



Where Things Stand on the Inflation Reduction Act

Updated August 2, 2022

Author: Catherine Rowland, Legislative Affairs Director
(catherine@progressivecaucuscenter.org)

Background

It's been nearly one week since Senate Majority Leader Chuck Schumer (D-NY) and Senator Joe Manchin (D-WV) announced the Inflation Reduction Act (IRA) on July 27, 2022. Senate Democrats have said they hope to finish consideration of this monumental climate, health care, and tax legislation by the weekend of August 6-7, 2022 at the latest. However, that timeline may be overly optimistic.

Here's the state of play on some of the key issues that are outstanding right now.

The Senate's parliamentarian still needs to give the Inflation Reduction Act the green light.

As of the afternoon on Tuesday, August 2, the Senate's parliamentarian—who will determine whether the bill meets the [strict requirements](#) of the Senate's reconciliation process—has not offered her opinion. [Punchbowl reported](#) today that Leader Schumer may attempt to speed things up by beginning the bill's 20 hours of debate before the parliamentarian's review formally wraps. To do that, though, he'll need all 50 Senate Democrats to support moving forward without word from the parliamentarian.

While the parliamentarian vets the bill, Republicans will make their case as to why certain provisions don't pass muster. Democrats are hopeful, however, that much of the bill will get the parliamentarian's sign-off because several elements were pulled from legislation she's seen previously and approved as part of reconciliation.

Remember: if the parliamentarian axes a provision that helps to pay for another piece of the bill, it could be difficult to retain the latter.

The Senate's math keeps shifting.

Numerous senators have been diagnosed with COVID in recent weeks. Senator John Cornyn (R-TX) was the latest to announce a positive test earlier this week, leaving the GOP with one fewer vote. Senator Cornyn says he plans to be back in the Senate on Friday, August 5, 2022. If all 50 GOP senators are present and vote "no" on IRA, Democrats will similarly need all 50 of their senators present and supportive of IRA

for it to pass, with Vice President Kamala Harris breaking the 50-50 tie. Exactly what the Senate's math will look like when it's time to vote remains to be seen.

We're learning more about the "permitting reform" side deal.

The [Washington Post](#) and [New York Times](#) reported new details yesterday about Senators Schumer and Manchin's deal to approve "permitting reform" legislation before the fiscal year ends on September 30, 2022. This deal was reportedly essential to securing Senator Manchin's support for IRA.

Their agreement apparently imposes two-year hard deadlines for the permitting of major energy projects; limits legal challenges to new projects; constrains the government's ability to halt projects based on secondary environmental impacts; and sets the stage for the West Virginia-to-Virginia Mountain Valley Pipeline's approval, among other provisions. A [2017 analysis from Oil Change International](#) estimated that the pipeline's impact in terms of greenhouse gas emissions would be equivalent to that of 26 coal plants, or 19 million cars. Multiple climate and environmental justice organizations have expressed alarm about the implications of this permitting reform agreement.

None of these provisions in the permitting reform agreement will advance as part of the Inflation Reduction Act. Because these side agreements do not meet the requirements necessary to pass via reconciliation, they must be voted on separately and will need to earn 60 votes in the Senate. Theoretically, then, this deal could fail to win Congress's approval. However, [the Times reported](#) that the deal might be inserted into a must-pass bill—like one to fund the government and avoid a shutdown—to improve its chances of passing. Debate over the facets of this deal will undoubtedly continue into the coming weeks and months, even after IRA advances.

What's next?

Once the above issues concerning the parliamentarian's review and the Senate's math are settled, the Inflation Reduction Act must still endure a vote-a-rama and House consideration.

The Congressional Progressive Caucus Center broke down the steps necessary to pass the Inflation Reduction Act in our explainer, [Breaking Down the Inflation Reduction Act and Next Steps](#).

We've also published a summary of the Inflation Reduction Act's major provisions ([Digging into the Details of the Inflation Reduction Act](#)) and a deep dive into the bill's climate and energy sections ([Analysis of Climate and Energy Provisions in the Inflation Reduction Act of 2022](#)).