

# OUTLOOK: Senate's tweaks to Big Beautiful Bill could lead to fight with the House

PLUS: EPA scraps Biden climate regs; poll shows little faith in RFK vaccine guidance; Medicare reform unlikely in budget bill; and lawmakers want Trump to rescind pandemic aid.



Senate Majority Leader John Thune (AP Photo/J. Scott Applewhite)

#### Nancy Vu and Amelia Monroe and Emily Scaff

(b) June 11, 2025, 8:50 p.m.

enate GOP committee leaders gave presentations to the conference Wednesday afternoon on what the upper chamber's "One Big, Beautiful Bill" could look like —and it's sounding a bit different than the House version.

Senators proposed changes to the state and local tax deduction cap, food-stamp cuts, the permanency of business-tax provisions, and border funding.

Conversations on Medicaid and health provisions were brief, according to senators, signaling that there wouldn't be any major changes to the House's version in those areas.

Any proposed changes are likely to throw a wrench in the party's self imposed deadline of passing President Trump's legislative agenda by July 4— and meeting the deadline is likely to be contingent on waiting for many of the key provisions to be scored by the Congressional Budget Office.

"That's going to be probably the most time-consuming part of this entire effort," Sen. Mike Rounds said. "The Byrd mapping is already starting to occur, but the scoring on lots of different options is what's going to take the most time."

Senate Majority Leader John Thune, along with Finance Chair Mike Crapo, will head to the White House Thursday, according to a source familiar with the talks, as the chamber looks to finish its version of the reconciliation package. Senators are expected to receive a more in-depth briefing on the tax provisions next Monday, ahead of the release of the Finance Committee's bill text. Sen. Markwayne Mullin said he expects legislative text from all the relevant committees to be released by the end of next week.

Homeland Security and Governmental Affairs Committee Chair Rand Paul wants to slash border funding levels the House has proposed—\$150 billion—arguing they exceed what Customs and Border Protection is requesting.

Thune, however, said the Senate will match the House.

"Well, we've got other committees of jurisdiction that have equity with regard to borders, so we will hit the number," he said Wednesday morning.

Paul told reporters that afternoon that senators were "open-minded" to the figures he presented, arguing "the administration should justify" the funding levels they're requesting.

Minutes later, Budget Committee Chair Lindsey Graham stated there was a \$15 billion discrepancy between the House and the Senate bill—and noted that Paul's numbers "are just not realistic."

The Senate is also looking to lower the proposed \$40,000 cap to state and local tax deductions, which could cause a collision course with the House.

Republicans from the House SALT

Caucus warned that any changes to the carefully negotiated number would unwind other provisions and torpedo any bill the Senate sends back to the House.

"They took it up to \$10,000; now they took it up to \$40,000," Sen. John Hoeven said. "It's likely we will do less." Hoeven also mentioned that Crapo intends to make certain business tax breaks permanent.

Hoeven had said the provisions relating to the Inflation Reduction Act's energy tax credits are likely to be changed, including phase-out provisions and those regarding the transferability of the tax credits. However, Hoeven said the Senate intends to go in the same direction as the lower chamber.

Senate Republicans also are likely to downsize the House GOP's proposed plan to shift food-stamp costs to the states. The new plan, <u>as reported by</u>

Politico (https://www.politico.com/live-

updates/2025/06/10/congress/senate-republicans-

food-aid-cost-share-plan-reconciliation-00398049),

would force states with the largest payment error rates to pay 15 percent of SNAP benefits—lower than the House's proposed 25 percent rate. The Senate plan would also lessen the costs for states with lower error rates.

"We're going to have more of an incentive program where, if you get your error rate down, you can really mitigate the state cost share," Hoeven said.

-Nancy Vu (/search/?a=Nancy%20Vu)



DAILY

In his return, Trump seeks to undo many of the steps Biden took to counter climate change

More drilling, fewer EVs, and withdrawal from the Paris agreement are among the moves Trump has pledged to pursue in a second term.

LAUREN GREEN, LEDYARD KING

(/s/726998)

### Trump's EPA is cutting back on Biden-era climate regulations

#### The Trump administration announced

(https://www.epa.gov/newsreleases/epa-proposesrepeal-biden-harris-epa-regulations-power-plantswhich-if-finalized-would) Wednesday it would eliminate Biden-era regulations aimed at reducing overall greenhouse emissions generated from coal-, oil-, and gas-fired power plants.

This move is the latest volley in a backand-forth battle over climate policy that has unfolded over the years between President Trump and his two predecessors.

"The primary purpose of these Biden-Harris administration regulations was to destroy industries that didn't align with their narrow-minded climate change zealotry," Environmental
Protection Agency Administrator Lee
Zeldin said. "These rules have been
criticized as being designed to regulate
coal, oil, and gas out of existence."

