

OCTOBER 4, 2021



**Paige Wilhelm**

*Senior Vice President  
Senior Portfolio Manager  
Federated Investment Counseling*

## One down, two to go

At the beginning of last week, U.S. lawmakers had three major items to resolve ahead of impending deadlines. One was the potential for a partial government shutdown as funding expired Sept. 30. That crisis was averted when they sent continuing resolution to President Biden. His signature only kicked the can down the road, as funding will expire Dec. 3. But at least it passed.

The next hurdle was an infrastructure bill that would allocate around \$1.2 trillion and would focus on physical needs, such as bridges, roads, bridges and broadband. This legislation already passed the Senate. Democrats have enough of a majority in House of Representatives that it should've passed by now, but dissension in the ranks keep that from happening. Many of the more progressive lawmakers want assurances a second infrastructure bill targeting human services will pass. Negotiations over the weekend did not result in a compromise.

Lastly, Congress must raise, or suspend the federal debt limit, which reached its cap Aug. 1 when the previous suspension ended. Treasury Secretary Janet Yellen recently said the government will run out of the ability to pay its debts and obligations on Oct. 18. This is serious business, but we expect it to be resolved well before then.