

Here's what is in House Democrats' multitrillion-dollar infrastructure and social spending package

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House Democrats are fighting hard to pass a multitrillion-dollar reconciliation package full of new spending and tax measures. While the exact scope and funding of the bill are not yet finalized, here are highlights of what Democrats have laid out in legislation at the committee level this week:



Provided by Washington Examiner

SPENDING MEASURES

Workplace leave

- *Democrats hope to create the country's first federal leave program. They are proposing up to 12 weeks of universal paid family and medical leave to workers nationwide. The program would be rolled out over the next decade and include 12 weeks' leave for those who suffer a personal illness. The program would expand upon requirements for employers under the Family and Medical Leave Act.*

Retirement

- *The legislation would mandate certain employers, who don't currently have workers enrolled in employer-sponsored retirement plans, automatically enroll them in individual retirement accounts or 401(k)-type plans.*
- *Democrats also want to make the retirement savings contribution credit for low-income Americans who don't make enough to pay taxes, known as the "saver's credit," refundable. The current iteration of the saver's credit is nonrefundable, which means it can only be used to reduce the earner's tax liability to zero.*

Healthcare

- *The Democratic package also hopes to add dental, vision, and hearing benefits to traditional Medicare. Dental coverage is popular among those who use Medicare Advantage, with about 94% of enrollees opting for it. However, only [an estimated](#) 47% of all Medicare beneficiaries don't have dental care covered.*
- *Extends Obamacare subsidies that reduce the amount enrollees pay to 8.5% or less of their income.*
- *Invests \$190 billion to increase access to home-based care and services to the elderly and those with disabilities.*
- *Provides funding to expand the Children's Health Insurance Program permanently, which helps states provide low-cost health coverage to children in families that earn too much to qualify for Medicaid.*
- *Addresses a funding shortfall in the World Trade Center Health Program by providing \$2.86 billion to the program.*
- *Provides \$36 billion to infrastructure and funding for public health departments to construct and modernize health facilities and expand capacity for training.*
- *Allocates more than \$15 billion in pandemic preparedness investments, including strengthening supply chains, supporting vaccine manufacturing, and bolstering the Strategic National Stockpile.*
- *Drug pricing changes to allow Medicare to negotiate lower prices. The measure failed to advance from the Energy and Commerce Committee on Wednesday after [three Democrats](#) joined Republicans in opposing it, although the plan can still advance to a vote in the House. The Congressional Budget Office provisions would slash federal spending by nearly \$500 billion over the next decade. House leadership says the legislation is still a "cornerstone" of the spending package.*

Transportation

- *Provides \$10 billion in funding to support the planning and development of public high-speed rail projects.*
- *Provides \$10 billion to expand service areas and increase services in low-income and disadvantaged parts of the country.*
- *Proposes \$3.95 billion in competitive grants to reconnect communities divided by existing infrastructure barriers and benefit disadvantaged communities and \$6 billion for surface transportation projects.*
- *\$1 billion for investment in projects using low-emission aviation technology or produce, transport, or blend sustainable aviation fuel.*
- *Would allocate \$1 billion for climate-resilient infrastructure construction and improvements for the Coast Guard, \$788 million for a new polar security cutter, and \$350 million for a new icebreaker for the Great Lakes.*
- *The Maritime Administration would receive \$2.5 billion for grants to support supply chain resilience, reduce port congestion, and develop offshore wind infrastructure.*
- *Provides the Federal Emergency Management Agency roughly \$1.5 billion in funding for various projects and upkeep.*

Climate/environment/energy

- *In a broad sense, the spending package is meant to have the United States generate 80% of its power from clean energy sources and cut carbon emissions in half by 2030.*
- *Provides \$4 billion to reduce surface transportation-related greenhouse gas emissions and \$3 billion for private-sector projects to reduce carbon emissions.*
- *The Government Services Administration would receive \$1 billion to convert buildings managed or owned by the administration into “high-performance green buildings.”*
- *Provides \$150 billion for the Clean Electricity Performance Program. The program requires electric providers **to increase** the percentage of clean energy given to customers by 4% year over year. Providers will be given grants if they meet the goal and fined if they fall short.*
- *Provides \$13.5 billion in spending on electric vehicle infrastructure to support an electric vehicle charging network.*
- *Provides \$5 billion to replace some heavy-duty vehicles, such as school buses and trash trucks, with zero-emission vehicles.*
- *Invests \$9 billion toward transmission improvements to the electric grid.*
- *Provides \$17.5 billion to help decarbonize federal fleets and buildings.*
- *Puts \$18 billion toward home energy efficiency and appliance rebates to reduce energy usage.*
- *Allocates \$27.5 billion to local, state, and nonprofit climate institutions that support developing low-emission and zero-emission technology. At least 40% is planned for investments in disadvantaged communities.*
- *Provides \$30 billion to remove and replace lead service lines.*
- *Provides \$10 billion for Superfund site cleanup.*

