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Senate Republicans: House GOP's energy tax credit cuts won't work

House Republicans have proposed gutting the Democrats' climate law.



JOSH SIEGEL 05/13/2025, 2:26PM ET

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Senate Republicans are pushing back on the House GOP's proposed rollback of Democrats' clean energy credits and say there will have to be changes to earn their support. The tax-writing House Ways and Means Committee is seeking to repeal key subsidies for electric vehicles and phase out many other clean energy tax incentives from the 2022 Inflation Reduction Act as part of its portion of the GOP megabill, which the committee will begin marking up this afternoon.

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But some Senate Republicans say abruptly cutting off credits and changing key provisions that help fund projects more quickly could stifle investments in energy technologies needed to meet growing power demand, and lead to job losses for manufacturing and electricity projects in their states and districts.

Sen. Kevin Cramer (R-N.D) warned that the Ways and Means proposal to phase out technology-neutral clean electricity tax credits beginning in 2029 would kneecap newer technologies that Republicans favor like advanced nuclear reactors and geothermal that are not ready to be deployed at large scale.

"They definitely need more time than that," Cramer said. "It's too short for truly new technologies. We'll have to change that. I don't think it's fair to treat an emerging technology the same as a 30-year-old technology."

Cramer has issued his own proposal to phase out the credits only for wind and solar — renewable technologies that make up the majority of new power

additions in the U.S. and that he says are more mature and no longer need the credits.

Ways and Means Republicans also proposed phasing out the tax credit for the production of clean hydrogen — a nascent technology seen as vital for difficult-to-decarbonize sectors that has found support inside the GOP — at the end of this year.

And their bill phases out a standalone production tax credit for nuclear power starting in 2029, despite calls from many Republicans to preserve that program.

Sen. Shelley Moore Capito (R-W.V.), chair of the Environment and Public Works Committee, suggested the House GOP's approach acts more like a "blanket" repeal of the credits.

"I would expect that to change," Capito said. "There has been job creation around these tax credits."

Sen. John Hoeven (R-N.D.) agreed there will be "some change" to the tax credits by the time the bill comes over to the Senate for consideration, calling the House GOP pitch a "starting point" in negotiations with Senate Republicans.

A quartet of Senate Republicans earlier this year also warned their party leadership that repealing the IRA credits would undermine President Donald Trump's bid to stimulate manufacturing and could cause electricity prices to skyrocket.

Lead Art: Sen. Kevin Cramer (R-N.D) warned that the House GOP's proposal to phase out technology-neutral clean electricity tax credits beginning in 2029 would kneecap newer energy technologies. | Francis Chung/POLITICO



Average earners' tax bills would fall under House tax package, forecasters say

The report is likely to roil the partisan battle over who would benefit the most under the plan, as Democrats insist the wealthy would end up far better off than others.



BRIAN FALER 05/13/2025, 9:52PM ET

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Average-income people would see double-digit percentage declines in their tax bills under House Republicans' tax package, according to a new official analysis that's sure to inflame partisan fights over who would get what under the plan.

Those making between \$30,000 and \$80,000 would pay around 15 percent less in taxes in 2027, the report by the nonpartisan Joint Committee on Taxation shows. People making more than \$1 million that year would see an 8.6 percent decline.

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However, the analysis does not take account of a likely expansion of a deduction for state and local taxes, which would overwhelmingly benefit upper-income households, or look at the possible effect of spending cuts Republicans are also planning that would primarily hit lower-income people.

Forecasters dropped the analysis on lawmakers as they jousted over the winners and losers under the plan at a frequently contentious meeting of the tax-writing Ways and Means Committee. Democrats called the plan a giveaway to billionaires, frequently invoking Tesla founder Elon Musk.

Republicans scoffed, pointing to provisions in their plan that would expand the Child Tax Credit and standard deduction while creating new breaks for

tips, overtime pay, seniors and car-loan interest.

"Do you think billionaires are financing their cars?" asked Rep. Aaron Bean (R-Fla.). "Do you really think Elon Musk is working for tips?" Rep. Gwen Moore (D-Wis.) noted many of those breaks are slated to expire at the end of 2028, while provisions like one easing the estate tax would be made permanent.

"It's a trick," said Moore. "You do it temporarily so you can get through the 2026 election" and "then these benefits for children and elders and workers disappear, while the tax benefits for the ultra-wealthy soar."

Democrats also emphasized the total dollar tax cut going to different income groups, rather than the percentage declines in their tax bills. People making more than \$500,000 would see an aggregate tax cut of about \$170 billion in 2027, the report shows, compared to \$59 billion for those earnings between \$30,000 and \$80,000.

There is also a choose-your-own-adventure quality to the report because the figures change by the year as different provisions come online or phase down or out.

Though people making between \$15,000 and \$30,000 would see a 21 percent decline in their tax bills in 2027, their taxes would go up by 12 percent in 2029 and by 20 percent in 2030. JCT did not explain why, but it's possible that's partly a result of provisions in the plan aimed at reducing improper payments of the Earned Income Tax Credit, a wage supplement for low-income people.

The report is not a complete picture of winners and losers under Republicans' plans. It doesn't include a potential deal among lawmakers to further increase the SALT cap, beyond a proposed \$30,000 limit.

The report also only looks at the tax side of Republican plans, and does not account for changes in spending programs, like Medicaid.

Under Republicans' budget plan, the size of their tax cuts is contingent on

them also making spending cuts. They're aiming for a \$4 trillion tax cut combined with a \$1.5 trillion reduction in spending.

