Democrats to Pair Spending Bill With Raising Debt Ceiling, Pressuring G.O.P.

The approach essentially dares Republicans to follow through on their threats to oppose increasing the debt limit, by coupling it with urgently needed federal spending.



By Emily Cochrane

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WASHINGTON — Top congressional Democrats announced on Monday that they would tack a measure lifting the federal borrowing limit through the end of 2022 onto a bill to keep the government funded through December, escalating a brewing showdown with Republicans who have vowed to oppose legislation needed to avert a fiscal catastrophe.

The House is expected to take up the bill as early as this week, as Democrats juggle work on their \$3.5 trillion economic package with the pressing need to avoid a government shutdown in 10 days and a potential default on the national debt within weeks.

But Republicans have warned repeatedly that they are unwilling to support raising the debt ceiling, leaving the fate of both measures in doubt. In pairing the two, Democratic leaders hoped to pressure Republicans into dropping their opposition and allowing passage of legislation that is expected to contain urgently needed spending, including disaster relief to help their states.

"Addressing the debt limit is about meeting obligations the government has already made, like the bipartisan emergency Covid relief legislation from December, as well as vital payments to Social Security recipients and our veterans," the top two Democrats, Speaker Nancy Pelosi of California and Senator Chuck Schumer of New York, said in a joint statement announcing their plan. "Furthermore, as the administration warned last week, a reckless Republican-forced default could plunge the country into a recession."

Senator Mitch McConnell, Republican of Kentucky and the minority leader, has argued for weeks that it is the ruling party's responsibility to finance the federal spending it has endorsed, particularly as Democrats seek to maneuver trillions of dollars in spending around unified Republican opposition.

"Democrats want to build a partisan future without our input, so Democrats will not get bipartisan facilitators for their purely partisan spending binge," Mr. McConnell declared on the Senate floor, adding that Republicans would support a stand-alone bill to keep the government open. "Democrats are fully capable of owning this step themselves."

But the debt-limit increase is needed to pay for trillions of dollars in debt racked up by lawmakers in both parties, including under President Donald J. Trump. Democrats, who joined Republicans in increasing the limit during the Trump administration, argue that the G.O.P. should reciprocate under President Biden so the government does not default on its obligations.

"This is a bipartisan responsibility, just as it was under my predecessor," Mr. Biden said on Twitter, in a statement of support for the plan. "Blocking it would be inexcusable."

In their statement, Ms. Pelosi and Mr. Schumer singled out the need to pay for the \$900 billion pandemic relief bill that became law in the final weeks of the Trump administration with bipartisan support, including from Mr. McConnell and moderate Republicans. The pair also said the legislation, which had not been made public by Monday evening, would also include emergency funding to resettle refugees from Afghanistan and address the onslaught of natural disasters in recent months, including the hurricane devastation in Louisiana and wildfires in the West.

"What Republicans are doing is nothing short of a dine-and-dash of historic proportions," Mr. Schumer said in a speech on Monday. "It's not just another partisan fight. It's about avoiding the crisis that would undo all the progress our country has made to heal itself of the Covid crisis."

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At least one Republican, Senator John Kennedy of Louisiana, said on Monday that he was inclined to support the measure because of the disaster aid.

"I will likely vote yes, but it's not going to pass because there won't be 10 Republican votes," he said. "But for the disaster relief, no, oh no, I wouldn't vote for this. This is a manufactured crisis."

A failure to pass the legislation could cause a disaster, with just 10 days before government funding is set to lapse. Should lawmakers fail to approve an increase in the debt limit in the coming weeks, the government could default on its debt for the first time. That, in turn, could

prompt a financial crisis, or at least a crisis of confidence in the creditworthiness and governance of the United States.

Republicans argue that Democrats can lift the debt limit on their own, given that they can essentially reopen the budget blueprint they are using to push through Mr. Biden's \$3.5 trillion economic package. But adding a debt ceiling increase would be an arduous and politically fraught task, and Democrats have rejected the suggestion.

Understand the U.S. Debt Ceiling

What is the debt ceiling? The debt ceiling, also called the debt limit, is a cap on the total amount of money that the federal government is authorized to borrow via U.S. Treasury bills and savings bonds to fulfill its financial obligations. Because the U.S. runs budget deficits, it must borrow huge sums of money to pay its bills.

"I personally would like to see a clean vote on a debt ceiling so that Republicans actually have to go on the record on that vote only and not mix it with a funding measure," said Representative John Yarmuth of Kentucky, the chairman of the House Budget Committee, speaking on "Fox News Sunday." "But ultimately, the most important thing is to get both of them done."

Even as they demand Republicans' cooperation, Democratic leaders have signaled for weeks that they are not willing to offer concessions in exchange for their votes on a debt ceiling increase. Lawmakers were also still negotiating the details of the relief for Afghan refugees and natural disasters, as well as an extension of a number of programs set to expire at the end of the fiscal year on Sept. 30.

Negotiations over the dozen annual spending bills have also stalled, with lawmakers yet to agree on the overall spending levels and the details of the bills. But Ms. Pelosi and Mr. Schumer said that extending government funding through December would "provide an appropriate amount of time for that bipartisan, bicameral process to come to completion."

The stalemate over basic congressional responsibilities comes as Democrats are wrestling with intraparty divisions over the size and details of the \$3.5 trillion package. They are using the budget process known as reconciliation to steer it past a Republican filibuster, but given their slim margins of control, they can spare as few as three votes in the House and must remain united in the Senate to pass it with a simple majority.

A number of thorny issues remain. The top Senate rules enforcer advised Democrats on Sunday that their proposal to include a substantial legalization initiative for millions of undocumented immigrants violated the strict reconciliation rules, forcing them to seek alternatives.

Moderate Democrats, including Senators Joe Manchin III of West Virginia and Kyrsten Sinema of Arizona, continue to push to scale back the spending, over liberal objections. And House and Senate leaders need to reconcile a series of policy differences, including how to finance the package, health care provisions and a key promise to lower the cost of prescription drugs.

And in order to win enough support from moderate and conservative Democrats to begin work on the much larger, partisan package, Ms. Pelosi agreed to hold a vote on the Senate-passed \$1 trillion infrastructure bill on Sept. 27. But with a week to go before that vote, liberal Democrats are warning that they will block passage of that legislation until work is completed on the \$3.5 trillion package.

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