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The reconciliation bill Republicans love to hate

There are nine days until July 4 — Republicans' deadline to pass President **Donald Trump's** "one big, beautiful bill."

But there's a problem — It seems like lots of Republicans loathe the GOP's massive reconciliation bill. The complaints span the party's ideological spectrum — and they're only getting louder.

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1) Sen. Thom Tillis (R-N.C.) <u>likened proposed Medicaid cuts</u> to Republicans' Obamacare, the electoral albatross that dragged Democrats down for several cycles. Over two days, Tillis circulated flyers explaining how bad the Senate GOP reconciliation bill is for North Carolina due to Medicaid cuts, as we've <u>scooped.</u> Tillis is arguing that Republicans on the ballot in 2026 — including himself — will suffer as a result.

2) Several Senate Republicans are worried that the reconciliation bill's provider tax crackdown will hurt rural hospitals. Now they're demanding a "stabilization fund" for these facilities. In addition to Tillis, this group includes Sens. Josh Hawley (R-Mo.), Susan Collins (R-Maine), Jerry Moran (R-Kan.) and Bill Cassidy (R-La.), among others.

Senate GOP leaders are expected to give into this demand. Yet senators still have no idea how the stabilization fund will be structured or what the price tag is. House GOP leaders don't think it'll be enough to satisfy their moderates fuming over the provider tax escalation.

Meanwhile, Senate Majority Leader **John Thune** is signaling he's not interested in the House GOP's less-drastic provider tax framework. During Tuesday's party lunch, <u>Thune told Tillis</u> that it's a key payfor that helps Senate Republicans hit their spending-cut target.

3) House GOP conservatives are again <u>up in arms</u> over Senate Republicans scaling back the spending and clean energy cuts included in the House-passed reconciliation package. Rep. **Mark Harris** (R-N.C.) said he's growing more concerned each day. House Freedom Caucus Chair **Andy Harris** (R-Md.) and Reps. **Eric Burlison** (R-Mo.) and **Chip Roy** (R-Texas) have all said they'll vote against the reconciliation bill if it comes to the floor like this.

4) House SALT Caucus members <u>say</u> they don't have a deal with Senate Republicans and won't vote for any bill that doesn't maintain the House's state-and-local tax deduction structure. GOP senators, meanwhile, are getting impatient. More on that in a bit.

5) Sen. Ron Johnson (R-Wis.) is continuing to rail against the bill, arguing it doesn't cut nearly enough spending. Johnson raised these concerns again during the Republicans' lunch Tuesday.

6) Roy is pushing to restore expansions of health savings accounts from the House bill. That's an addition that Senate Republicans are actually considering, <u>as we scooped.</u>

So instead of trying to build support for the unpopular legislation, a number of Republicans are spending their days saying just how bad it is, how much it adds to the national debt, how it will gut health care for needy populations, cut food stamps and sink the GOP's electoral prospects next year.

Take Hawley, for example. He's been touting the fact that the bill includes funding for victims of nuclear contamination, a major legislative priority for the Missouri Republican. But the provider tax crackdown could render that provision moot if hospitals are forced to close.

"It's going to expand health care coverage for a lot of people in my state," Hawley said of the funding for radiation victims. "But they have to have a hospital to go to. It's a problem."

Look at the intramural GOP clash over SALT, an important political issue in blue states. New York, California and New Jersey House backers are desperate to sell SALT relief as a win back home. Instead, they're dealing with Senate Republicans insisting on a lesser deal.

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"We're going to get something — I'd refrain from calling it a deal — that both sides aren't going to love," said Sen. **Markwayne Mullin** (R-Okla.), who's been deputized by Senate GOP leaders to work with the House SALT Caucus. "But hopefully it gives them more reasons to vote for it than vote against it."

Mullin spoke with Trump on Tuesday and said the president is eager to get the bill done. During Tuesday's lunch, Mullin fielded questions from Senate Republicans frustrated with what they see as an intransigent House SALT Caucus.

State of play. Despite these challenges, Senate GOP leaders aren't backing off of their goal to get this bill over the finish line within the next few days. They're betting that the intense pressure of the impending recess, tied with Trump's return from the NATO summit, will get everyone in line.

GOP senators expect Trump to significantly ramp up his engagement with the Hill once he returns from the Netherlands tonight.

This is a big gamble by Thune and his leadership team. As we <u>wrote</u> Tuesday morning, Thune also seems to be gearing up to jam the House using those same pressure points to his advantage.

Yet before Senate Republicans can finalize the bill's text, they need to finish the Byrd Bath. Senate aides from both parties have been meeting with the parliamentarian on the Senate Finance Committee's text for the last two days. The arguments are expected to keep going today.

Meanwhile, several Senate committees are expected to release updated legislative text as soon as this morning. The new text will reflect the initial Byrd rulings, which have been coming in daily over the past week or so.

This could all tee up a release of full updated bill text as soon as Thursday and floor action Friday, but GOP senators will have to settle their problems fast to make that happen.

HFC update. The House Freedom Caucus is expected to meet tonight with Senate conservatives to talk reconciliation at their weekly dinner.

- Andrew Desiderio, Laura Weiss, Jake Sherman, Mica Soellner



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