Lead Art: Rep. Gwen Moore (D-Wis.) pushed back on Republican claims that their bill would primarily benefit middle- and lower-income people, noting that some of the benefits for those groups would be set to expire. | Getty Images

Billy Long speaks into a microphone at a desk.

2 WEEKS AGO

Senate Finance schedules longawaited hearing on IRS chief nominee

If confirmed by the Senate, former Rep. Billy Long (R-Mo.) would be taking charge of an agency rocked by job cuts and clashes over data sharing with DOGE.



BENJAMIN GUGGENHEIM 05/13/2025, 9:35PM ET The Senate Finance Committee on Tuesday scheduled a May 20 hearing on the nomination of former Rep. Billy Long to head the IRS.

It's been a long time coming for Long, whom President Donald Trump tapped for the position in January. The IRS has seen no less than five different acting commissioners since the beginning of the year amid widespread layoffs and other cost-cutting efforts implemented by Elon Musk's Department of Government Efficiency. Top officials have also clashed with the Trump administration over DOGE's access to sensitive taxpayer information.

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Long is seen as a controversial pick, and the hearing is sure to feature harsh scrutiny by committee Democrats, led by Sen. Ron Wyden of Oregon.

After Long, a Missouri Republican, departed Congress in 2023, he worked for a tax consulting firm and spent time hawking a pandemic-era tax credit called the Employee Retention Credit. The IRS was flooded fraudulent claims for the ERC over the past several years, frequently warning taxpayers to be wary of marketers of the credit.

Long also raked in roughly \$137,000 in campaign donations in January, in part from donors affiliated with firms in the tax consultancy industry. Long then used the funds to pay back an outstanding \$130,000 loan he made to his now-dormant 2022 Senate campaign. Rep. Chris Pappas speaks during a news conference on the Equality Act at the Capitol.

2 WEEKS AGO

House ethics watchdog now open for business

The board of the nonpartisan, independent Office of Congressional Conduct has been at last been appointed after the longest delay in its history.



HAILEY FUCHS 05/13/2025, 8:54PM ET

Lead Art: Rep. Chris Pappas (D-N.H.), was among those agitating for the board of the Office of Congressional Conduct to be reconstituted. | Rod Lamkey, Jr./AP

Rep. Jared Moskowitz (D-Fla.) arrives on Capitol Hill.

2 WEEKS AGO

'DOGE caucus is dead': Rep. Jared Moskowitz isn't attending the funeral

Republicans say the congressional working group is just getting started.



BEN JOHANSEN 05/13/2025, 7:00PM ET

Lead Art: Rep. Jared Moskowitz (D-Fla.) arrives for a House Judiciary Committee markup on Capitol Hill, April 30, 2025. Francis Chung/POLITICO

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Mike Johnson talks on a cell phone.

2 WEEKS AGO

House Republicans move **closer to SALT deal**, Johnson says

The speaker said a deal was within reach, though probably not on Tuesday.



MEREDITH LEE HILL 05/13/2025, 7:00PM ET

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Speaker Mike Johnson says he's closer to ending a politically charged standoff over a key tax provision that is one of the major hang-ups standing in the way of the GOP's "big, beautiful bill."

House GOP leaders and the so-called SALT Republicans from high-tax blue states are discussing ways to further boost the limitation on the state and local tax deduction. They're discussing using the additional fiscal space from the GOP's tax bill coming in underneath a \$4 trillion cost target, according to two Republicans with direct knowledge of the matter.

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"That's part of the discussion," Johnson confirmed in a brief interview Tuesday as he dashed out of an evening meeting with the SALT Republicans. A Ways and Means Committee draft released Monday pegged the deduction at \$30,000 – up from the existing \$10,000 cap – but subject to a phaseout for those earning more than \$400,000. Some of the Republicans want the break set north of \$60,000 for an individual filer.

Johnson said he thought the SALT issue was close to being resolved but probably would not be closed out Tuesday night. He added that the "marriage penalty is part of the discussion" — referring to the fact that the current deduction does not double for joint filers, as many other income tax breaks do.

The issue is one of the thorniest of the remaining issues for Johnson to resolve in the megabill. Ways and Means Republicans have also been weighing in on

the SALT issue, with many in the GOP conference wary of handing a large cap increase that would mainly benefit residents of Democratic states.

House Minority Leader Hakeem Jeffries holds a press conference.

2 WEEKS AGO

Jeffries warns against arresting New Jersey Democrats involved in immigration protest

"They'll find out. They'll find out. They'll find out," Hakeem Jeffries said Tuesday.

GREGORY SVIRNOVSKIY 05/13/2025, 6:08PM ET

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House Minority Leader Hakeem Jeffries warned Republicans and federal law enforcement against sanctioning or arresting three Democratic New Jersey lawmakers who were involved in a tense immigration protest.

"They'll find out. They'll find out. They'll find out," Jeffries said Tuesday when asked how he'd respond if officials arrested or sanctioned Democratic Reps. Rob Menendez, LaMonica McIver and Bonnie Watson Coleman. "That's a red line. It's a red line, it's very clear." Advertisement

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The three Democrats were inspecting the new ICE facility, which is set to play a major role in White House Northeast immigration operations, and were involved in a scrum when federal agents arrested Newark Mayor Ras Baraka, who authorities said was trespassing.

A Department of Homeland Security spokesperson on Saturday said arrests for the three lawmakers were "on the table." Rep. Buddy Carter (R-Ga.) has proposed stripping them of committee assignments.

