



TO: Republican Study Committee members

FROM: Chairman Jim Banks

DATE: November 4, 2021

RE: Reconciliation Roundup #3: IT KEEPS GETTING WORSE

RECONCILIATION ROUNDUP #3: 48 Policies to Wreck America

RSC has been working hard to keep you up to date on the worst provisions in Biden's spending bill. Democrats are in disarray and the bill keeps changing, so we're sending an updated list based on Pelosi's latest version.

Highlighted below are the policies that have remained from their previous bills, new provisions, revived policies they put back in, and other notable horrors RSC staff came across as they continued to dig into the text.

If the Democrats change the bill again in the future, we will do our best to give you a timely rundown of whatever emerges.

SELECT NEW POLICIES

1. **Innovation-killing Socialist Price Controls:** The bill would institute government price-setting of prescription drugs which has shown to be likely to lead to significantly decreased private investment in new cures. ([page 1977](#))
2. **Funds Biden's Banking Surveillance Apparatus:** The bill would spend \$500 million to hire new DOJ Tax Division agents to bring civil and criminal cases against Americans ([page 878](#)).
3. **Removes Funding Prohibition Regarding Uyghur Muslims in China:** Democrats have removed a provision in the previous draft of the reconciliation bill (Sec. 90027) ([pg. 1082](#)) which prohibited any funding provided by the Title on Science, Space and Technology to award a contract, subcontract, grant or loan to an entity involved with using the forced labor of Uyghur Muslims in Xinjiang province in China. This would remove protections preventing taxpayer dollars from going to entities using Uyghur Muslim slaves in China.
4. **Tax Pork for Trial Lawyers:** ([pg. 1970](#)) This provision modifies current law expensing rules to allow plaintiffs' attorneys to deduct out of pocket litigation costs in the year they are incurred, rather than waiting until the conclusion of the litigation. The provision applies to amounts paid, incurred, or received in taxable years beginning after the date of enactment

OTHER REVIVED POLICIES

5. **Nicotine Tax:** The bill would add back language imposing a new tax on nicotine, which is a clear violation of President Biden's pledge not to tax people that make under \$400k. ([page 1973](#))
6. **Tax Credit for Journalists:** The bill would add back in language creating a tax credit applied against Medicare employer taxes for wages paid to journalists ([page 1957](#)).

7. **21st Century Segregation:** The bill would add back \$500 million for schools of medicine prioritizing funding based on racial demographics, and requiring faculty to be hired and students to be recruited based on prioritizing racial and demographic characteristics. ([page 658](#))
8. **Left-wing divisive race-baiting.** The bill would add back language that continues the left's divisive and race-baiting attempts to portray everyday Americans as racist and oppressive, claiming all minorities are 'denied a full opportunity' to participate in American life. ([page 1157](#))

OTHER NOTABLE EXISTING POLICIES

9. **Billions for “Tree Equity”:** The bill would include a \$2.5 billion slush fund that would send taxpayer dollars to radical environmental groups to plant trees and advance “tree equity.” ([page 18](#))
10. **Public Health Indoctrination:** The bill uses funding for maternal mortality as a tool to advance critical race theory, climate change, and SOGI language. Specifically, it promotes funding for racism and discrimination training curriculum ([page 682](#)), funding for health care risks training to promote the left's climate change agenda ([page 689](#)), and refers to pregnant women as pregnant “individuals.” ([page 676](#))
11. **Tax Credits for Electric Bicycles:** The bill would create a tax credit worth up to \$900 when someone purchases an electric bicycle. And the credit wouldn't start to phase out until a family makes at least \$150,000 a year. ([page 1527](#))
12. **Obamacare Propaganda:** The bill would require HHS to advertise the expanded Obamacare tax credits in States that haven't expanded Medicaid directly to “racial and sexual minorities,” among others, and claims that they are “hard-to-reach.” ([page 472](#))
13. **Subjects small business to reckless tax penalties:** The bill subjects small businesses with over \$600 in transactions to backup tax withholding requirements if they fail to comply with IRS regulations ([page 1932](#)).
14. **Makes it easier for the IRS to target taxpayers:** The bill would make it easier for the IRS to issue penalties against taxpayers by removing the requirement that each penalty assessments be approved by a supervisor. Instead, the bill would merely require supervisors to provide quarterly reports on whether IRS employees are following the proper guidelines and requirements ([page 1934](#)).
15. **Money for Gun Control:** The bill would spend \$2.5 billion for “Community-based Violence Intervention initiatives” which could be used to deny the individual exercise of the 2nd Amendment without due process. ([page 876](#)).

