



September 18, 2021

Ways and Means Budget Reconciliation Markup

On Sept. 9 and 10, the committee considered and approved Subtitles A, B, C, D and E which focused on family, retirement, child care issues, Trade Adjustment Assistance and elder care. The full text of each can be found below:

- Subtitle A: [Universal Paid Family and Medical Leave](#)
- Subtitle B: [Retirement](#)
- Subtitle C: [Child Care Access and Equity](#)
- Subtitle D: [Trade Adjustment Assistance](#)
- Subtitle E: Elder Care
 - Part One: [Pathways to Health Careers](#)
 - Part Two: [Elder Justice](#)
 - Part Three: [Skilled Nursing Facilities](#)
 - Part Four: [Medicare Dental, Hearing, and Vision Coverage](#)

This week on Sept. 14 and 15, the committee considered and approved Subtitles F, G, H, I and J which focused on infrastructure, green energy, social programs, revenue raisers and prescription drugs. The full text of each provision can be found below:

- Subtitle F: [Infrastructure](#)
- Subtitle G: [Green Energy](#)
- Subtitle H: [Social Safety Net](#)
- Subtitle I: [Revenue Raisers](#)
- Subtitle J: [Prescription Drugs](#)

The Brownstein Tax Policy Team has [analyzed Subtitle I here](#) and the [remainder of the subtitles here](#).

SUBTITLE A: UNIVERSAL PAID FAMILY AND MEDICAL LEAVE

The section would create a Paid Family and Medical Leave benefit within Social Security. The benefit would provide 12 weeks of paid family and medical leave for all American workers beginning in July 2023. This section would cover several types of caregiving, including currently unpaid leave under the Family and Medical Leave Act (FMLA) and bereavement.

ADOPTED: 24–19

ADOPTED AMENDMENTS

The only adopted amendment was the amendment in the nature of a substitute (AINS), offered by Chair Richard Neal (D-MA). It was the only amendment offered by Democrats.

- **Amendment Sponsor: Chair Richard Neal (D-MA)**

The AINS makes technical and conforming changes correcting citations and internal cross references. It also clarifies that payments made for 2023 will be made for one-half of the year, rather than the full year.

ADOPTED: Voice Vote

FAILED AMENDMENTS

Republicans offered nine amendments, all of which were defeated.

- **Amendment Sponsor: Rep. Jackie Walorski (R-IN)**

The amendment would strike the paid family leave provision and replace it with an improved Paid Family Leave tax credit. The improved tax credit would target gaps in coverage and allow workers and employers to work out the details of the paid leave benefits. The tax credit would be a start-up credit with more generous provisions for small businesses, flexible savings options for families and pooling options for small businesses. It would also allow low-income parents to receive the child care subsidy directly as partial wage replacement and allows workers to take paid time off in lieu of cash for overtime wages.

NONGERMANE

Republican Comments

Rep. Jackie Walorski (R-IN) said the proposed entitlement program is too broad and said a more targeted approach through tax credits would be far more beneficial to employees and employers.

Democratic Comments

Rep. Mike Thompson (D-CA) argued the amendment was not germane as it dealt with statutes not amended by the proposed legislation. Rep. Neal ruled that the amendment was nongermane.

- **Amendment Sponsor: Rep. Adrian Smith (R-NE)**

The amendment would strike the paid family leave provisions and replace them with The FAMILY Act ([S. 248](#)), introduced by Rep. Rosa DeLauro (D-CT) and Sen. Kirsten Gillibrand (D-NY). Under the FAMILY Act, employees would be entitled to paid family leave based on two-thirds of the employee's regular pay. The act would establish a paid family leave office within the Social Security Administration.

FAILED: 0-43

Republican Comments

Rep. Adrian Smith (R-NE) challenged Democrats to take a clear position about whether the Social Security Administration or the Internal Revenue Service should oversee administering a paid family leave program.

Democrat Comments

Rep. Linda Sanchez (D-CA) said DeLauro has worked with the committee to create the paid family leave language in the proposed legislation and suggested the amendment was solely being offered as a political ploy.

- **Amendment Sponsor: Rep. Mike Kelly (R-PA)**

This amendment would require the Treasury Department to certify that it can effectively operate the programs under this title before it can begin issuing benefits.

