantees that funded abortions may be obtained at the individual’s “choice of a qualified provider”, ensuring Planned Parenthood’s eligibility.
  - This section refers to abortions in an underhanded way as “services described in subsection (a)(4)(C) of section 1905 of the Social Security Act [“family planning services”] ...which are not otherwise provided under such plan as part of the essential health benefits package described in section 1302(a)” of the ACA. Abortion is excluded from being required as an essential health benefit under ACA section 1303—which would be effectively overridden here. Contraceptives are already covered/mandated without cost-sharing by all ACA plans, so those clearly are not the “family planning services” that are being specifically funded/mandated here.
- Sec. 31042: Funding to Grow and Diversify the Nursing Workforce in Maternal and Perinatal Health (P34, line 22)
  - Grants to nursing schools can be used to develop curriculum that includes training programs on “bias, racism, or discrimination,” with focus on maternal health care.
  - Cf. Sec 31056 Funding for Antidiscrimination and Bias Training (p 52, line 23).
- Sec 31046: Funding for Education and Training at Health Professions Schools to Identify and Address Health Risks Associated with Climate Change [esp. (b)(6)] (p42 line 21)
  - Funding for education and training at health professional schools that may be used for developing, integrating, and implementing curriculum that focuses on “Implicit and explicit bias, racism, and discrimination in providing care to pregnant, lactating, and postpartum individuals and individuals with the intent to become pregnant.”
- Sec 30601 Ensuring Affordability of Coverage for Certain Low-Income Populations, (d) Education and Outreach Activities (p 9 line 23)
  - Funds are allotted for outreach and educational programs (about availability of coverage and financial assistance) directed at “hard-to-reach populations, such as...sexual minorities”

## **Ways and Means**

- Tax Provisions
  - Increases top corporate tax rate from 21% to 26.5% (over \$10 million)
  - Increases top individual tax rate to 39.6% on taxpayers with taxable income over \$450,000 for married filing joint and single taxpayers with taxable income over \$400,000

- Increases the maximum capital gains tax rate from the current maximum of 20% to 25%
- The 20% Qualified Business Income (QBI) deduction for pass-through entities would be limited to \$500,000 for a joint return, \$400,000 for an individual return, \$225,000 for married filing separately and \$10,000 for a trust or estate.
- Establishes a 3% surtax on a taxpayers Modified Adjusted Gross Income over \$5 million. This raises the maximum effective marginal rate to 42.6%.
- Limits 199A deduction to \$500,000 in the case of a joint return, \$400,000 for an individual return
- Sunsets the Death Tax exemption expansion
- Increases the holding period for which a taxpayer must qualify for capital gains treatment from 3 to 5 years.
- Expands the net investment income tax to cover net income derived in the ordinary course of a trade or business for taxpayers with greater than \$400,000 in taxable income (single filer) or \$500,000 (joint filer).
- Permanently disallows business losses beyond the taxpayer's business income.
- Doubles the current tobacco tax rate in addition to raising the federal tax on cigars, pipe tobacco, smokeless tobacco, and alternative nicotine delivery systems (ANDS), such as e-cigarettes, to match the tax on combustible cigarettes.
- Extends the enhanced child tax credit through 2025 (the CTC was enhanced under the American Rescue Plan; families can receive a child tax credit totaling \$3,600 for each child under 6 and \$3,000 for each one under age 18.)
- 12 weeks of universal paid family and medical leave
- Provides \$80 billion over the next ten years for tax enforcement related to high income taxpayers
- SOGI Concerns
  - Sec 2207 SOGI concern for Funding for Benefit Payments, Grants, and Program Administration (p 44 line 2)
    - Funds for the administration of the program can be allotted for “training relating to the prevention of discrimination” including on the basis of sexual orientation and gender identity.
  - Sec 2208 Funding for Outreach, Public Education, and Research (p 45 line 6)
    - Funds research for the purpose of ensuring “full access to benefits provided by the program...including through the detection and prevention of disparities”, including disparities on the basis of sexual orientation and gender identity.
  - Sec 2206 (a) “Promoting Equity” (p 28 line 7)
    - Funding to “conduct a robust program to analyze and prevent disparities” includes disparities on the basis of SOGI.
- Prescription Drug Pricing Provisions from H.R. 3
  - empowers the Secretary of HHS to “negotiate” prices below the established limit for a minimum of 25 drugs per year with a maximum of 250 drugs
  - establishes an excise tax that will be levied against drug manufacturers during periods when the manufacturer is noncompliant with the requirements of the fair price negotiation program