"First of all, I think that the so-called homeland security spokesperson is a joke," Jeffries said. "It's a joke. They know better than to go down that road. And it's been made loudly and abundantly clear to the Trump administration. We're not going to be intimidated by their tactics to try to force principled opposition from not standing up to their extremism."

Lead Art: "I think that the so-called homeland security spokesperson is a joke," House Minority Leader Hakeem Jeffries said. Kevin Dietsch/Getty Images Sen. Ruben Gallego speaks during a hearing.

Senators 'working to get back to the table' on crypto bill, key Dem says

Asked about the crypto bill returning to the Senate floor, Sen. Ruben Gallego said: "I don't think it's a ways off, but I don't think it's immediate either."

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JASPER GOODMAN
05/13/2025, 5:42PM ET
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A key Democratic holdout on a landmark cryptocurrency bill that was rejected on the Senate floor last week, Sen. Ruben Gallego, said Tuesday that lawmakers are working toward restarting bipartisan negotiations over the legislation, but cautioned not to expect it back on the floor immediately.

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"We are working to get back to the table," Gallego said. "Our staff are talking." Advertisement The Arizona Democrat served as a lead Democratic negotiator in a series of eleventh-hour negotiations ahead of a failed procedural vote on the floor last Thursday. He voted for a previous version of the GOP-led crypto bill when it cleared the Senate Banking Committee in March, but he and a group of other pro-crypto Democrats opposed the most recent version that was teed up for a floor vote by Senate Republicans.

Gallego said Tuesday he still thinks "there's a good possibility we get this done." Asked about it returning to the Senate floor, the first-term senator said: "I don't think it's a ways off, but I don't think it's immediate either."

"We got 90 percent of the way there," he said. "Both sides gave, and I think there is a real want for us to get there."

The legislation would create the first-ever U.S. regulatory framework for digital tokens known as stablecoins whose value is pegged to the dollar.

Industry groups have ramped up pressure on senators to pass a stablecoin bill in the coming days. A spokesperson for a pro-crypto dark money group called the Cedar Innovation Foundation, Josh Vlasto, said in a statement Tuesday that "it's clear Senate leadership on both sides of the aisle should avoid political games and pass a final stablecoin bill in the coming days."

Sen. Mark Warner (D-Va.), another key Democratic holdout who was involved in negotiations, said there are "conversations going on, but clearly, for the opposite side to force a vote when they couldn't get 50 votes, didn't help." He added that he hopes it can return to the floor "soon." Sen. Bill Hagerty (R-Tenn.), the lead GOP sponsor of the bill, told reporters Monday that he is "working at pace right now with my Senate colleagues to figure out what the next steps might be," but added that "the window to get anything done is rapidly closing because we're about to turn our attention to reconciliation."

Majority Leader John Thune (R-S.D.) was noncommittal when asked late Monday if he would put the stablecoin bill back on the floor prior to the Memorial Day break.

"We'll see," he said, adding that he is consulting with Hagerty and other key Republicans involved in the effort. "They're, I think, hearing from Democrats. So we'll see how committed everybody is to getting a result and if they can get whatever differences they think they had worked out."

Jordain Carney contributed to this report.

Lead Art: Sen. Ruben Gallego speaks during a hearing of the Senate Committee on Homeland Security and Governmental Affairs on Capitol Hill. | Mark Schiefelbein/AP

House Oversight Committee Chair James Comer (R-Ky.) is seen.

2 WEEKS AGO

House Republicans' pension changes will save nearly \$51B, CBO says

The CBO estimate comes after a tense markup in April, when the House Oversight Committee narrowly advanced its portion of the GOP's megabill.



LAWRENCE UKENYE 05/13/2025, 4:53PM ET

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The House Oversight and Government Reform Committee's proposal to overhaul the federal government's pension benefit system would save nearly \$51 billion over the next decade, an analysis from the Congressional Budget Office found.

It would constitute major savings to help offset the cost of President Donald Trump's "big, beautiful bill" — if Republicans keep the provision in tact. Rep. Mike Turner (R-Ohio) broke with his party back in April to join Democrats in voting against the Oversight panel's contribution to the GOP megabill over the proposed changes, arguing it would punish government workers.

"I believe that making changes to pension retirement benefits in the middle of someone's employment is wrong," Turner said at the time.

Republican leaders will only be able to lose a handful of members and still be able to pass their party-line bill on the House floor, making Turner's opposition something worth taking seriously. It's not clear, however, how removing this policy change could affect the GOP's ability to meet its costsaving targets to offset the package of tax cuts and extensions, defense spending, border security investments and more.

The draft bill narrowly advanced in the Oversight Committee last month would overhaul the Federal Employee Retirement System, or FERS, resulting in \$11.7 billion in spending cuts on employee benefits and generating \$39.2 billion in revenue.

Committee Republicans want to raise the required employee contribution to the FERS — which would reduce appropriated spending by \$31.8 billion while eliminating a benefit that workers receive for leaving the civil service before the age of 62 — which would reduce spending by \$10 billion, per the House Oversight Republicans are also seeking to force federal employees to choose between accepting an at-will classification that would make it easier to be fired, or contributing an additional 5 percent of their salary toward retirement. The CBO projects that the higher retirement contributions from workers who opt against the at-will designation would increase revenue by \$4.7 billion through 2034.

According to CBO estimates, the Republicans plan to increase the cost of filing claims to the Merit Systems Protection Board — the beleaguered agency tasked with adjudicating labor disputes in the federal government — would lead to a \$3 million bump in revenue and fewer claims filed.