Technology

- *Provides \$10 billion in grants for “next-generation” 911 services to make them more accessible and efficient.*
- *Grants the Federal Trade Commission \$1 billion to create and operate a new bureau to combat privacy violations, identity theft, and data security incidents.*
- *Provides \$4 billion to ensure students, teachers, and schools have internet connectivity and devices to “bridge the homework gap.”*
- *Provides \$10 billion to monitor and identify threats and vulnerabilities in critical manufacturing supply chain.*

Immigration

- *Allows 8 million undocumented “Dreamers” who came to the country as children, undocumented essential workers, and those in the Temporary Protected Status program **to apply** for permanent residency. It is yet to be seen if the Senate parliamentarian will allow immigration measures into the final bill through the reconciliation process, which is intended to pertain to budgeting.*

REVENUE MEASURES

The proposal has a menu of tax options to pay for the hefty spending package that targets corporations, perceived tax-avoidance loopholes, and the income of the wealthy. The combination of tax code shake-ups will raise nearly \$2.1 trillion, the nonpartisan Joint Committee on Taxation estimates.

When tax breaks for housing, green energy, and other Democratic priorities are factored in, the committee found that the Monday plan would generate \$871 billion in net revenue.

Here are some of Democrats' main revenue-raising proposals:

- *Raising the **corporate income tax rate**. Negotiators hope to increase the rate to 26.5% from 21%, less than the White House's original proposal of up to 28%. The decision shows the initial proposal might not have been palatable to centrist Democrats.*
- *Similarly, while the Biden administration wanted to nearly double the capital gains tax for the highest earners to 39.6%, that number was significantly reduced. Now Democrats want to **increase the capital gains rate** for high earners from 20% to 25%. Those making over \$1 million would pay an effective rate of 28.8% when an Obamacare surtax on investment income is factored in.*
- *Democrats also want to **increase the top marginal tax rate** on individuals making over \$400,000 per year to 39.6%, up from the current 37% rate. This would also apply to married couples filing jointly who earn over \$450,000 annually.*
- *Increased taxes on **tobacco and nicotine products**. The taxes, derided by Republicans as regressive, would increase excise taxes on cigarettes and add federal levies to vaping products.*
- *Democrats also want to change the international tax code for companies with foreign income. The minimum tax would increase from 10.5% to 16.6%, although companies would **be permitted** to use more of their foreign tax credits.*
- *The expanded **child tax credit** is expected to be extended until 2025. The credit was increased during the pandemic and is now doled out in monthly payments. Some Democrats want to make the expansion permanent, but others in the party are concerned there are no work requirements tethered to the provision.*
- *Provides the Internal Revenue Service \$80 billion to strengthen tax enforcement efforts, which Democrats hope will recoup hundreds of billions of dollars over the next decade.*

Democrats still have time to add various tax and spending provisions to the spending package, which House leadership hopes to clock in at about \$3.5 trillion.

*One **notable absence** from the committee markups were plans to raise or remove the cap on federal tax deductions for paid state and local taxes, a move that would result in tax cuts for the wealthy.*

The cause is championed by a group of lawmakers from high-tax states calling themselves the "SALT caucus" and has been a crucial sticking point in negotiations of the legislation. Despite not being included in the initial plans, Democratic Rep. Tom Suozzi of New York said Wednesday he is still in the "no SALT, no deal" camp.

*"As I have noted before, I will not support any changes to the tax code unless there is a restoration of the SALT deduction. I have spoken with the chairman, the speaker, and Senator Schumer, and I am confident that the final reconciliation package will include a SALT fix," Suozzi, who has been nicknamed "Mr. SALT," said in a **statement**.*

Democrats are threading the needle on the reconciliation package, which only needs a simple majority vote to pass and avoids Republican filibusters. The party can't afford to lose a single vote in the Senate, which has given centrist Democrat Joe Manchin of West Virginia outsized leverage in the final version of the spending package.

The reconciliation package is set to include several measures that were not included in the bipartisan infrastructure package that was signed into law earlier this year.