FAILED: 18–25

Republican Comments

Rep. Mike Kelly (R-PA) said the Treasury Department does not have the expertise to accept and process applications for the paid leave benefit. He questions whether the Treasury Department and the IRS are the appropriate administrators for the program.

Democrat Comments

Rep. Steve Horsford (D-NV) said the amendment would create bureaucratic hurdles to slow down the implementation of paid family leave. He said the amendment would only work to raise uncertainty about the implementation of the program.

- **Amendment Sponsor: Rep. Drew Ferguson (R-GA)**

The amendment would require employees to provide employers with 30 days' notice if they plan to take leave, and 60 days' notice for small businesses.

FAILED: 18–25

Republican Comments

Reps. Drew Ferguson (R-GA) and Jackie Walorski (R-IN) said small businesses rely on predictability to compete. They said that without adequate notice, employers will be exposed to too much risk. They both stressed that many companies currently do not have enough employees and suggested that expanded paid leave will exacerbate the labor shortage.

Democratic Comments

Rep. Don Beyer (D-VA) said lengthening the paid leave notice window would undermine the purpose of the program and likely leave employees in small businesses without the ability to take leave.

- **Amendment Sponsor: Rep. Jason Smith (R-MO)**

The amendment would place a cap on benefits for families earning more than \$150,000 per year and provide a minimum benefit for low-income earners.

FAILED: 18–25

Republican Comments

Rep. Jason Smith (R-MO) said the legislation would provide benefits to the highest-earning families while also failing to provide a minimum benefit to the lowest-income earners.

Democratic Comments

Rep. Danny Davis (D-IL) said the legislation provides for all families, including those in high-cost-of-living areas.

- **Amendment Sponsor: Rep. Tom Rice (R-SC)**

This amendment would prevent multiple caregivers from taking paid leave for the same caregiving hour.

FAILED: 18–25

Republican Comments

Rep. Tom Rice (R-SC) said the paid leave program lacks adequate safeguards to prevent fraud. He noted there are no safeguards to prevent two different wage earners from taking leave for the same caregiving reason.

Democratic Comments

Reps. Danny Davis (D-IL), Gwen Moore (D-WI), Teri Sewell (D-AL) and Linda Sanchez (D-CA) suggested that the amendment would prevent fathers from taking care of newborn children. They also suggested that the amendment misses the nature of caregiving and the amount of labor needed in most situations.

- **Amendment Sponsor: Rep. Lloyd Smucker (R-PA)**

The amendment would require that applicants have wages or self-employment income within 30 days of applying for benefits. It would also require applicants to have been employed for at least four of the previous five calendar quarters.

FAILED: 18–25

Republican Comments

Rep. Lloyd Smucker (R-PA) characterized the legislation as a “war on work” since it would create an entitlement program for Americans who are not working. He said the amendment would strengthen the benefit’s connection to work and prevent benefits from going to individuals who are not working. Rep. Adrian Smith (R-NE) said the legislation would worsen the current labor shortage by incentivizing workers to stay out of the workforce. Ranking Member Kevin Brady (R-TX) said all states with mandatory paid family leave have lower labor participation rates, especially among women.

Democratic Comments

Rep. Linda Sanchez (D-CA) said several states have paid family leave already enacted into law and have strong economies, pointing to California as an example. She said the legislation requires strong recent work history and the amendment would only create more administrative burdens for applicants. Rep. Don Beyer (D-VA) said the legislation would promote families and let more workers stay in the workforce. Rep. Steven Horsford (D-NV) said higher-earning wage earners are more likely to receive paid family leave through work as compared to lower earners. He said the amendment would work to prevent lower-income earners from receiving paid family leave.

- **Amendment Sponsor: Brad Wenstrup (R-OH)**

The amendment would allow individuals to self-certify their identity and earnings to receive paid leave benefits. The amendment would strike the language that allows for self-certification and require documentation of identity, earnings and employment prior to authorizing family leave or medical leave benefits.

FAILED: 18–25

Democratic Comments

Rep. Lloyd Doggett (D-TX) asked if the amendment could be strengthened so the language does not give an absolute veto to an employer who does not want an employee to take medical leave when there is a good medical reason to do so. His question did not receive a response. Rep. Mike Thompson (D-CA) said he was sympathetic to the amendment’s aims. However, he said that while the language is duplicative, he is willing to work with Rep. Wenstrup to tighten the language. Rep. Earl Blumenauer (D-OR) said he appreciates the intent of the amendment. He then compared the program to voluntary compliance of tax returns, making the point that there are issues there, and that he hopes Republicans will remain consistent and support an increase in IRS enforcement to enhance compliance when the committee considers that measure.