Lead Art: House Oversight Committee Chair James Comer (R-Ky.) is seen during a markup on Capitol Hill April 30, 2025. | Francis Chung/POLITICO Shelley Moore Capito speaks at a lectern during a press conference.

Senate Republicans move toward vote on California emissions waiver

It will bring a simmering fight over the chamber's rules to a head.

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JORDAIN CARNEY
05/13/2025, 4:07PM ET
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Senate Republicans could vote as soon as next week on a controversial proposal to nix federal waivers allowing California to set its own emissions standards — potentially bringing a simmering debate over the chamber's rules to a head.

"We're going to pass it next week," Sen. John Barrasso (R-Wyo.) told reporters after a closed-door conference lunch where they discussed the proposal at length.

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Senate Majority Leader John Thune hasn't yet committed to bringing the measure to the floor next week, and a key sponsor, Sen. Shelley Moore Capito of West Virginia, cautioned that the schedule isn't "100 percent decided" yet. The Senate has until the first week of June to act under the Congressional Review Act.

But Republicans are feeling increasingly confident that they will have the votes to undo California's longstanding waivers after leaving a House-passed disapproval resolution in a weeks-long limbo. Republicans can lose three of their own and still let Vice President JD Vance break a tie.

"We're going to do it," Sen. John Kennedy (R-La.) said after Tuesday's lunch, adding that he was confident because "I can tell the way people feel." Sen. Markwayne Mullin (R-Okla.), a leadership adviser, also said that he was "very confident" that Republicans will have the votes to nix the California waiver.

The controversy is less about the policy merits and more about a Government Accountability Office finding that said the waiver isn't actually subject to CRA review. Senate Parliamentarian Elizabeth MacDonough backed up that finding, and the prospect of overruling her has spooked a handful of GOP senators wary of weakening Senate rules in a way that would come back to bite them when Democrats are back in control of Congress.

Republicans are hopeful they'll have support from at least one member Democrats have targeted — former GOP Leader Mitch McConnell — but they haven't locked in the votes yet and are actively working to sway the undecideds. One of them, Sen. Susan Collins of Maine, said she continued to have "some procedural issues" and would meet Tuesday with Capito to work through them. Sen. Lisa Murkowski of Alaska said in a brief interview she is discussing the issue with colleagues and not yet ready to make a decision.

"There is obviously apprehension if we go sideways on our own rules and so I'm having a lot of good conversations," Murkowski said.

Democrats have sounded the alarm over a possible vote, warning GOP leaders in a letter earlier this month that it would be akin to deploying the "nuclear option" against the Senate's rules. But Republicans are trying to minimize any blowback by focusing on the GAO ruling, not the parliamentarian.

"It's about whether GAO is able to ... veto a process that has never been questioned before," Capito said. "I see it as us asserting our prerogative."

Lead Art: Sen. Shelley Moore Capito speaks during a press conference at the U.S. Capitol on April 1. | Francis Chung/POLITICO

Demonstrators protesting cuts to Medicaid and U.S. Capitol Police officers are seen.

Medicaid cut protesters disrupt GOP megabill markup, 26 arrested

The House Energy and Commerce markup is only just getting underway.

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By BEN LEONARD and HAILEY FUCHS 05/13/2025, 3:50PM ET
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No sooner had the House Energy and Commerce Committee kicked off its markup of the GOP's "big, beautiful bill" than protesters descended upon the proceedings. U.S. Capitol Police was forced to quickly arrest 26 people and remove several protesters in wheelchairs from the hearing room amid chants of "no cuts to Medicaid" and "waste, fraud and abuse my ass."

Committee Chair Brett Guthrie (R-Ky.) repeatedly pounded his gavel and said that "disruption of Congressional business is a violation of law and is a criminal offense."

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"People feel very strongly because they know they're losing their health care," said ranking member Frank Pallone (D-N.J)., asking police not to arrest protesters if possible. "Many of them are disabled and I don't want to see them further hurt with their disability in the process of being arrested."

Protesters also lined the halls outside the hearing, many of them in wheelchairs, chanting as police threatened to take more people into custody. Julie Farrar — an activist with ADAPT, a disability rights organization — said there were about 90 people with her group, many of whom are on Medicaid and some who are direct care workers.

They were "fighting literally for our survival right now," Farrar said.

"I'm weary of fighting for the right to exist," she said. "We have been fighting for making the system better, and now we have an administration that completely wants to dismantle all of the spider web of support that we have."

Jennifer Flynn Walker, a leader with the activist group Popular Democracy, was previously in Washington to protest GOP efforts to repeal the Affordable Care Act back in 2017. At that time, she cited her sister, who had Down syndrome and relied on Medicaid. Her sister had since died. "Medicaid is a lifeline," Walker said.

According to a statement from the U.S. Capitol Police, individuals were "arrested for illegally demonstrating in the Rayburn House Office Building ... [for] Crowding, Obstructing, and Incommoding. It is against the law to protest inside the Congressional Buildings."

Sens. Cory Booker of New Jersey, Brian Schatz of Hawaii and Tina Smith of Minnesota also walked over to the Rayburn House Office Building to lend support to their Democratic colleagues as the markup began.

It was a tense start to what is likely to be an emotionally charged markup that is expected to go through the night and into the next day. The panel is taking up legislation that would make significant changes to Medicaid, which the Congressional Budget Office said in a partial estimate would lead to 10.3 million people losing coverage under the health safety net program and 7.6 million people going uninsured.