- sets an upper limit on drug prices equal to 1.2 times the cost a drug's average price in six specified countries (Australia, Canada, France, Germany, Japan, and the United Kingdom).
- Provides \$3 billion to implement prescription drug negotiation

## **Education and Labor**

- \$450 billion for universal preschool for 3- and 4-year-old children
- \$82 billion to modernize school infrastructure, on top of unprecedented federal spending for schools that was doled out through three COVID-19 spending packages in 2020 and 2021.
- \$35 billion to further expand free subsidized school meals
- \$111 billion for "free" community college
- \$9 billion for grants to aid in student retention and completion
- \$1 billion for the Head Start program
- \$35 billion to further expand free subsidized school meals
- \$500 per student increase in the maximum Pell Grant award
- Increases the Occupational Safety and Health Agency's (OSHA) maximum fines for workplace safety violations ten-fold
- Makes the dues of full union members tax deductible, but not the forced union fees of individuals who don't want to be full union members but are nonetheless required to pay for union representation
- SOGI Concerns
  - Sec. 25004: Funding for the Aging Network and Infrastructure (p 286 line 12)
    - Allots \$15,000,000 for assistance and resource centers focused "on providing services for older individuals who are underserved due to their sexual orientation and gender identity".
- Includes provisions from the PRO Act
  - Amends the NLRA to establish new NLRB monetary penalties for employers found to have committed unfair labor practices as defined by the bill
    - Civil penalties up to \$50,000 per violation
    - Civil penalties up to \$100,000 per violation within the previous five years that resulted in discharge of or "serious economic harm to an employee"
    - Personal liability for directors and officers for unfair labor practices to be determined by the Board based on the particular facts and circumstances presented
  - Would list several workplace practices as unlawful including:
    - Permanent replacement of striking workers;
    - Discrimination against workers who have returned to work post-strike;
    - Preemptive "lock-outs" of workers considering unionization;
    - "Captive audience meetings" where employers require employees to attend meetings discouraging union membership
    - Falsely communicating to employees on their eligibility for representation under the NLRA;
    - Misclassifying employees as independent contractors and as supervisors exempt from the NLRA;

- Requiring employees to promise not to support collective bargaining activity

### **Science, Space, And Technology**

- \$388 million for NASA climate change research and development
- \$4 billion for NASA infrastructure improvements
- \$3.4 billion for NSF facility upgrades
- \$7.6 billion for NSF research funding
- \$1.2 billion for NOAA climate modeling research
- \$765 million for NOAA climate resilience and adaptation research
- \$264 million in EPA climate research
- \$3.3 billion for DOE clean energy research and development activities
- Implements wage rate requirements in accordance with the Davis-Bacon Act

### **Small Business**

- \$35 million in funding for veteran federal procurement entrepreneurship training
- \$1 billion to establish a national network of business incubators
- \$9.5 billion to establish a subprogram within the Small Business Investment Company program to provide patient capital to underserved markets and small manufacturers
- \$600 million to enhance, improve, and expand the SBA's Community Advantage program
- Invests \$2.746 billion to establish a direct lending subprogram under the 504/CDC lending program to allow CDCs to make loans to small contractors, small manufacturers, and small businesses in underrepresented markets

### **Oversight and Reform**

- \$12 billion to electrify the General Services Administration and United States Postal Service vehicle fleets
- \$4 million to OMB for President Biden's Justice40 Initiative, which commits 40% of the benefits of climate and infrastructure investments to those suffering from environmental injustice.
- \$3 billion for federal IT modernization
- \$10 million to start making capital improvements at the roughly 31,000 post offices around the country

### **Infrastructure/Reconciliation Double Dipping**

- Provisions the House Transportation Committee is considering for the reconciliation package include \$2.5 billion in Port Infrastructure Development Program grants to support supply chain resilience and reduction in port congestion. The already-passed bipartisan infrastructure package funds the program with \$2.22 billion, although it does so over a longer period of time — through 2036 rather than 2031, as the panel seeks to do.
- The committee's proposal also includes \$10 billion in grant funding to the Passenger Rail Improvement, Modernization, and Emissions Reduction Program to support public high-speed rail projects. The Senate's agreement includes \$36 billion in support of a joint federal-state Partnership for Intercity Passenger Rail, which funds high-speed rail.

- Funding for wastewater infrastructure is included in both bills
- Funding for FEMA's hazard mitigation revolving loan fund programs are included in both bills