Republican Comments

Rep. Brad Wenstrup (R-OH) said much of the fraud is being conducted by people outside the U.S., making it difficult to hold them accountable. Ranking Member Brady (R-TX) supported the amendment, saying Congress should no longer deny the amount of fraud committed against COVID-19 programs. Rep. Brady also said the conversations are no longer between worker and employer, but between the worker and Treasury Department. He said Congress should continue the proven approach between worker and employer and extend FMLA reasonable documentation to prevent this fraud.

- **Amendment Sponsor: Rep. Kevin Hern (R-OK)**

The amendment would restore the 25% reimbursement rate under the Tax Cuts and Jobs Act (TCJA, P.L.115-97).
FAILED: 18–25

Republican Comments

Rep. Kevin Hern (R-OK) said the underlying language would transfer liability onto American taxpayers and subsidize large employers who are already providing benefits. He further said the underlying language is burdensome for businesses with fewer than 10 employees. Rep. David Schweikert (R-AZ) asked if the underlying language requires states and counties to have collective bargaining agreements to participate in the program, unless they could provide private insurance coverage. He said this should upset states and localities.

SUBTITLE B: RETIREMENT

The section includes an automatic IRA proposal that requires employers who have been in existence for at least two years, who do not currently offer a retirement plan and employ five or more people to automatically enroll them in an IRA or 401(k)-type plans. In exchange, these businesses would receive a tax credit. Employers would be required to maintain an autoenrollment arrangement for employers, and failure to do so would result in an excise tax liability. Existing qualified plans would be grandfathered in under the plan. The section also modifies the existing small employer startup cost credit by providing a new credit of \$500 to help small employers (100 employees or less) start up an autoenrollment plan. It makes modifications by increasing the credit amount of startup credit up to employers of 25 employees or fewer. Finally, the section makes changes to savers credit by requiring the credit amount to be directly contributed to a tax-favored retirement account, in effect acting as a matching contribution for savers. The amount of saving that qualifies is reduced to \$1,000 but is indexed for inflation. Contribution savings into an ABLE account would be a qualifying savings purpose.

ADOPTED: 22–20

ADOPTED AMENDMENTS

The only adopted amendment was the AINS offered by Chair Richard Neal (D-MA). It was the only amendment offered by Democrats.

- **Amendment Sponsor: Chair Richard Neal (D-MA)**

The AINS made clerical changes.

ADOPTED: Voice Vote

FAILED AMENDMENTS

Republicans offered four amendments, all of which were defeated.

- **Amendment Sponsor: Rep. Vern Buchanan (R-FL)**

The amendment would protect businesses with 50 or fewer employees and support minority-, women- and veteran-owned businesses as a carveout.

FAILED: 18–25

Democratic Comments

Rep. Dwight Evans (D-PA) said roughly 55 million people work for an employer that does not provide retirement plans. He said the underlying language would address the coverage gap, causing him to oppose the amendment.

Republican Comments

Rep. Vern Buchanan (R-FL) opposed the new mandate on businesses imposed by the underlying language.

- **Amendment Sponsor: Rep. Tom Rice (R-SC)**

The amendment would strike the requirement that retirement plans offer an annuity.

FAILED: 18–24

Democratic Comments

Chair Richard Neal (D-MA) opposed the amendment and said the underlying language aims to help employees, rather than impose undue burdens on employers.

Republican Comments

Rep. Tom Rice (R-SC) said the many small businesses the underlying language would affect have no expertise in complying with federal government regulations. To comply, he said they must work with lawyers to file complex paperwork. Rep. Mike Kelly (R-PA) expressed concern about the burdensome costs, particularly on small businesses, of the requirements in the underlying language.

- **Amendment Sponsor: Ranking Member Kevin Brady (R-TX)**

The amendment would replace the section entirely with the SECURE 2.0 passed by committee earlier in the year.
RULED NONGERMANE

Democratic Comments

While Chair Richard Neal (D-MA) opposed the amendment, he said he intends to pass SECURE 2.0 this year.