Pallone used his opening statement to hammer Republicans' for their proposal, arguing it would violate President Donald Trump's pledge not to cut Medicaid, save for "waste, fraud and abuse."

"This is not a moderate bill," Pallone said.

Democrats coordinated their opening speeches to highlight the stories of people in their districts who rely on Medicaid — holding up posters with their photos below the words "Medicaid Matters" — accusing Republicans of trying to take away their constituents' health care. Rep. Debbie Dingell (D-Mich.)

spoke directly to fellow Michiganders who had flown to Washington for the markup and who rely on Medicaid to help their child with Down Syndrome. Rep. Mark Veasey (D-Texas) put a constituent on speaker phone to make a plea to committee members. Members of each party accused each other of lying, with Rep. Dan Crenshaw (R-Texas) at one point telling Dingell's guests he was sorry they had traveled all the way to Washington to be told falsehoods about the GOP-drafted bill. Guthrie eventually had to tell members on both sides of the aisle to suspend their use of the word "lie" for the duration the markup.

Republicans also accused Democrats of fear-mongering, with Guthrie saying no one would lose coverage, save for "able-bodied adults" and noncitizens.

"We are prepared to stop the billions of dollars in waste, fraud and abuse in the Medicaid program by beginning to rein in the loopholes [and] by ensuring states have the flexibility to remove ineligible recipients from their rolls," he said. "These are all commonsense policies."

"This is not about, 'one side doesn't want people to get care," said Rep. Richard Hudson (R-N.C.). "One side wants illegal immigrants — 1.4 million people according to the [CBO] — before the 6-year-old boy in my district. I'm tired of getting lectured to. ... Don't believe the lies."

James Bikales and Nicholas Wu contributed to this report.

Lead Art: Demonstrators protesting cuts to Medicaid and U.S. Capitol Police officers are seen outside a House Energy and Commerce Committee markup on Capitol Hill, May 13, 2025. | Francis Chung/POLITICO

Rep. Buddy Carter (R-Ga.) arrives for a vote.

2 WEEKS AGO

GOP proposal would **boot 3 NJ Democrats** from House committees

Rep. Buddy Carter introduced the measure following a Friday protest at a Newark ICE facility.



NICHOLAS WU 05/13/2025, 3:33PM ET UPDATED: 05/13/2025, 6:03PM ET

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Rep. Buddy Carter is proposing to strip three New Jersey lawmakers of their House committee assignments after they participated last week in a protest at a Newark migrant detention facility.

The Georgia Republican introduced a <u>one-page resolution</u> that would remove Rep. Bonnie Watson Coleman from the Appropriations Committee, Rep. Rob

Menendez from the Energy and Commerce Committee and Rep. LaMonica McIver from committees on Homeland Security and Small Business. "This behavior constitutes an assault on our brave ICE agents and undermines the rule of law. The three members involved in this stunt do not deserve to sit on committees alongside serious lawmakers," Carter said in a statement.

A Department of Homeland Security spokesperson already suggested the lawmakers could be arrested — something House Minority Leader Hakeem Jeffries called a "red line" on Tuesday.

In a joint statement, Menendez, Watson Coleman, and McIver called Carter's resolution an attempt to distract from the GOP's pending domestic policy bill, which they said would "strip healthcare away from 13.7 million Americans and slash programs that strengthen our communities and make them healthier."

"As we all know, Members of Congress have a legal right to conduct oversight at any DHS detention facility without prior notice, and that's exactly what we were doing last week," they added.

Removing the lawmakers from their committees would be a less drastic step but still mark a major escalation in cross-party tensions. Republicans removed three Democrats from committees last Congress for various infractions; that followed Democrats booting Reps. Paul Gosar (R-Ariz.) and Marjorie Taylor Greene (R-Ga.) from their panels when they held the majority in the Congress before that.

While Republicans say the lawmakers wrongfully forced their way into the detention facility, resulting in a chaotic scrum that was caught on video. Newark Mayor Ras Baraka, who was not legally entitled to enter the facility as a member of Congress, was arrested at the protest and later released.

Carter last week launched a Senate campaign against Democratic incumbent Jon Ossoff. It's not clear if the resolution will hit the House floor; a spokesperson for Speaker Mike Johnson did not immediately respond to a request for comment. Carter could seek to bring the measure up under a fasttrack process that would bypass House leadership and committees.

Fox News first reported the bill's introduction.

Hailey Fuchs contributed to this report.

Lead Art: Rep. Buddy Carter (R-Ga.) arrives for a vote at the U.S. Capitol on April 30, 2025. | Francis Chung/POLITICO

Rep. Mike Lawler (R-N.Y.) makes the sign of the cross.

2 WEEKS AGO

Another NY Republican unleashes harsh criticism of top tax writer over contested deduction

Rep. Mike Lawler's comments on Ways and Means Chair Jason Smith follow similar fiery words by fellow New York Republican Rep. Nick LaLota.



BENJAMIN GUGGENHEIM 05/13/2025, 3:20PM ET

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Another blue-state Republican on Tuesday harshly criticized the House GOP's top tax writer over negotiations on expanding the state and local tax deduction, saying Ways and Means Committee Chair Jason Smith "should be

reminded that he wouldn't have a fucking gavel without the members of the SALT caucus."

Rep. Mike Lawler (R-N.Y.) poured out the criticism a day after his fellow New

Yorker, Rep. Nick LaLota, accused Smith of negotiating in bad faith over socalled SALT Republicans' demand to raise the \$10,000 cap on the deduction.