HIGHLIGHTED FROM PREVIOUS LISTS

16. **Perpetuates labor shortage:** Continues welfare benefits *without work requirements* for able-bodied adults without dependents at a time where there are 10.4 million job openings—more openings than there are people looking for work.
17. **Pushes Green New Deal in our universities:** Democrats include a \$10 billion “environmental justice” higher education credit program to indoctrinate college students and advance Green New Deal policies ([page 1571](#))
18. **Forces faith-based child care providers out:** The bill blocks the ability of many faith-based providers from participating in the childcare system and will lead to many of their closures ([page 214](#)).
19. **Hurts small and in-home daycares:** Requires pre-K staff to have a college degree. ([page 245](#))
20. **Includes new incentives for illegal immigration:** Illegal immigrants would be eligible for federal student aid ([page 78](#)) and the enhanced child tax credit ([page 1647](#))
21. **Includes legislative hull for Biden's vaccine mandate:** Increases OSHA penalties on businesses that fail to implement the mandate up to \$700,000 per violation ([page 105](#)) and includes nearly a billion dollars in funding for the Department of Labor to increase enforcement of these penalties ([page 103](#)).
22. **Gives unions near-total control:** The bill creates a new civil penalty against employers up to \$100,000 and subjects directors and officers to penalties that wouldn't apply to union bosses and officials ([page 108](#)). It coerces businesses to meet union boss demands by increasing Fair Labor Standards Act penalties by an astronomical 900% ([page 105](#)).

