



February 25, 2021

NTU urges all Representatives to vote "NO" on H.R. 1319, the FY 2021 reconciliation bill. This legislation, which has been moved forward on a party-line basis, is laden with nearly \$2 trillion in spending and is bloated with provisions that are not targeted to those most in need and others that will negatively affect the country's economic recovery from the COVID-19 pandemic. While lawmakers can and should consider relief measures for workers and businesses that are struggling, Congressional leaders' current reconciliation plans point to a partisan measure full of extraneous provisions.

Notwithstanding NTU's long-time advocacy for deficit reduction efforts, we recognize there was an urgent need for federal support to struggling families and businesses weathering the COVID-19 crisis over the past year. We have also identified some elements of President Biden's \$1.9-trillion COVID relief proposal that we believe would stand muster with taxpayers, such as funds directed at COVID-19 vaccine distribution and testing.

Unfortunately much of the Biden plan, reflected in this bill, seems poorly targeted. Analysis from the non-partisan Committee for a Responsible Federal Budget found that more than 15 percent of spending is for long-standing policy proposals not directly related to the current crisis. That includes a multiemployer pension plan bailout some lawmakers have been trying to pass for years. The Biden plan proposes to send \$350 billion to states and municipalities even though recent data suggest state revenue shortfalls are a fraction of that total.

We also worry about the economic impacts a federal \$15 minimum wage would have on small and mid-sized businesses around the country, especially in rural and suburban areas where the cost of living is much lower than in metropolitan hubs. Growing opposition both in the private sector and on Capitol Hill should give lawmakers pause on including a minimum wage increase that is projected to cost 1.4 million jobs in a package that is supposed to be a boon for the American economy.

Lastly, we are concerned that Congressional leaders appear set to pass this bill on a party-line vote. COVID-19 relief has thus far been a bipartisan venture, and we believe that it should continue to be bipartisan. House and Senate Republicans have proposed hundreds of amendments. On the heels of a \$900-billion relief bill, with a significant portion of COVID-19 relief still unspent, a bipartisan and collaborative approach might have ensured this legislation was more targeted and would inflict less of an impact on the national debt.

Roll call votes on H.R. 1319 will be significantly weighted in NTU's annual Rating of Congress and a "NO" vote will be considered the pro-taxpayer position.

If you have any questions, please contact NTU Policy and Government Affairs Manager Andrew Lautz at alautz@ntu.org or NTU Policy and Government Affairs Associate Will Yezep at wyezep@ntu.org.