- **Amendment Sponsor: Ranking Member Kevin Brady (R-TX)**

The amendment would replace the new mandate on small businesses with the bipartisan policy on autoenrollment that passed committee under SECURE 2.0.

FAILED: 17–24

Democratic Comments

Rep. Dwight Evans (D-PA) said the amendment would strike the auto IRA provision in the underlying language. He opposed the amendment because the underlying language requires autoenrollment for 401(k) plans.

Republican Comments

Rep. David Schweikert (R-AZ) said the language would discourage individuals from working a full-time job while going to school.

SUBTITLE C: CHILD CARE ACCESS AND EQUITY

The section would amend Sec. 418 of the Social Security Act to invest in physical infrastructure improvements to child care facilities, provide a 75% federal match for state and territories to operate information systems called the Child Care Information Network, invest in tribal child care and provide grants to small-business child care providers to increase worker wages.

ADOPTED: 19–23

ADOPTED AMENDMENTS

The only adopted amendment was the AINS offered by Chair Richard Neal (D-MA). It was the only amendment offered by Democrats.

- **Amendment Sponsor: Chair Richard Neal (D-MA)**

The AINS corrected one typographical error and provided the Department of Health and Human Services with additional flexibility by changing the requirement to issue guidance for the new wage grant program to encompass guidance and technical assistance.

ADOPTED: Voice Vote

FAILED AMENDMENTS

Republicans offered five amendments, all of which were defeated.

- **Amendment Sponsor: Rep. Jackie Walorski (R-IN)**

The amendment would strike and replace Subtitle C with the proposals to expand access to affordable child care included in the Republican discussion draft Protecting Worker Paychecks and Worker Choice Act.

RULED NONGERMANE

Republican Comments

Rep. Jackie Walorski (R-IN) said her amendment would improve the employer-provided child care tax credit to provide more flexibility for workers, prevent child care cliffs for low-income parents and better target existing funds for states with higher rates of children in poverty.

- **Amendment Sponsor: Rep. Tom Reed (R-NY)**

The amendment would delay the spending of additional funds until at least half of previously appropriated money has been delivered to the child care industry and child care providers.

RULED NONGERMANE

Republican Comments

Rep. Tom Reed (R-NY) expressed concern about the amount of congressional spending, particularly on child care. Further, he reported that the Department of Health and Human Services has relayed that only 2% of recently enacted child care funds have been dispersed by states and local governments.

- **Amendment Sponsor: Rep. Mike Kelly (R-PA)**

The amendment would strike the prohibition on faith-based child care organizations from receiving infrastructure improvement grants. It would allow all high-quality child care providers to be eligible for grants to improve child care infrastructure facilities, including faith-based providers.

FAILED: 18–24

Democratic Comments

Rep. Danny Davis (D-IL) characterized the amendment as a solution in search of a problem. He explained that many faith-based providers are already ineligible for grants because they operate in buildings they do not own, thereby making them unable to make infrastructure improvements to their facilities.

Republican Comments

Rep. Mike Kelly (R-PA) opposed the underlying language that would prohibit faith-based child care organizations from receiving infrastructure improvement grants.

- **Amendment Sponsor: Rep. Drew Ferguson (R-GA)**

The amendment would redirect administrative costs from the Department of Health and Human Services to support the growth of women and minority child care businesses.

FAILED: 18–24

Republican Comments

Rep. Drew Ferguson (R-GA) said the underlying bills contains \$500 million in administrative funds to administer the programs proposed. He said that, rather than provide this money to the Department of Health and Human Services, the funds should be provided to small businesses.

- **Amendment Sponsor: Rep. Brad Wenstrup (R-OH)**

The amendment would expand child care availability to include Afghan SIVs with children under the age of 13.

FAILED: 18–24

SUBTITLE D: TRADE ADJUSTMENT ASSISTANCE

The section would reauthorize the Trade Adjustment Assistance program for seven years and increase funding for the program to be \$1 billion per year.

ADOPTED: 24–19

ADOPTED AMENDMENTS

The only adopted amendment was the AINS, offered by Chair Richard Neal (D-MA). It was the only amendment offered by Democrats.

- **Amendment Sponsor: Chair Richard Neal (D-MA)**

The AINS would make technical and conforming changes.

