

House Approves COVID-19 Reconciliation Package, Measure Moves to Senate

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On February 27, 2021, the House of Representatives approved the H.R. 1319, the [American Rescue Plan Act of 2021](#). This package comprises the \$1.9 trillion proposal from the White House and Congressional Democrats who intend to pass the package using the accelerated budget procedure known as reconciliation.

Initiating reconciliation procedures in the Senate allows the majority party to pass certain legislation by a simple majority vote, versus the typical 60-vote threshold for most legislation. However, for legislation to be passed via reconciliation, it must conform to certain budgetary rules, known broadly as the [Byrd rule](#). In the past week, the Senate Parliamentarian, who determines whether legislation conforms to the Byrd rule, ruled out using reconciliation to pass legislation to raise the minimum wage. As the Senate prepares the package for floor action this week, expect the Senate Parliamentarian to rule on a number of other provisions, such as paid leave provisions and various tax credits.

The Senate 50-50 split carries major implications for how this package comes together via reconciliation, as one Democratic member could insist on inclusion of a provision in exchange for their vote. In addition, because the Senate is making changes to the House-passed version, the House will have to convene next week to pass the Senate-passed measure.

The White House is aiming to have this package signed into law by March 14, 2021, to avoid a lapse in enhanced unemployment benefits.

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