23. **Makes unions bigger and more powerful:** The bill revives a provision from an earlier version that would subsidize union dues that would only serve to strengthen the influence of union bosses and not American workers ([page 1955](#)).
24. **Pushes Democrats' wasteful and confusing school lunch agenda:** \$250 million for, among other things, "procuring...culturally appropriate foods" ([page 275](#))
25. **Furtherers radical abortion agenda:** The bill would also further Democrats' radical pro-abortion agenda by allowing taxpayer money to fund elective abortions, subsidizing plans that cover them, and creating new ways taxpayer money could be spent on pro-abortion facilities.
26. **Drives up costs on Americans' utility bills:** Includes a tax on natural gas eventually up to \$1,500 per ton that could cost the American economy up to \$9.1 billion and cost 90,000 Americans their jobs ([page 361](#)).
27. **Includes kickbacks for the Left's green energy special interest network:** \$3 billion for "environmental and climate justice block grants" ([page 373](#)) and tens of billions more for green energy special interest subsidies, loans and other carve outs.
28. **Gives wealthy Americans tax credits:** Hundreds of billions of dollars in "green energy" tax credits will be given to those who can afford expensive electric vehicles and other "green" innovative products ([page 1434](#)).
29. **Furtherers Democrats' social justice agenda:** Includes "equity" initiatives throughout the bill. In fact, the word is mentioned 32 times.
30. **Grants Deportation Protection and Work Permits to Illegal Immigrants:** The bill would grant 5-year parole to certain illegal aliens who file for parole, pay a fee, and complete a law enforcement background check "to the satisfaction of [Biden's DHS Secretary]." Such a parole would include both travel and work permits, a REAL ID driver's license, and would be extendable until 2031 ([page 862](#)).
31. **Increases visa limit:** Democrats would bypass annual limits on immigration by adding unused employment-based visas on top of the existing 226,000 family-preference visa floor and "recapturing" hundreds of thousands of previously issued visas from past years. The bill would also give lottery visas to anyone who was denied one due to the Pandemic or because of President Trump's immigration policies. ([page 865](#)).
32. **Grants fast-tracked green cards for those seeking middle-class careers in America:** Language included in the bill exempts certain aliens from the annual green card statutory limits and has been described as a "[hidden](#) pipeline for U.S. employers to flood more cheap foreign graduates into millions of middle-class careers needed by American graduates" ([page 867](#)).
33. **Increases energy dependence on OPEC, Russia and China:** The bill includes mineral and energy withdrawals on federal lands ([page 912](#)) and overturns provisions included in the Tax Cuts and Jobs Act that authorized energy production in the Arctic that will result in 130,000 Americans losing their jobs and \$440 billion in lost federal revenue ([page 933](#)).
34. **Exacerbates the chip shortage:** The bill would fund the conversion of the Postal Service and General Services Administration vehicle fleet from internal combustion engines to electric engines at a time when there is a global microchip shortage and crippled supply chains ([page 936](#)).
35. **Democrats' feckless China bill is included:** Concepts from the insanely weak *Endless Frontier Act* included, including billions of dollars in research funding that will likely result in American intellectual property going to China ([page 954](#)).
36. **Punishes red states for failing to adopt Green New Deal provisions:** Mandates "consequences" for conservative states that don't meet the radical Left's "green" climate standards while at the same time adding nearly \$4 billion for "Community Climate Incentive Grants" for cooperating states ([page 1013](#)).
37. **Paid Worker Leave Entitlement for the Unemployed:** The new paid leave entitlement would mandate workers get 4 weeks of paid leave under which workers could "self-attest" their eligibility and do not even need to be currently employed. ([page 1065](#)).
38. **Advances a totalitarian and paternalistic view of the federal government:** Includes grants for organizations to treat individuals suffering from "loneliness" and "social isolation." ([page 1252](#))
39. **Further detaches individuals from employment and more reliant on government handouts:** The bill spends hundreds of billions on welfare through manipulating the tax code [not even including the expansions of Obamacare subsidies] ([page 1636](#)).
40. **Tax benefits for the top 1%:** The bill would increase by more than seven-fold the cap on state and local tax deductibility, meaning many of the top 1% wealthiest Americans would pay less in taxes. ([page 1729](#))

- 41. Tax credit for wealthy donors who give to woke universities:** The bill creates a new tax credit program that gives tax credits worth 40% of cash contribution that are made to university research programs ([page 1717](#)).
- 42. Expands worst parts of Obamacare:** Obamacare's job-killing employer mandate will become more severe by adjusting the definition of "affordable coverage" to mean coverage that costs no more than 8.5 percent of income rather than current law's 9.5 percent of income ([page 1656](#)).
- 43. Increases taxes on Americans at every income level:** The bill's trillions of dollars in tax hikes will be felt by those making under \$400,000 per year, contrary to what the White House says.
- 44. Lowers wages for working families and moves jobs overseas:** The 15% minimum tax on book income is a double tax on investment. This would raise taxes on American companies by hundreds of billions of dollars, [kill 25,000 jobs, and reduce wages by 0.1%](#), all in the name of complying with Biden's desire to appease global elites through a global minimum tax. ([page 1731](#))
- 45. Penalizes marriage:** The bill would double the EITC's marriage penalty on childless worker benefits ([page 1651](#)).
- 46. Imposes crushing taxes on small business:** Hammer small businesses that file as individual tax earners with Obamacare's 3.8% tax on net investment income([page 1883](#)).
- 47. Violates Americans' financial privacy:** \$80 billion slush fund to hire an 87,000-IRS-agent army that would be used to carry out the Biden administration's plan to review every account with more than \$10,000 worth of transactions in a year. The plan includes hiring 5,000 new armed criminal agents. ([page 1923](#)).
- 48. Increases out of pocket costs for those who rely on prescription drugs:** The bill will repeal the Trump-era Rebate Rule which passes through rebates directly to consumers at the point of sale ([page 2114](#)).