In August 2015, President Obama first proposed power-plant regulations in his Clean Power Plan. The plan strengthened rules created in the Mercury and Air Toxics Standards (MATS), which specifically targeted emissions generated from coal-, oil-, and gas-run power plants. That plan died after the Supreme Court sided with red states who sued to stop what they saw as executive overreach because Congress never granted the EPA the authority to issue such rules.

In response, the Biden administration last year issued a rule requiring that coal-fired plants and new gas plants must slash carbon emissions 90 percent by 2032 or face closure by 2039.

During his first term, Trump signed an executive order that forced the EPA to review the Clean Power Plan and its provisions. While the review did not completely rescind MATS regulations, it

#### did weaken requirements

megawatts.

(https://www.brookings.edu/articles/the-trump-administrations-major-environmental-deregulations/).

<u>Under MATS (https://www.epa.gov/stationary-sources-air-pollution/mercury-and-air-toxics-standards)</u>, coal- and oil-powered plants are required to reduce emissions of mercury and other pollutants, including nickel, arsenic, and acidic gases. The policy's standards were tailored toward units that could generate over 25

When President Biden took office in 2020, his administration reverted back to Obama-era climate policies, creating the Clean Power Plan 2.0. Biden finalized a four-pronged climate plan targeted at eliminating carbon pollutants, strengthening MATS provisions, and limiting water contamination.

The Trump administration has long criticized Biden's clean-air policies, specifically MATS, for being costly "burdens" that raise the prices of electricity for Americans.

The EPA estimated that repealing MATS would save over \$1.2 billion in regulatory costs over the next decade, about \$120 million per year.

-Amelia Monroe (/search/?

a=Amelia%20Monroe)

#### Poll suggests vast majority of Americans have little faith in RFK Jr's vaccine guidance

Only 5 percent of Americans trust Health and Human Services Secretary Robert F. Kennedy Jr. the most when it comes to "vaccine decisions," according to a new <u>Quinnipiac University poll</u>

(https://poll.qu.edu/poll-release?releaseid=3924).

In the poll released Wednesday, voters were asked whom they would "trust the most for guidance" when deciding if they should get vaccines for themselves or their family. Eleven percent of Republicans said they trust Kennedy first, while no Democrats agreed.

At a congressional hearing last month, Kennedy himself suggested there are others more worth listening to on vaccines. Democratic Rep. Mark Pocan asked Kennedy if he would vaccinate his own children for measles today.

"Probably," the secretary responded, later adding, "I don't think people should be taking medical advice from me."

At the same hearing, Kennedy did not respond to the question of whether he would now vaccinate his children against chickenpox and polio.

Kennedy, an anti-vaccine activist, fired all 17 members of a vaccine advisory panel composed of medical experts who regularly recommend inoculation schedules to the Centers for Disease Control and Prevention. Late on Wednesday, Kennedy installed eight new appointees <a href="https://example.com/hemospheres/bed-new-advisors/">he described</a>

(https://x.com/SecKennedy/status/1932899858920 120692) as "highly credentialed scientists, leading public-health experts, and some of America's most accomplished physicians."

In addition to the lack of trust in his vaccine advice, 53 percent of registered voters disapprove of Kennedy as the

nation's top health official, according to the poll.

The poll of 1,265 registered voters was conducted June 5-9 and has a margin of error of  $\pm$ -3.5 percentage points.

-Emily Scaff (/search/?a=Emily%20Scaff)



DAILY

With eye on reconciliation, GOP lawmakers take a close look at Medicare site-neutral payments

The same service provided in a doctor's office can cost Medicare more if provided in a hospital outpatient department. Lawmakers are looking to change that.

**ERIN DURKIN** 

(/s/727337)

#### Cassidy's Medicare reform bill has slim chance in Senate reconciliation package

It's looking less likely that Senate
Republicans will include a Medicare
reform previously floated within the
conference in an effort to find more
savings for their reconciliation package.

A number of Senate Republicans are throwing cold water on a proposal that would look to limit Medicare Advantage's mechanisms for extracting higher payments from the federal government. Leadership on Wednesday seemed to shoot down a bill from Senate Health, Education, Labor, and Pensions Committee Chair Bill Cassidy to eliminate incentives to overcharge enrollees under the health plan.

"I think that's an issue that's going to get dealt with, whether it's in the context of reconciliation or in another [bill]," Majority Leader John Thune said. "There's going to be some opportunities down the road where we've got other health care issues we're going to have to deal with, so we'll see."

