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Taxpayers

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Feb. 27, 2021



The House passed a \$1.9-trillion COVID-19 relief package early Saturday, pushing

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parliamentarian advised it was not allowed under rules being used to pass the relief bill.

The Senate could pass its version of the bill as soon as next week using an expedited process called reconciliation. The White House wants a bill to President Biden before expanded unemployment benefits expire March 14.

Republicans call it an unnecessarily expensive Democratic boondoggle full of items not directly related to fighting the disease, such as transit projects in San Francisco and New York.

Republicans have also taken issue with the \$350 billion the package provides for state and local governments grappling with a loss of revenue during the economic downturn.

The House Committee on Oversight and Reform estimates that California would receive \$42 billion in aid, with \$26.26 billion going to the state government and the rest going directly to city and county governments.

Once the bill arrives in the Senate, Democrats are expected to strip the provision that would gradually raise the federal minimum wage to \$15 hourly by 2025. It has been \$7.25 since 2009.

Senate Parliamentarian Elizabeth MacDonough advised Thursday that the reconciliation process cannot be used to raise the national minimum wage. Reconciliation allows a bill to pass through the Senate with a simple 51-vote majority, a number the 48 Democrats and two independents in the Senate can reach with an assist from Vice President Kamala Harris. Senate rules require a 60-vote threshold to pass most bills without a [filibuster](#).

But the reconciliation process is limited to issues directly dealing with the budget

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Senate Democrats have indicated they do not plan to overrule the parliamentarian to move forward with the popular wage increase, and Biden advisors said Friday the president would leave the decision to senators.

“I hesitate about overruling parliamentarians, largely because the day will come when we conceivably will be happy with the ruling of a parliamentarian,” House Ways and Means Committee Chairman Richard E. Neal (D-Mass.) told reporters Friday. “I’ve seen how shifting sands of legislative life have altered as rules changes come along.”

On Friday, Sens. Ron Wyden (D-Ore.) and Bernie Sanders (I-Vt.) were discussing whether to instead include in the relief bill a tax penalty for large corporations that don’t set a \$15 minimum wage and a tax incentive for small businesses to make the change. Past parliamentarians have advised that changes to tax law are acceptable.

House Minority Leader Kevin McCarthy (R-Bakersfield) disparaged the idea.

“I think it’s stupid. I think it’s a tax increase,” McCarthy told reporters. “What does it have to do with COVID? Does [that] put anybody back to work? The kids back to school? Or to better health or a vaccine to any American who wants it?”

Democrats have pledged to continue pushing for the increase, and are also discussing stand-alone legislation, something the 60-vote threshold in the Senate could make difficult.

Raising the minimum wage helped unify House Democrats behind the package. Some progressives initially said the bill doesn’t go far enough to help people.

But House Democratic leaders were confident Friday they would have the votes to pass the bill if the Senate strips the minimum-wage portion of the bill.

“Let us not be distracted from what is in here, because it is a great bill,” Speaker

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