

Highlights of Big Bad Reconciliation Bill (in Senate Committees as of 6.16.25)

6.16.25 Draft Prepared by Annette Talbott

I. Themes of Proposals and Cuts

A. Indivisible National Themes on Reconciliation (not Senate specific)

- Republicans in Congress are selling us out to help billionaires like Elon Musk get even richer. Their tax scam will fleece the American people so billionaires can buy another private jet or luxury yacht.
- The Republican tax scam includes over \$1.5 trillion in cuts to Medicaid, nutrition assistance like SNAP, and other vital programs in exchange for more than \$4.5 trillion dollars in tax cuts to the ultrawealthy and big corporations.
- Millions of Americans will lose their health insurance, children in need will go without school meals, and working families will face higher costs for housing, healthcare, and groceries—all so billionaires can receive massive handouts.
- Republicans know this is unpopular. That's why they're ramming these cuts through via reconciliation, so they don't have to work with Democrats on a tax plan that would actually benefit working families.
- There are a number of vulnerable Republicans in Congress who are feeling the pressure from their constituents and are afraid of the political price they'll pay for gutting Medicaid and SNAP. It's up to us to keep up that pressure and make them sweat.
- We want Democrats to oppose the Republican tax scam and do everything they can to fight for working families. It's not enough to just vote against the bill, we need them out there making noise and publicly exposing the harm of the bill.
- The bill still has to pass in the Senate, so we're going to turn up the heat there. But if the Senate makes any changes to the bill—and they almost certainly will—that new version of the bill goes back to the House for a final vote. This gives us more opportunities to delay, disrupt, and defeat the Trump tax scam.

B. Additional Themes (Senate Specific)

- The bill, even with the cuts, explodes the debt by \$3 trillion according to the CBO. Mortgaging our children's future for the wealthy! Which also increases the interest payments on the debt.
- Scapegoating immigrants who provide key workforce support to critical industries (i.e., construction, agriculture, tourism, trades, hospitality)
- Scraping critical federal programs which provide health care to seniors, veterans, disabled, and support for consumer protection, students and hobbling the federal workforce who are supposed to run the programs.
- Rejecting science and science-based policies while promoting conspiracy and unproven, fringe scientific studies.
- Mislabeling social cuts—as waste, fraud and abuse—using naked misinformation and false narratives (e.g., saying federal Medicaid covers undocumented immigrants – which it does not) and using work requirements as a way to disguise cuts to the Medicaid and food assistance programs.
- Shifting cost to states—so state taxes will have to rise or cuts to programs—shifting blame.
- Putting millions of acres of our public lands up in a fire sale and we all lose access to public lands forever, jeopardizing our local economies and who we are as a nation.

Additional Senate Themes (continued)

- Scorching Clean Energy programs
 - Destroying the investments that have created thousands of manufacturing and clean energy jobs.
 - Obliterating programs that lower energy costs for everyday Americans—countless families lose jobs that are their ticket to the middle class and their hard-earned money goes to unnecessarily high utility bills.
- Health Care: Researchers estimate that, as a result of these cuts and other provisions in the bill,
 - Over 51,000 people will die unnecessarily every year.
 - Seniors will see their premiums go up.
 - Children and people with disabilities will lose their health insurance.
 - Working families who are struggling to get by will have to pay a \$35 “sick tax” when they need to go to the doctor or the hospital.

Source: Yale School of Public Health and the Leonard Davis Institute of Health Economics at the University of Pennsylvania.
- Education: Making college less affordable for students and likely to drive borrowers to riskier private loans, which are not available to all borrowers.

II. Details of Harmful Provisions (In Senate Committee Versions as of 6.13.25—these are subject to change until or if the Senate can get enough votes to pass this Big Bad Bill)

1. Pushing the biggest tax scam in history: Giving tax credits to the wealthy and corporations by permanently extending the 2017 Tax Credits while slashing the social service safety net.
2. Mortgaging our children’s future—by incurring \$3 trillion in new debt.
3. Proposing the largest assault on health care in America’s history. **The bill could turn the crisis in American health care into a national emergency** by slashing federal health care programs by over \$1 trillion.
 - a. Resulting in over 16 million Americans losing health care;
 - b. Increasing health care costs to average Americans—copays, premiums, travel costs, and reducing health care provider choice;
 - c. Weakening rural health care, rural hospitals and nursing homes (3 in 5 residents of nursing homes are supported by Medicaid revenues) and lowering nursing home care standards by rescinding a minimum staffing rule;
 - d. Harming veterans’ care which relies upon community care facilities;
 - e. Eliminating Medicaid for over 8 million, including 5.2 million, under the guise of a “work requirement”—just creating new burdensome, rigid, bureaucratic hoops to jump through (only GA has current work requirement now because its administratively costly (which are put on the states in the bill) and do not justify the expense. This is because most people on Medicaid already work or have valid reasons they can’t (young children, caregivers for family members, disabilities). **(The Senate would require adults with dependent children older than 14 to prove they work, attend school or perform community service for 80 hours a month);**
 - f. Potentially triggering automatic cuts in Medicare;
 - g. Reducing years of progress in reducing the number of uninsured;
 - h. Requiring states to reverify Medicaid eligibility every 6 months instead of annually;
 - i. Ending Medicaid payments for gender transition procedures;
 - j. Prohibiting federal Medicaid funding for non-abortion services by healthcare centers that conduct elective abortions for the next 10 years, including Planned Parenthood;