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"What negotiations?" said Lawler, when asked by reporters about the state of the negotiations.

"Someone should go ask the speaker how he would classify this as a negotiation, when his own chair says, 'I don't have to negotiate with anybody. I just have to negotiate with my committee," Lawler said, referring to House Speaker Mike Johnson.

A spokesperson for Smith (R-Mo.) did not immediately respond to a request for comment.

Republicans from New York, California and New Jersey have been jockeying for an increase to the SALT deduction, which benefits constituents in their high-tax districts. It's one of the most contentious political fights that could still hold up Republicans' marquee tax, border, defense and energy bill.

Now, in the eleventh hour before a critical committee vote on the GOP's tax legislation, some are becoming increasingly vocal about their dissatisfaction with ongoing negotiations. The House Ways and Means Committee opened debate Tuesday afternoon on the large tax package that would raise the SALT deduction limit to \$30,000, with a new income limit on taking the deduction for taxpayers making over \$400,000.

Lawler and LaLota have said that proposal is wildly insufficient, though Johnson has indicated it is a placeholder while talks continue.

Smith has been indicating it's up to Johnson to negotiate on a SALT increase. Like many in the GOP conference, Smith believes the deduction is a wasteful perk that subsidizes high-tax blue states.

The GOP bill costs approximately \$3.8 trillion, according to Congress's nonpartisan tax accountant. That could leave some room for an additional increase to the deduction.

"There's a little bit of wiggle room there," said Smith at a press conference before the Tuesday afternoon vote on the tax legislation. "It's very small."

Lead Art: Rep. Mike Lawler (R-N.Y.) is unhappy with Ways and Means Chair Jason Smith's approach to a push by blue-state Republicans to lift a cap on the state and local tax deduction. | Jessica Hill/AP

Senate Majority Leader John Thune (R-S.D.) speaks with reporters at the U.S. Capitol.

2 WEEKS AGO

GOP heavyweights join bipartisan bashing of Trump Qatar jet deal

Senate Majority Leader John Thune and GOP firebrand senators are among those voicing discomfort with the deal.

By ERIC BAZAIL-EIMIL and ROBBIE GRAMER 05/13/2025, 2:44PM ET

Lead Art: Senate Majority Leader John Thune said there are "lots of issues associated with that offer which I think need to be further talked about" when asked about the offer of the Qatari plane. | Francis Chung/POLITICO

CBO: 7.6 million would go uninsured under GOP Medicaid bill

The Congressional Budget Office estimates that many of the major Medicaid policies would account for \$625 billion in savings, though the CBO didn't calculate the impacts of all provisions.



BEN LEONARD 05/13/2025, 2:19PM ET

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The Medicaid portions of the GOP megabill would lead to 10.3 million people losing coverage under the health safety net program and 7.6 million people going uninsured, according to estimates from the nonpartisan Congressional Budget Office.

Republicans released the partial estimates Tuesday less than a half hour before the House Energy and Commerce Committee is scheduled to mark up its portion of the legislation central to enacting President Donald Trump's agenda on taxes, the border and energy. Advertisement

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The panel has been tasked with finding \$880 billion in savings, and the CBO confirmed the committee is on track to meet that target. CBO also projects that many of the major Medicaid policies would account for \$625 billion in savings, though the scorekeeping office didn't calculate the impacts of all provisions.

Work requirements would produce the biggest savings in the bill, accounting for nearly \$301 billion over a decade — deeper than what had been initially anticipated. Overturning Biden-era rules on the program would save nearly \$163 billion, and a moratorium on new taxes that states levy on providers to help finance their programs would recoup roughly \$87 billion.

Republicans have argued that the changes will streamline Medicaid and allow it to better focus on serving the most vulnerable beneficiaries.

Democrats have argued the changes will lead to devastating impacts on health care access and have made the case — including by pointing to previous CBO

estimates — that work requirements would simply remove people from coverage rather than motivate beneficiaries to find jobs.

"Republicans are trying to say this is kind of a moderate bill," Energy and
Commerce ranking member Frank Pallone told reporters Monday. "Nothing could be further from the truth."

Lead Art: House Energy and Commerce Chair Brett Guthrie (R-Ky.) expects spectrum will be part of his panel's upcoming reconciliation markup. | Francis Chung/POLITICO

2 WEEKS AGO

A federal judge has dismissed claims against U.S. Capitol Police and D.C. police brought by protesters who claim the departments conspired to brutally crack down on an pro-Palestine protest outside DNC headquarters in 2023. U.S. District Judge Royce Lamberth said the defendants — nine protesters who claimed they suffered excessive force at the hands of police — had failed to show plausible evidence of a conspiracy and had not fully pursued other remedies for the alleged wrongdoing. The unrest outside the DNC in November 2023 came as top lawmakers, including House Minority Leader Hakeem Jeffries, were inside the building for a fundraiser.



KYLE CHENEY 05/13/2025, 1:34PM ET

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Glenn Thompson holds out his hand as he speaks at the U.S. Capitol.

House Republicans' proposal to cut SNAP spending would save roughly \$300B

That gives the committee enough wiggle room to include a \$60 billion farm bill package in reconciliation, according to CBO estimates.



GRACE YARROW 05/13/2025, 11:16AM ET

ⓓ

The House Agriculture Committee's reconciliation proposal would save up to \$300 billion over the next decade largely through cuts to the nation's largest anti-hunger program, according to long-awaited Congressional Budget Office estimates viewed by POLITICO.

