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Budget Whiz Shalanda Young Helped Broker Toughest Biden Deal Yet

- Louisiana native leveraged GOP relationships in tense talks
- The final deal, if passed, will mark a milestone in her career

By Akayla Gardner

(Bloomberg) — Shalanda Young found herself last week in a roomful of hand-picked peacemakers at the highest-stakes juncture of her career – and arguably of her boss's legacy.

The White House budget director had just been named by President Joe Biden days before to negotiate a debt-limit deal with Republicans and avert a catastrophic US default. Young's selection speaks volumes to her budgetary expertise and the trust she has built with Biden, who's famed for leaning on a tight inner circle.

Young, 45, has emerged as a central figure in the debt-ceiling and spending debate dominating Washington and Wall Street. Now that Biden and House Speaker Kevin McCarthy have reached an agreement, the deal she helped broker will be scrutinized by Congress as it tries to meet the deadline of June 5, when the US runs out of cash.

"The real test for her is how she gets this deal done," Congressman Jim Clyburn, a close Biden ally, said Sunday, referring to getting the bill passed by both houses of Congress. That will take getting 218 votes in the House and 51 votes in the Senate.

Democratic and Republican officials who worked with Young describe her as genial and pragmatic. Some consider her to be reserved, even amid tough negotiations, but often the go-to person for answers on all things spending policy.

"Everybody in this place knows her, respects her greatly," McCarthy said amid the talks. On Sunday, he described the White House negotiating team as professional, smart and tough.

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Shalanda Young during a press briefing at the White House on May 4, 2023: hotographer: Demetrius Freeman/The Washington Post/Getty Images

Negotiators met for weeks to hammer out details of a budget deal, after the speaker vowed to block a "clean" bill that would simply raise the US debt ceiling without spending cuts.

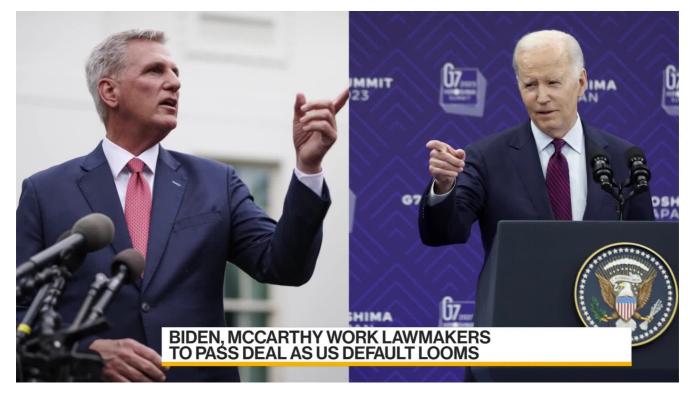
In an interview with Bloomberg News in March, Young called hinging a debt-limit raising on a spending package "a purely political argument."

"We have ways to deal with spending. It's called the appropriations process," she added.

'Not Just Numbers' to Young

Young's ascent to Biden's Cabinet started with her Capitol Hill job as a top aide on the powerful House Appropriations Committee. There she brokered make-or-break deals for Democrats, and built a rapport with lawmakers in both parties.

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WATCH: The White House and Republican congressional leaders are gearing up lobbying campaigns to win approval of the deal between President Joe Biden and Republican House Speaker Kevin McCarthy to avert a default. Source: Bloomberg

"There's no question that Shalanda negotiating on the debt limit is probably her most important challenge today," said former New York Congresswoman Nita Lowey, who tapped Young to lead her staff on the appropriations committee.

Donna Brazile, a Democratic operative who overlapped with Young on the Hill, said she has an "encyclopedic knowledge" of the appropriations and budget process. "It's not just numbers on the page to Shalanda," Brazile says. "It is the story behind the numbers, the people."

Young isn't shy about her expertise.

"I could probably write the bill for them in five minutes. It's pretty easy," Young bragged in a recent White House press briefing.

The other mediators, Steve Ricchetti and Louisa Terrell, have known Biden much longer than Young and are considered among his closest aides. Ricchetti has worked with Biden for more than a decade and Terrell grew up with Biden's late son Beau.

"At the end of the day, the hero of this story is going to be Shalanda for showing her olders and betters how the game is played with people you have met over the table before," said James Lucier, a founding partner at Washington-based Capital Alpha Partners.

Reached Sunday, a spokesperson for Young said she wasn't immediately available to comment.

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White House negotiators Steve Ricchetti and Shalanda Young leave the U.S. Capitol in Washington, DC, on May 23.Photographer: Kevin Dietsch/Getty Images

During negotiations with Republicans during Lowey's final appropriations bill as chair, Young signaled advice to Lowey with a tap of one or two fingers in her back. Young has "good instincts," Lowey said, which are invaluable in those situations.

Former Senator Patrick Leahy, once the highest-ranking Senate Democrat, also witnessed Young first-hand as "extraordinarily effective." He said "some people people describe rhetoric as tough; I describe tough as the people who get the results."

Young has gained a fan base at the Capitol even with the most critical Republicans, a rare status in an increasingly partisan political landscape.

Republican Senator John Kennedy of Louisiana, a known critic of Biden appointees, referred to Young as "madam secretary" at a March hearing, a reference he made to her "Cabinet-level status."

Cecilia Rouse, who worked closely with Young as part of Biden's economic team, attributes her widespread acclaim to her personality. She "is just real people. She is willing to say it straight. She doesn't play games. She understands her book of business," the former Council of Economic Advisers chair said.

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After Biden's initial nominee to lead the Office of Management and Budget failed to gain support, lawmakers rallied behind Young, the president's pick for deputy director to replace Neera Tanden in the top slot. Her role at the helm of one of the most powerful federal agencies puts her in charge of the government's wallet. She also made history as the first Black woman to run the office.

Managing New Budget

The terms of the deal she helped craft will closely mirror the budget she'll manage until the end of Biden's term.

Proposed changes to government's food assistance program, known as SNAP, and other social-net modifications will likely anger progressives. Clyburn said he spoke to Young about modifications to SNAP, where she expressed "real" concerns about changes to the program. The bill places time limits on the program up to age 54.

In the few public glimpses of Young through the talks, she avoided discussing details of the deal. She did, however, emerge to pay homage to her home state of Louisiana, where she grew up in Clinton, with a population of fewer than 2,000.

She jested about her gumbo-cooking skills with her counterpart, Louisiana Congressman Garrett Graves, who served as one of two Republican negotiators. After Graves told reporters he made better seafood gumbo, she retorted that "we're trying to hash that out."



Guests applaud Shalanda Young during a ceremony honoring the Louisiana State University NCAA women's basketball champions at the White House on May 26.Photographer: Chip Somodevilla/Getty Images

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The Friday before a deal was struck, Young joined a ceremony honoring the Louisiana State University NCAA women's basketball tournament champions at the White House.

"Where's Shalanda?" Biden said at the event, introducing her to applause. "She grew up in Baton Rouge, in Clinton, Louisiana, and is now helping lead the critical budget talks – in the middle of now. But she said, 'I'm leaving the talks to be here."

Young took another break on Saturday, too – hours before negotiators struck a final deal – to speak at Xavier University's College of Arts and Sciences graduation, a Catholic and historically Black college in Louisiana.

"This is the most fun I've had in two weeks," she told graduates. "The president gave me a two-hour break, and it was to come be here with you."

"Your spirit helps me go do what I do," she said.

--With assistance from Jennifer Jacobs.

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