

WSW REPORT:

President Biden's Build Back Better Agenda and the 117th Congress



Build Back Better Agenda and 117th Congress developments from July 1-July 1, 2021, relevant to: **BUSINESS OPERATIONS**

Federal Department and Agency Actions, Biden Administration Actions

Biden Signs Executive Order on “Promoting Competition in the American Economy”

On Friday, July 9, President Biden signed a [sweeping Executive Order \(EO\)](#) that includes 72 actions and recommendations. Among other provisions, the EO calls for banning or limiting noncompete agreements, allows rule changes that would lead for hearing aids to be sold over the counter, calls for greater scrutiny of technology company mergers, and a litany of other provisions touching on industries as diverse as agriculture, maritime shipping, and banking. Business and trade groups slammed the decision, including the [U.S. Chamber of Commerce](#) and the [National Association of Manufacturers](#).

Global Minimum Tax Picks Up Steam; Faces Opposition in Congress

On Saturday, July 10, the finance ministers of the G20 countries endorsed a global minimum tax, setting the stage for broad implementation. The agreement has two “pillars:” first, it would assign more tax power to countries with large consumer markets, and second, it would impose an at least 15% tax on companies’ worldwide earnings. As a *Wall Street Journal* article from July 11 [notes](#), however, the proposal will be a tough sell in the U.S. Congress. Because each piece of the agreement will likely need to be considered separately, enactment is far from certain. The first pillar in particular may be dead on arrival. It could be considered an “international treaty,” which sets the bar for passage even higher: ratifying a treaty requires two-thirds majority vote in the Senate, a threshold that cannot be reached without Republican support.

Additional Biden Administration Nominees Confirmed

On Tuesday, July 13, the Senate confirmed Julie Su to serve as Deputy Secretary of the Department of Labor by a vote of 50-47 in a win for organized labor. Su most recently served as California’s Labor Secretary. Before her confirmation, she faced criticism for her handling of the

unemployment insurance crisis and her role in enforcing AB5 in California, which in many ways served as the model for the pending federal [Protecting the Right to Organize \(PRO\) Act](#).

Additionally, earlier this week, *The Wall Street Journal* [reported](#) that the Biden Administration is poised to tap Alan Estevez to lead the Department of Commerce's Bureau of Industry and Security (BIS). Estevez, who served as a Senate-confirmed Principal Deputy Under Secretary of Defense during the Obama Administration, would oversee an agency that plays a large role in determining which technologies can be exported to China. BIS also oversees the Section 232 quota relief process.

Other key nominees that continue to move through the confirmation process include:

- [Jocelyn Samuels](#), Member of the Equal Employment Opportunity Commission (EEOC): **Confirmed**
- [Seema Nanda](#), Solicitor for the Department of Labor: **Confirmed**
- [Jennifer Abruzzo](#), General Counsel of the National Labor Relations Board (NLRB): **Full Senate Vote Forthcoming**

Updated CDC Guidance

As the COVID-19 pandemic continues to evolve with the rise of the delta variant and ongoing challenges with vaccinations in some areas, the CDC continues to issue updated guidance that may be useful for business operations. Links to select guidance are below for reference.

- [FAQs on Travel](#)
- [COVID-19 Travel Recommendations by Destination](#)
- [COVID Data Tracker – COVID-19 Vaccinations in the United States](#)
- [Efficacy of Portable Air Cleaners and Masks Against COVID-19 in Indoor Settings](#)
- [Post-COVID Conditions and Long-Term Effects](#)

Congressional Actions

House Appropriations Committee on Track to Advance all FY2022 Spending Bills

By the end of the day Friday, July 16, the [House Appropriations Committee](#) will have held subcommittee and full committee markups on all 12 of the Fiscal Year (FY) 2022 spending bills, clearing them for votes on the House floor later this month. The Senate has not yet begun the formal committee process, but is expected to do so in the coming weeks.

With the late start and limited time before the September 30th end of the current fiscal year, a stop-gap funding measure called a Continuing Resolution (CR) will be needed to keep the

government operating. However, all signs point to Congress being able to finish the FY2022 appropriations process in some fashion before the end of the calendar year.

Tax Debates Put Senate Moderates in a Precarious Political Position

As [this](#) article in *The Hill* correctly notes, much of the debate in Congress over infrastructure spending has focused on how to pay for it. While a bipartisan group of moderate Senators have been working diligently to hash out these key details, another measure looms ahead: a Democrats-only spending bill that could total as high as \$6 trillion. The size and scope of this Democrats-only bill is where the wrinkles need to be ironed out – while such a bill will likely lead to *some* tax increases, centrist Democrats (including several up for reelection) are leery to pay for such a big bill with tax increases. Already, Montana Democrat Sen. Jon Tester has described even a \$3.5 trillion a “huge pile of money.”

Democrats Strike a Budget Reconciliation Deal

Though it still has a long way to go, Democrats on the Senate Budget Committee struck an internal agreement for a \$3.5 trillion bill. While we are still waiting to see text, news reports indicate that provisions will include:

- Extending the child tax credit, earned income tax credit, and separate child and dependent care tax credits.
- Creating 80% clean electricity and 50% economy-wide carbon emissions by 2030.
- Providing more funding for a clean energy standard, clean energy and EV tax incentives, and federal procurement of clean technologies.
- Universal Pre-K, childcare, and community college, as well as increased funding for HBCUs, Pell Grants, and nutrition assistance.

Potential pay-fors include increasing corporate and international taxes, increased IRS enforcement, prescription drug provisions, and “long term economic growth.” Centrist Democratic Senators Joe Manchin (WV) and Kyrsten Sinema (AZ) have privately voiced that they prefer a \$1 to \$2 trillion reconciliation package, but that would likely be unpalatable to more progressive Democrats.

Further Reading Worthy of Your Time

- **July 16, 2021: “Biden’s COVID surge teams begin rolling out to a hostile heartland,”** *POLITICO* – [Full Article](#).
- **July 15, 2021: “Los Angeles County reinstates indoor mask mandate as delta variant spreads,”** *NBC News* – [Full Article](#).
- **July 14, 2021: “Poll: 1.8 million Americans have turned down jobs due to unemployment benefits,”** *Axios* – [Full Article](#).

- **July 13, 2021: “Democrats unveil \$3.5T go-it-alone plan to fulfill Biden’s agenda,”** *Politico* – [Full Article](#).
- **July 13, 2021: “Yellen Sees U.S. Companies Pushing to Back Global Tax Deal,”** *Bloomberg Government* – [Full Article](#).
- **July 13, 2021: “Pace of US inflation picks up again in test for Fed,”** *Financial Times* – [Full Article](#).
- **July 10, 2021: “Democrats Make Politically Risky Bet on Monthly Child Tax Credit,”** *Bloomberg Government* – [Full Article](#).
- **July 7, 2021: “Biden’s plans to raise taxes on corporations and the wealthy are losing momentum,”** *CNBC* – [Full Article](#).
- **July 1, 2021: “Biden's \$400K tax hike threshold is complicating his spending plans,”** *Politico* – [Full Article](#).