The savings from the Supplemental Nutrition Assistance Program would be well over the committee's instructed target of \$230 billion in spending cuts, giving House Republicans just enough wiggle room to include a \$60 billion farm bill package in their megabill. Advertisement

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The committee will meet Tuesday night to mark up its portion of the bill. Here's how much each proposal would save between 2025 and 2034, according to the CBO:

- Forcing states to pay for part of SNAP benefits based on their payment error rates saves \$128 billion.
- Changing work requirements, waivers and other criteria for SNAP recipients who are able-bodied adults without dependents saves \$92 billion.
- Limiting future updates to the Thrifty Food Plan, the basis for calculating SNAP, saves \$37 billion.
- Forcing states to pay for more of SNAP administrative costs saves \$27 billion.
- Restrictions on participants including internet costs in computing shelter expenses saves \$11 billion.
- Requiring state agencies to use indications of SNAP overpayments to prevent overpayments of other federal and state benefits saves \$7 billion.
- Closing an internet utility loophole for SNAP participants who are not elderly or disabled saves \$6 billion.

- Scrapping the National Education and Obesity Prevention Program for SNAP participants saves \$5 billion.
- Reducing the tolerance level for SNAP error payments from \$37 to \$0 saves \$80 million.
- Changing the general SNAP work requirement age from over 15 and under 60 to over 17 and under 65 does not affect direct spending.

CBO is still estimating how much the committee will save by limiting SNAP benefits to U.S. citizens and permanent lawful residents and how much it will spend by extending mandatory funding for federal projects aimed at reducing food waste.

One more note: The CBO scores don't include interactions between proposals — like a participant who would be impacted by multiple pieces of the savings — leading the committee to estimate a total savings of around \$290 billion to \$300 billion rather than the combined sum of the savings listed above.

Lead Art: The House Agriculture Committee will meet Tuesday night to mark up its portion of the reconciliation bill. | Francis Chung/POLITICO

Mike Johnson talks on a cell phone.

Tax cuts cost forecast gives GOP leaders room to maneuver on SALT

An analysis by the official Joint Committee on Taxation puts the tab at \$3.8 trillion, less than Republicans have allotted.



BRIAN FALER 05/13/2025, 8:39AM ET UPDATED: 05/13/2025, 11:02AM ET

ⓓ

House Republicans' tax package would cost \$3.8 trillion, government forecasters now say — still within lawmakers' budget and with enough to spare to potentially address complaints by a handful of holdouts demanding a bigger deduction for state and local taxes.

"Plenty of room for a SALT fix," Rep. Nick LaLota (R-N.Y.), one of the holdouts, wrote on X Tuesday morning, in response to the estimate by the official Joint Committee on Taxation. Advertisement

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The newly revised estimate released Tuesday afternoon is up slightly from the \$3.7 trillion price tag budget forecasters had previously put on the plan, and it comes as the tax-writing Ways and Means Committee began formally debating the package. Additional changes are possible there, and also later, when Republicans are preparing to take the legislation to the House floor.

Republicans have penciled in plans to lift the state and local tax deduction cap to \$30,000 from \$10,000, and create a new income limit on claiming the deduction, but some blue-state Republicans are balking, with some threatening to sink the plan. They're sure to ratchet up those demands in light of the cost estimate, which could also prompt other lawmakers to redouble efforts to make other changes as well.

Under the House GOP's budget, the size of their tax cuts is contingent on lawmakers simultaneously cutting spending, and Republicans are hoping to match \$4 trillion in tax cuts with \$1.5 trillion in spending reductions.

The overall plan would have some of their tax cuts take effect this year, so that people will see a difference in their tax refunds next year, ahead of the midterm elections, and JCT figures the tax cuts will cost \$85 billion in 2025 and another \$473 billion in 2026. The analysis also gives a sense of scale of the different proposals, showing for example that provisions demanded by President Donald Trump are not as large as some expected. A new deduction for overtime pay would run \$124 billion over four years, with a similar plan for tips costing \$40 billion during that period.

An expanded deduction for seniors would cost \$71 billion, and a break for carloan interest would run \$58 billion.

Plans to create so-called MAGA accounts, a new type of savings vehicle for kids, would run \$16 billion, with the bulk of that coming from a pilot program in which the government would kick in \$1,000 per eligible child. By comparison, Republicans' plan to expand the Child Tax Credit would cost nearly \$800 billion.

As for how Republicans intend to offset some of the cost of their plan, some of the heaviest lifting would be done by plans to scale back green energy credits championed by the Biden administration, which the JCT sees generating more than a half-trillion dollars.

Taxes aimed at other countries that impose "unfair" levies on American companies would generate \$116 billion. Republicans would bring in more than \$100 billion by cutting off undocumented immigrants from tax benefits like the Child Tax Credit and Obamacare health insurance premium subsidies, and also by slapping a new 5 percent tax on remittances to people in other countries. Senders who are U.S. citizens could recoup the remittance charge by claiming a special tax credit.

An increase in a levy on universities' endowment investment earnings would produce \$6.7 billion while a tax increase on private foundations comes in at about \$16 billion. Tougher rules for claiming the Earned Income Tax Credit, a wage supplement for low-income workers, would save \$15 billion. A belated crackdown on a scandal-plagued tax break from the pandemic known as the Employee Retention Credit — would generate \$6 billion. That's a small fraction of what a similar effort that died last year in the Senate was projected to raise, reflecting the dwindling number of claims for the subsidy still awaiting approval from the IRS.