- k. Paring back a state strategy for funding Medicaid benefits through taxes on major Medicaid providers, like hospitals and nursing homes, and lowering that to 3.5% (stricter than the House at 6%).
4. Reducing Food Assistance: Senate scaled back SNAP reductions proposed by the House but still:
 - a. Devasting families in need by reducing food aid by \$144 billion over the next 10 years;
 - b. Increasing work requirements for people up to age 64 and for people with children over age 10 and narrows exemptions;
 - c. Raising states' share of SNAP administrative costs from 50% to 75%, increasing pressure on state budgets; and
 - d. Harming farmers and small grocery stores by tens of billions in revenue because Americans will not be able to buy their products. Our farmers are already facing major headwinds—we shouldn't make it even harder.
5. Restricting house assistance by prohibiting cost of internet services in determining housing costs in an age where everything is done online!
6. Removing funds for Forestry protection for National Environmental Policy Act, "old growth" forests, and grants for climate projects, climate market participation for certain landowners, and carbon sequestration beyond customary practices.
7. Reducing key Federal Financial assistance for education, limiting students who can acquire reasonable costs loans for college while extending Pell eligibility to unaccredited programs that are unlikely to pay off for students; setting new caps on student loan borrowing while drastically cutting the number of repayment plans; killing former President Joe Biden's Saving on a Valuable Education, or SAVE, program; dramatically curbing lending for graduate students and parents (though at lower caps than House Republicans wanted).
8. Degrading our environment and our public lands by:
 - a. Eliminating key anti-pollution provisions (repeal stricter tailpipe emissions standards and put a decade long pause on enforcement of the tax on certain methane emissions);
 - b. Selling off our revered public lands (would mandate the sale of up to 1.5 percent of federal lands across 11 states)- this is now limited to housing and supporting infrastructure, yet it was expanded to include grazing lands, and the purpose is no longer not limited to reducing checkerboard ownership);
 - c. Weakening our national parks;
 - d. Crippling the Forest Service and Bureau of Land Management with budget cuts;
 - e. Rescinding unobligated funding from the Greenhouse Gas Reduction Fund, environmental and climate justice block grants, and for clean heavy-duty vehicles;
 - f. Keeping the House bill that creates a "Pay to play" option that would allow project sponsors to pay for an expedited NEPA review (fee would be equal to 125 percent of the costs to prepare the environmental reviews), and sets a one-year timeline for completion of an impact statement and a six-month timeline for an environmental assessment; and
 - g. Requiring the General Services Administration to auction off the thousands of electric trucks and all the charging equipment that the U.S. Postal Service purchased under the Biden administration.
9. Raising our energy costs while the US continues to subsidize fossil fuels but eliminating (or limiting) successful green energy programs/loans in the Inflation Reduction Act (which overwhelmingly serve red states).
 - a. Accelerating the phasedown of the solar and wind production and investment tax credits beginning in 2026;
 - b. Eliminating the electric vehicle tax credit;
 - c. Reducing the value of biofuels credit but extended until 2031; and
 - d. Phasing out residential energy efficiency credits for new home construction, solar, heat pumps and batteries.

10. Shifting program costs to states, forcing states to make reductions in services or increased costs/state taxes or fees to citizens.
11. Limiting the ability to protect your civil rights. It will effectively end all civil rights lawsuits against the federal government except by entities rich enough to potentially pay million/billions in fees. It would ban “preliminary injunctions” against the federal government unless plaintiffs can potentially pay tens of millions or more in bonds. It would effectively mean that all unlawful policies would have to remain on the books for months as courts moved to summary or final judgment.
12. Gutting consumer protections by eliminating the Consumer Financial Protection Bureau, which has returned more than \$21 billion directly to families cheated by financial scams and has helped prevent the kinds of abusive practices that cost millions of Americans their jobs, homes, and retirement savings and guts other key financial regulatory agencies and terminates a critical housing program.
13. Wasting money on false border and immigration crises by spending \$150 billion on border security and immigration enforcement and increasing defense spending by another \$150 billion.
14. Increasing the statutory debt limit by \$5 trillion. (one trillion more than the House).
15. Requires a minimum \$1,000 fee for any alien who applies for asylum (no fee currently).

III. New Tax Credits in House Bill (Limited to 4 years ‘25- ‘28) (released on 6.16.25 – still studying)

1. Eliminating taxes on up to \$25,000 in tips.
2. Providing a deduction of up to \$12,500 (\$25,000 in the case of a joint return) for “qualified” overtime compensation received by an individual during a given tax year.
3. Allowing deduction of car loan interest for American made cars purchased after 12/31/24.
4. Temporarily adding a \$6,000 exemption on taxes for low- and middle-income seniors.
5. Making the \$2,000 child tax credit permanent, making permanent the refundable child tax credit of \$1,400, adjusted for inflation (\$1,700 in 2025), and permanently increases the nonrefundable child tax credit to \$2,200 per child.
6. Making the current \$10,000 SALT (state and local taxes) deduction permanent but declining to adopt the House’s increase to \$40,000. The Senate amendment notes that this provision is still under negotiation.
7. Establishing Trump accounts, a new kind of savings account for children under the age of 8 and receive up to \$5000 per account per year in contributions and starts a pilot program for U.S. citizens born between January 1, 2024, and December 31, 2028 where the federal government will contribute \$1,000 per child into every eligible account.
8. Extending, but modifying, the paid family and medical leave tax credits for employers.
9. Permanently increasing the employer-provided childcare credit, creates a separate credit amount for qualified small businesses and indexes the maximum credit amounts for inflation.
10. Directing the Treasury to terminate the current Direct File program at the IRS and studying whether to also replace the Free File program as well.

[Highlighting – changes made from the 6.16.25 version]