Upcoding in Medicare Advantage is a practice in which organizations within the program will report diagnostic codes for more serious and expensive conditions that would have been included on an itemized bill if the patient were enrolled in a traditional Medicare plan. According to the Medicare Payment Advisory

Commission, the Centers for Medicare and Medicaid Services overpaid

Medicare Advantage plans by \$50

billion in 2024 (https://www.medpac.gov/wp-content/uploads/2024/03/Mar24 Ch12 MedPAC

Report To Congress SEC-1.pdf).

Cassidy's bill, which he introduced with Democratic Sen. Jeff Merkley, would tackle upcoding by: limiting the ability to use old or unrelated medical conditions when determining the cost of care; tweaking a risk-adjustment model; ensuring Medicare is only charged for treatment related to relevant medical conditions; and closing the gap between how a patient is assessed under traditional Medicare and Medicare Advantage.

However, touching Medicare for savings is a politically risky move, as the program is designed for enrollees aged 65 and older—known for higher voter turnout. President Trump has previously vowed he would not "touch Social Security, Medicare, Medicaid" and would only focus on "waste, fraud, and abuse."

"Everyone's a little bit afraid of these tougher conversations. Politically understandable," Sen. Kevin Cramer said. "I think we need to be bold." Sen. Markwayne Mullin, who sits on the HELP Committee, called Cassidy's bill "ambitious," noting that it's unclear to him whether the upcoding measure would fall under targeting waste and fraud.

Sen. Josh Hawley, who has expressed opposition to Medicaid cuts, stated, "I'm not for Medicare cuts."

The House had previously weighed adding the bill to its version of the reconciliation package, but chose against it after moderates raised alarms that it could be dangerous for members in purple districts.

-Nancy Vu (/search/?a=Nancy%20Vu)



DAILV

OUTLOOK: For millions of workers, new employeefriendly rules mean Labor Day arrives in April

PLUS: New regulations for longterm care will set pay, staffing standards; and Beijing's reliance on Russian oil rises as Moscow uses the revenue to finance Ukraine war.

LEDYARD KING, ERIN DURKIN, LAUREN GREEN

(/s/724859)

## GOP lawmakers want administration to rescind pandemic unemployment benefits

Republican members are pressing the Labor secretary to rescind a Biden-era guideline that could allow unemployment benefits established during the pandemic to be paid retroactively.

The request comes amid lawsuits against Republican-led states that ended <u>Federal Pandemic</u>
<u>Unemployment Compensation</u>

(https://www.dol.gov/newsroom/releases/eta/eta20

210105) benefits early. Republican lawmakers have blamed FPUC benefits for disincentivizing return-to-work efforts and exacerbating labor shortages during the pandemic.

House Ways and Means Committee
Chair Jason Smith and three other
Ways and Means members pointed to a
judge's decision in February ruling that
Ohio Gov. Mike DeWine and the
Department of Job and Family Services
reinstate the FPUC program and pay
back wages. The ruling requires
DeWine to obtain Ohio's share of FPUC

benefits from the Labor Department, equating to around \$900 million. Ohio has appealed the case.

"FPUC benefits resulted in claimants being paid more than when they were working," Smith and other Republican members wrote in a letter

(https://waysandmeans.house.gov/wp-

content/uploads/2025/06/WM-Letter-to-DOL-RE-

OHIO-FPUC-LAWSUIT.pdf) to Labor

Secretary Lori Chavez-DeRemer. "The Ohio lawsuit is the last remnant of a coordinated nationwide effort by activists to sue Republican Governors that ended FPUC early."

On March 27, 2020, President Trump signed into law the Coronavirus Aid, Relief and Economic Security Act, which contained over \$2.2 trillion in economic relief

(https://www.nasact.org/article\_content.asp?
edition=3&section=5&article=123) for those
impacted by the pandemic. FPUC
provisions in the CARES Act
guaranteed state unemployment
insurance, providing individuals with
\$600 per week in federal benefits
through July 2020. The Biden

administration extended the program, which awarded people \$300 per week until Sept. 6, 2021, when unemployment insurance expired.

According to documents filed in the Ohio case, the Office of Unemployment Insurance administrator, Jim Garner, emailed state labor officials in September 2021, outlining how states' could retroactively re-enroll individuals in pandemic UI programs, including the FPUC. Smith and letter co-signers said this email disregarded the FPUC expiration date.

"There is no legal basis for this guidance or for incurring a nearly \$900 million additional cost to federal taxpayers, years after the expiration of the FPUC program," the lawmakers wrote.

In April, Labor Department officials responded to an inquiry from the Ways and Means Committee about the Ohio suit. Officials said the guidance from Gardner's email was still in effect, meaning the department would have to pay out FPUC benefits if Ohio were to lose its appeal.

-<u>Amelia Monroe (/search/?</u>

a=Amelia%20Monroe)