



**Transportation Update**

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**NEXT WEEK**

**House**

***Reconciliation Process Starts in Committees.*** The House will go back into their planned recess, but committees will start the process of formulating and marking up their portions of the \$3.5 trillion reconciliation package.

**Senate**

***Recess Continues.*** The Senate will continue in recess and is currently slated to be out of Washington until September 13, 2021.

**THIS WEEK**

**House**

***House Passes Key Test on Infrastructure.*** Following recent passage in the Senate of the Infrastructure Investment and Jobs Act (IIJA) and the FY22 budget resolution, the House interrupted its August recess this week to take key steps on infrastructure. As a reminder, the \$1.2 trillion bipartisan IIJA passed the Senate by a strong vote of 69-30. Immediately after passage of the IIJA, the Senate passed an FY22 budget resolution which establishes a procedural framework for Democrats to pass a larger \$3.5 trillion “human infrastructure” package—commonly called the “reconciliation bill”—with a simple 51-vote majority.

However, Democratic leaders wanted the IIJA and the reconciliation bill to pass in tandem in order to maintain a balance between moderate and progressive lawmakers. To do this, the House Democratic leaders announced they would not pass the IIJA until after the Senate has passed its reconciliation bill. Several moderate Democrats in the House, fearful of supporting a \$3.5 trillion bill, urged the House to pass the IIJA now while Republican support is possible. These moderates threatened to derail the procedural votes to allow for passage of the FY22 budget resolution, thus putting the \$3.5 trillion reconciliation bill in jeopardy. Conversely, House progressives were prepared to derail the IIJA, which they feel does not do enough for families and human infrastructure. This left Democratic leaders at an impasse which threatened the entire infrastructure agenda.

However, after several days of negotiation, Democratic leaders made a deal with moderate leaders that in exchange for a commitment to vote on the IJA by September 27<sup>th</sup>, the moderates would support the FY22 budget resolution, thus allowing the reconciliation process to begin.

Ultimately, the House voted 220-212 on a procedural motion to pass the FY22 budget resolution and set up a standalone vote on the IJA by September 27<sup>th</sup>. Now Congress begins piecing together the \$3.5 trillion reconciliation package of human infrastructure programs over the next month. Although Democrats passed this week's test, ahead are many more challenges on the content and size of the reconciliation bill, and the tension between two wings of the Democratic party are far from resolved.

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