ADOPTED: Voice Vote

FAILED AMENDMENTS

Republicans offered three amendments, all of which were defeated.

- **Amendment Sponsor: Rep. Vern Buchanan (R-FL)**
The AINS would strike the entire subtitle and provides for a clean extension of Trade Adjustment Assistance and Trade Promotion Authority through 2028.
NONGERMANE
- **Amendment Sponsor: Rep. Jodey Arrington (R-TX)**
The amendment would make communities impacted by the cancellation of the Keystone XL pipeline eligible for Trade Adjustment Assistance funds.
FAILED: 18–25

Democratic Comments

Rep. Don Beyer (D-VA) said the cancellation of the KeystoneXL pipeline was an appropriate action. He also questioned whether Trade Adjustment Assistance would be an appropriate remedy for communities impacted by the decision.

- **Amendment Sponsor: Jackie Walorski (R-IN)**
The amendment would allow workers displaced as a result of Congress' failure to renew the Generalized System of Preferences (GSP) or to pass a Miscellaneous Tariff Bill (MTB) to qualify for Trade Adjustment Assistance.
FAILED: 18–25

Democratic Comments

Reps. Lloyd Dogget (D-TX) and Earl Blumenauer (D-OR) said Democrats are not opposed to extending GSP, but noted that a short-term extension of the program has been blocked by Republicans. They said GSP should be continued with modest improvements to require other countries to enforce their environmental laws as a condition of being eligible for GSP.

Republican Comments

Ranking Member Kevin Brady (R-TX) said Republicans are in favor of reforming GSP to protect the environment and worker rights. He said the proposals from Democrats have been partisan, and he disputed whether House Democrats have been engaged in good faith negotiations on the issue.

PART 1 OF SUBTITLE E: PATHWAYS TO HEALTH CAREERS

The section would appropriate \$15 million to reauthorize the Health Profession Opportunity Grant Program.

ADOPTED: 24–19

ADOPTED AMENDMENTS

The only adopted amendment was the AINS, offered by Chair Richard Neal (D-MA). It was the only amendment offered by Democrats.

- **Amendment Sponsor: Chair Richard Neal (D-MA)**
The AINS would make technical and conforming changes.

ADOPTED: Voice Vote

FAILED AMENDMENTS

Republicans offered one amendment, which was defeated.

- **Amendment Sponsor: Rep. Carol Miller (R-WV)**
The amendment would redirect all money from Part 1 Title E to Maternal, Infant, and Early Childhood Home Visiting (MIECHV).
NONGERMANE

PART 2 OF SUBTITLE E: ELDER JUSTICE

The section would authorize and makes mandatory funding for programs in the Elder Justice Act and adds new policies to further serve and support older adults and people with disabilities.

ADOPTED: 24–19

ADOPTED AMENDMENTS

The only adopted amendment was the AINS, offered by Chair Richard Neal (D-MA). It was the only amendment offered by Democrats.

- **Amendment Sponsor: Chair Richard Neal (D-MA)**
The AINS would correct an error in the heading and clarifies the period of funding as an appropriation from 2022 to 2028 rather than an annual appropriation.

ADOPTED: Voice Vote

FAILED AMENDMENTS

Republicans offered one amendment, which was defeated.

- **Amendment Sponsor: Rep. Mike Kelly (R-PA)**
The amendment would redirect \$4 billion to pay for emergency border supplement.
NONGERMANE

PART 3 OF SUBTITLE E: SKILLED NURSING FACILITIES

This section would appropriate \$50 million through FY2031 to conduct data validation of nursing home quality data. Based on the data validation, the section would reduce skilled nursing facility payments by 2 percentage points beginning in FY2025 for facilities that submit inaccurate data.

ADOPTED: 24–17

ADOPTED AMENDMENTS

The only adopted amendment was the AINS, offered by Chair Richard Neal (D-MA). It was the only amendment offered by Democrats.

- **Amendment Sponsor: Chair Richard Neal (D-MA)**
The AINS would make technical and conforming changes.

ADOPTED: Voice Vote

FAILED AMENDMENTS

Republicans offered one amendment, which was defeated.