The new estimate replaces a nearly \$5 trillion price tag JCT had put on a small portion of Republicans' plans released last week.

Lead Art: Speaker Mike Johnson and other GOP leaders have set a Memorial Day deadline for getting their tax plan through the House. | Francis Chung/POLITICO

Rep. Nick LaLota speaks.

2 WEEKS AGO

Capitol agenda: Make-or-break markup day

Prepare for a marathon Medicaid-focused markup and a SALT fight that could torpedo the GOP's tax package.

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By LISA KASHINSKY, MIA MCCARTHY and BEN LEONARD 05/13/2025, 8:00AM ET
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House Republicans are gearing up for their most consequential megabill markups Tuesday with massive, unresolved policy fights that could unravel President Donald Trump's "big, beautiful bill."

WAYS AND MEANS — At least one blue-state Republican is threatening to torpedo the GOP's tax package over Chair Jason Smith's proposal to triple the cap on the state and local tax deduction to \$30,000 and limit it to people who make \$400,000 or less.

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"The bill is dead effectively on the floor," Rep. Nick LaLota, one of a quartet of so-called SALT Republicans advocating for a higher cap, told POLITICO Monday night. Smith "insulted us with fake numbers" and "demonstrated bad faith in presenting a bill that ... doesn't even come close to earning our vote," said LaLota, who is not on Ways and Means, but whose support will be necessary when the bill comes to the House floor.

But the SALT plan isn't final. Ways and Means will use the placeholder

language when it marks up its portion of the megabill at 2:30 p.m., with the expectation that negotiations will continue until the floor vote on the full legislation. Speaker Mike Johnson huddled with SALT Republicans and other top GOP lawmakers on Monday, and many Republicans involved in the talks believe they'll end up compromising on slightly higher numbers, according to people familiar with the discussions.

ENERGY AND COMMERCE — The panel is poised for an epic, Medicaidfocused markup starting Tuesday at 2 p.m. that could continue overnight and late into Wednesday. Committee Democrats say it could run longer than the marathon 27-hour markup during Republicans' unsuccessful attempt to repeal the Affordable Care Act in 2017.

Expect Democrats to offer a host of amendments to try and force Republicans into difficult votes over Medicaid. So far, it looks like Chair Brett Guthrie has gotten moderates on board with a plan that would force states to make some difficult decisions. One centrist panel member, Nick Langworthy, said he's been won over, calling Guthrie's gambit a "bold" proposal that protects Medicaid "for those who genuinely need it." The bigger test may come after the markup, however, when it hits the floor and goes up against conservatives angling for deeper spending cuts.

Required reading ahead of E&C's markup: How Guthrie, who has long wanted to overhaul Medicaid, is selling a compromise.

AGRICULTURE — The most contentious plan for the Supplemental Nutrition Assistance Program is officially on tap Tuesday: Forcing states to pay for part of the program using a sliding scale based on their payment error rates, beginning fiscal year 2028. Some Republicans fear this cost-share plan

would disproportionately impact rural and red states including Alaska and South Carolina.

Agriculture Committee lawmakers will begin their markup at 7:30 p.m. and

break at midnight, then reconvene for amendment debate at 10 a.m. Wednesday.

What Democrats are doing amid these megabill markups: Staying on message. The DNC is sending a mobile billboard around the Hill this morning criticizing Republicans for cutting Medicaid and SNAP, according to plans shared first with POLITICO. And the Democratic Women's Caucus is urging Republicans across these three committees not to cut safety-net programs, according to a letter sent Tuesday that POLITICO obtained first.

"We have heard from women and families from across the country, and the message is clear — do not cut programs and services that deliver basic necessities like food and health care for women and families," the caucus wrote.

Across the Capitol: Many GOP senators are bristling over some of the policies their House counterparts are pursuing. Sen. Ron Johnson said Monday he'd oppose the current House megabill for not going far enough to reduce the deficit, in a preview of problems to come for the party-line bill.

What else we're watching:

— It's not just Medicaid: Lawmakers are also proposing a dramatic concession to the tech industry as part of the Energy and Commerce contribution to the GOP megabill. When the committee meets later Tuesday, members will consider a 10-year moratorium on state and local regulation of AI models, amid growing tensions between federal lawmakers and state regulators. (Though it's not likely to survive the Senate's Byrd Rule.)

— **Library of Congress fallout:** Add Senate Majority Leader John Thune to the list of congressional leaders pushing back against Trump's decision to fire top officials at the Library of Congress. Thune said on Monday that lawmakers "want to make sure we're following precedent and procedure" in naming a replacement for ousted Librarian of Congress Carla Hayden. He added: "We want to make sure congressional equities are respected and protected in this process."

— Dem Oversight race: Rep. Jasmine Crockett is planning to run for her party's top slot on House Oversight after wavering last week when Rep. Kweisi Mfume, one of the most senior Democrats on the panel and a fellow Congressional Black Caucus member, started making moves toward a bid. In a text message sent to colleagues, Crockett said the current times "call for an extraordinary response" which is why she is seeking the position.

Anthony Adragna, Jordain Carney, Mohar Chatterjee, Hailey Fuchs, Benjamin Guggenheim, Meredith Lee Hill, Nicholas Wu and Grace Yarrow contributed to this report.

Lead Art: Republicans have major hurdles to overcome as they begin their most consequential megabill markups, including Rep. Nick LaLota's criticism of their SALT plan. | Francis Chung/POLITICO

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