

# Key Panel Approves Trump's Megabill, but Conservatives Hold Out for More Cuts

*The Republican hard-liners who had blocked their party's bill to deliver President Trump's agenda allowed it to advance after saying they had won some changes. But they still refused to support it.*

**By Catie Edmondson  
New York Times**

The House Budget Committee late Sunday night revived President Trump's stalled bill to cut taxes and spending, after a handful of fiscally conservative Republicans relented and allowed it to advance even as they continued to press for deeper reductions to health and environmental programs.

The vote signaled a temporary resolution to a remarkable revolt from a group of hard-liners on the panel, who on Friday joined Democrats in opposing the bill in committee, [tanking it over concerns that it did not do enough to rein in the nation's ballooning debt](#).

On Sunday, after a weekend of intensive negotiations with House Republican leaders and White House officials, they switched their votes to “present,” allowing the measure to move forward without lending their support. It sent the bill past a crucial procedural hurdle but indicated that there was still major trouble ahead for the package, which Speaker Mike Johnson has said he wants the full House to consider before Memorial Day.

“Deliberations continue to this very moment,” Representative Jodey C. Arrington of Texas, the chairman of the panel, said as he opened the session late Sunday night. “They will continue on into the week and, I suspect, right up until the time we put this big, beautiful bill on the floor of the House.”

The vote was 17 to 16, with all four Republicans who initially voted to defeat the legislation — Representatives Chip Roy of Texas, Josh Brecheen of Oklahoma, Ralph Norman of South Carolina and Andrew Clyde of Georgia — voting “present.”

In a lengthy statement on social media minutes after the vote, Mr. Roy said he and the three other conservatives had secured commitments for changes to the bill that include speeding implementation of new work requirements for Medicaid and further curtailing clean energy tax credits created by the Inflation Reduction Act. He did not offer more

details about either proposal, and Republican leaders provided no information on what concessions they had promised.

But Mr. Roy did say that “the bill does not yet meet the moment,” and alluded to wanting far deeper cuts to Medicaid, in a sign of the difficult path ahead. The bill goes next to the Rules Committee, which controls whether and how it will be debated on the House floor, including which changes can be made before it comes to a final vote. Two of the holdouts, Mr. Roy and Mr. Norman, are members with the power to block it from advancing from that panel as well.

Democrats on the Budget Committee expressed outrage at being asked to vote on legislation that was still in flux. Representative Brendan Boyle of Pennsylvania, the top Democrat on the panel, asked Mr. Arrington if lawmakers would be able to view “what side agreements have been reached” before casting their vote.

“Making sure all the members know transparently just what the heck is in this thing,” Mr. Boyle said, “because obviously it’s changing back in that back room by the minute.” That was an allusion to the negotiations Mr. Johnson had continued with the holdouts in an anteroom off the hearing room minutes before the panel met.

Mr. Arrington replied: “I don’t know anything about side deals or any deals. I just know we’re at a place where we can take a vote today.”

[The legislation](#) would make President Trump’s 2017 tax cuts permanent and eliminate taxes on tips and overtime pay, fulfilling the president’s campaign promise. It also would raise spending on the military and immigration enforcement. Cuts to Medicaid, food stamps, education and subsidies for clean energy would offset part of the price of the bill, though they would not cover the entire cost of \$3.8 trillion over 10 years.

The four Republicans on the panel voted against the legislation the first time the budget panel met, protesting the timeline for the work requirements for Medicaid recipients — which the bill would not impose until 2029, after the next presidential election — and the provisions targeting the clean energy tax credits in the Inflation Reduction Act, which the measure would partially but not completely repeal.

Work requirements are broadly popular among congressional Republicans, and even those who have balked at other cuts to Medicaid have said they could support such requirements.

Mr. Johnson told reporters outside the hearing room minutes before the vote on Sunday night that he had agreed to move up work requirements for Medicaid recipients “as soon as possible.”

“I think the desire of every Republican always has been to make work requirements real and actionable as soon as possible,” he said. “We learned in the process that some of the states would need a longer lag time to add in the implementation of the new policy. So we’re going to push it as far as we can.”

Mr. Roy in his statement also suggested he wanted Republicans to reconsider proposals to cut Medicaid spending that party leaders [had previously ruled](#) out at the behest of more moderate members.

One would limit the [way states use a tax loophole](#) to increase federal spending on Medicaid. Big chunks of those savings would come from reducing Medicaid spending in poorer, Southern states.

The other would change the way Medicaid is financed. The federal government currently gives less money to richer states that can better support Medicaid with their own tax dollars. And it gives all states an [exceptionally generous matching rate](#) for anyone who signs up through the Obamacare Medicaid expansion.

Mr. Roy called that a “perverse funding structure” that ultimately “increases the likelihood of continuing deficits,” and of states that have yet to expand Medicaid, like Texas, doing so in the future.

House conservatives have also taken aim at the clean energy tax credits created under President Joseph R. Biden Jr. in the Inflation Reduction Act.

The bill would [sharply curtail most big tax credits](#) for clean energy, but it did not eliminate all of the provisions in the law. That was a key demand of the ultraconservatives, who said their party should have no problem repealing a statute that Democrats passed on their own through reconciliation, over unified Republican opposition.

But at least three dozen Republicans in the House, many who represent districts that have benefited from the clean energy tax credits, have called for preserving at least some of the incentives, such as for nuclear power or domestic manufacturing, to protect jobs and bolster U.S. energy security.

There are still other outstanding issues that must be resolved in order for the legislation to pass on the House floor.

One group of moderate holdouts from New York and other higher-tax states is threatening to withhold its votes unless the bill includes a substantial increase to the state and local tax, or SALT, deduction.

Some Republicans, including Representative Nick LaLota of New York, have [floated the idea](#) of paying for the larger deduction by allowing the top income bracket to revert to where it was before the 2017 tax cuts, jumping back to 39.6 percent from 37 percent.

“It’s a fiscally responsible move that reflects the priorities of the new Republican Party,” Mr. LaLota wrote in a social media post. “Protect working families, address the deficit, fix the unfair SALT cap, and safeguard programs like Medicaid and SNAP, without raising taxes on the middle class.”