- **Amendment Sponsor: Rep. Lloyd Smucker (R-PA)**
The amendment would withhold survey money to a state based on a secretarial certification of the accuracy of nursing home data.
FAILED: 23–18

Democratic Comments

Chair Richard Neal (D-MA) said there is merit in the amendment and encouraged Rep. Smucker to withdraw it.

Republican Amendments

Rep. Smucker said people have died due to decisions about care at nursing homes and stressed the need to be able to access adequate data. Rep. Mike Kelly (R-PA) emphasized the need to access and analyze nursing home data to make informed policy decisions.

PART 4 OF SUBTITLE E: MEDICARE DENTAL, HEARING, AND VISION COVERAGE

The section would expand Medicare coverage to include dental, vision and hearing benefits, getting new vision and hearing services to beneficiaries in 2022 and 2023, respectively. The dental benefit would be implemented later in 2028.

ADOPTED: 24–19

ADOPTED AMENDMENTS

The only adopted amendment was the AINS, offered by Chair Richard Neal (D-MA). It was the only amendment offered by Democrats.

- **Amendment Sponsor: Chair Richard Neal (D-MA)**
The AINS would make technical and conforming changes.

ADOPTED: Voice Vote

FAILED AMENDMENTS

Republicans offered five amendments, all of which were defeated.

- **Amendment Sponsor: Rep. Drew Ferguson (R-GA)**

The amendment would prohibit Medicare expansion into counties in which local Medicare Advantage plans cover hearing, vision and dental benefits.

FAILED: 24–18

Democratic Comments

Rep. Lloyd Doggett (D-TX) said the amendment would prevent beneficiaries of traditional Medicare from accessing hearing, vision and dental benefits by denying the benefits in counties with Medicare Advantage plans.

Republican Comments

Rep. Drew Ferguson (R-GA) expressed concern that there will not be a secure provider network in which traditional Medicare beneficiaries can access these services due to the low reimbursement rates. Rep. David Schweikert (R-AZ) argued that Medicare spending accounts for a large portion of the national deficit and that in his own community, there are over 50 Medicare Advantage plans that offer hearing, vision and dental care. Ranking Member Kevin Brady (R-TX) emphasized that the committee should focus on counties in which beneficiaries cannot get these benefits through the local Medicare Advantage plans.

- **Amendment Sponsor: Rep. Adrian Smith (R-NE)**

The amendment would prohibit seniors from being subject to cost-sharing.

FAILED: 25–18

Democratic Comments

Rep. Lloyd Doggett (D-TX) emphasized the importance of broadening the social insurance program and ensured committee Republicans that these benefits will be paid for within the legislation.

- **Amendment Sponsor: Rep. Kevin Hern (R-OK)**

The amendment would direct the Secretary of Health and Human Services to certify that the subtitle will not limit access to hearing, vision and dental benefits under Medicare Advantage plans.

NONGERMANE

- **Amendment Sponsor: Rep. Ron Estes (R-KS)**

The amendment would prohibit provisions of the subtitle from going into effect until the Centers for Medicare and Medicaid Services (CMS) can certify that the hospital insurance trust fund will be solvent for a decade.

FAILED: 25–18

Democratic Comments

Rep. Lloyd Doggett (D-TX) emphasized that Medicare is not insolvent.

- **Amendment Sponsor: Rep. David Schweikert (R-AZ)**

The amendment would fund research into cures for chronic conditions.

NONGERMANE

ADOPTED AMENDMENTS

***Unlike Subtitles A–E, which were considered individually, Subtitles F–J were considered together. Because of this, there was only one AINS that encompassed all these subtitles. This is captured immediately below, followed by a comprehensive list of all other failed amendments.**

The only adopted amendment was the AINS, offered by Chair Richard Neal (D-MA). It was the only amendment offered by Democrats.

- **Amendment Sponsor: Chair Richard Neal (D-MA)**
The AINS makes technical and conforming changes correcting citations and internal cross references.
ADOPTED: Voice Vote

FAILED AMENDMENTS

The following amendments were not adopted. The amendments are organized by the specific subtitle they would have amended.

SUBTITLE F: INFRASTRUCTURE FINANCING

This section would expand available bond financing options for infrastructure projects. The section also expands upon the New Markets Tax Credit and Rehabilitation Tax Credit. Other provisions include expanding the Low-Income Housing Tax Credit and other housing-related credits.

Republicans offered one amendment to this subtitle, which was defeated.

- **Amendment Sponsor: Rep. Kevin Hern (R-OK)**
The amendment would delay the effective date of changes under the bill until inflation returns to 2.5%.
FAILED: 18–25

Republican Comments

Reps. Kevin Hern (R-OK) and Devin Nunes (R-CA) discussed the negative ramifications of inflation. Rep. Nunes specifically said the inflation that would result from Democrats' spending would hurt low-income individuals and effectively benefit the wealthy by comparison.

Democratic Comments

Rep. Gwen Moore (D-WI) opposed the amendment, saying the low-income taxpayers in need cannot wait for the aid proposed by the bill.

SUBTITLE G: GREEN ENERGY

This section would restructure existing renewable energy and energy efficiency incentives in the tax code. It would extend credits for electricity produced from renewable resources such as wind and solar and create a zero-emissions facility credit and extend carbon sequestration credits.

FAILED AMENDMENTS

Republicans offered six amendments to this subtitle, all of which were defeated.

- **Amendment Sponsor: Rep. Ron Estes (R-KS)**
The amendment would strike Subtitle G – Green Energy.
FAILED: 17–25

Republican Comments

Rep. Carol Miller (R-WV) said Republicans want to create an environment in which employers and employees thrive, not through the means of having the government choose winners and losers.

Democratic Comments

Rep. Mike Thompson (D-CA) said that the Green New Deal is not part of the measure but that the Green Act is, incentivizing the use of renewable energies for climate change and job creation.

- **Amendment Sponsor: Rep. Tom Rice (R-SC)**
The amendment would disallow taxpayers with a taxable income in excess of \$5 million from earning elective payments for energy property and electricity produced from renewable resources.
FAILED: 16–25

Republican Comments

Ranking Member Kevin Brady (R-TX) said the measure has more than \$1 trillion worth of giveaways to the wealthy and successful companies. He said the wind and solar tax credits were put in place for startup companies and have now been in place for over a decade, suggesting that the tax credits have outlived their use.

Democratic Comments

Rep. Earl Blumenauer (D-OR) said ARPA provided direct payments of tax subsidies, allowing investments to scale.

- **Amendment Sponsor: Rep. Drew Ferguson (R-GA)**
The amendment would reduce the maximum allowable income for the electric vehicle tax credits from \$800,000 for a family household to a \$150,000 family household, and from \$400,000 to \$75,000 for single filers.
FAILED: 15–25

Republican Comments

Rep. Mike Kelly (R-PA) said incentives offered on vehicles are rare unless the product is not market-ready. He argued any market-ready product should not be subsidized, especially in the case of electric vehicles, which he noted only 2.5%–3.5% of Americans are interested in purchasing.

Democratic Comments

Rep. Dan Kildee (D-MI) said the provision directly supports the president's efforts to make the tax structure fair for those earning less than \$400,000.

- **Amendment Sponsor: Rep. Carol Miller (R-WV)**
The amendment would suspend the Superfund tax on crude oil when the price of gas is more than \$3 a gallon and spending the excise tax on chemicals when inflation is above 2.5%.
FAILED: 18–25

Republican Comments

Rep. Carol Miller (R-WV) said inflation negatively affects those who must commute and pay increasingly expensive gas prices.

Democratic Comments

Rep. Earl Blumenauer (D-OR) opposed the amendment and said he has been working on Superfund cleanup for years. He said this is an area that has impacted low- and moderate-income Americans by failing to clean up the toxic waste of the petroleum industry. He accused Republicans of not allowing Democrats to renew the Superfund tax when it expired in 1995, leading to a dramatic reduction in efforts to clean up sites. Rep. Bill Pascrell (D-NJ) opposed the amendment, saying he has legislation that would reinstate the Superfund tax.

- **Amendment Sponsor: Rep. Jodey Arrington (R-TX)**

The amendment would strike the Superfund tax on domestic crude oil, imported petroleum products and domestically manufactured chemicals.

FAILED: 18–24

Republican Comments

Rep. Jodey Arrington (R-TX) said the Superfund tax does not only apply to oil refiners, but would operate as a passthrough tax on every American since it will be passed onto consumers. Ranking Member Kevin Brady (R-TX) supported the amendment, saying the provisions in the underlying bill would raise prices on taxpayers.

Democratic Comments

Rep. Earl Blumenauer (D-OR) reiterated his concerns raised earlier in the markup related to the Superfund tax. He said the failure to reenact the Superfund tax has shifted the burden from companies that pollute to communities that are at risk from the pollution.

- **Amendment Sponsor: Rep. David Schweikert (R-AZ)**

The amendment would prevent taxpayers earning \$400,000 from receiving tax credits for electric vehicles. It would instead use funds to expand telehealth.

FAILED: 16–25

Democratic Comments

Rep. Mike Thompson (D-CA) urged a “no” vote, but suggested Schweikert continue to work with him on telehealth legislation.

- **Amendment Sponsor: Rep. Jason Smith (R-MO)**

This amendment would limit the commercial electric vehicle tax credit to only apply to companies that earn less than \$5 million in taxable income.

No substantive debate

SUBTITLE H: SOCIAL SAFETY NET

The section would extend the Child Tax Credit through 2025. It makes permanent changes that the American Rescue Plan (ARP) made to the Child and Dependent Care Credit (CDCTC) and other programs.

FAILED AMENDMENTS

Republicans offered four amendments to this subtitle, all of which were defeated.

- **Amendment Sponsor: Rep. Ron Estes (R-KS)**

The amendment would strike the health insurance affordability fund and redirects funds toward research initiatives for diabetes, cancer and other health discrepancies.

FAILED: 16–25

No substantive debate.

- **Amendment Sponsor: Ranking Member Kevin Brady (R-TX)**

The amendment would allow patients of all ages to purchase affordable catastrophic plans and allow employees to receive on-site care from employers, doubles the contribution limit to HSAs for the next two years and codifies the flexibility of individual coverage health reimbursement accounts.

FAILED: 17–24

Republican Comments

Rep. Jackie Walorski (R-IN) said that an American taxpayer should not foot the bill for the destruction of life and that Republicans are unified to prevent this.

Democratic Comments

Rep. Lloyd Doggett (D-TX) said the amendment is the latest in Republican efforts to repeal the improvements in the bill.

- **Amendment Sponsor: Rep. Jackie Walorski (R-IN)**

The amendment would implement a work requirement for the Child Tax Credit.

FAILED: 18–25

Republican Comments

Rep. Jackie Walorski (R-IN) said work requirements for child tax credits will help individuals succeed and reduce the need for future entitlements. Rep. Tom Rice (R-SC) said the aid programs created during the COVID-19 pandemic are fraught with fraud and suggested that continuing to provide these benefits will encourage more fraud. Ranking Member Kevin Brady (R-TX) said the child tax credit should be an incentive to reconnect individuals with work. Rep. Jodey Arrington (R-TX) said the federal government is the least efficient way to provide aid to families who need it the most.

Democratic Comments

Rep. Suzan DelBene (D-WA) said forcing struggling families to comply with work requirements and education requirements will mean that the children who need the credit the most will be left behind. Rep. Steven Horsford (D-NV) said the child tax credit is a tax cut for middle-class families. Reps. Stacey Plaskett (D-VI) and Jimmy Panetta (D-CA) said a work requirement is unnecessary and noted that the expanded child tax credit has drastically reduced the number of children living in poverty.

- **Amendment Sponsor: Rep. Tom Rice (R-SC)**

The amendment would require taxpayers claiming the Child Tax Credit (CTC) to provide a Social Security Number (SSN) and proof that the child they are claiming lives with them.

FAILED: 18–25

Republican Comments

Rep. Tom Rice (R-SC) discussed the issues associated with fraud, specifically mentioning that up to 30% of EITC and CTC claims are fraudulent. He said he wants to ensure the tax benefits under the bill are benefiting U.S. citizens. Rep. Mike Kelly (R-PA) said taxpayers want to ensure their tax dollars are being used to benefit those that deserve it, rather than fraudsters.

Democratic Comments

Rep. Mike Thompson (D-CA) opposed the amendment, saying it and the rhetoric associated with it—that Congress is borrowing money from future generations—is false. He said the bill already contains protections against fraud and reckless claims. Rep. Linda Sanchez (D-CA) agreed with Rep. Thompson and said every taxpayer—whether they file with an SSN or an Individual Taxpayer Identification Number (ITIN)—should be eligible for the CTC, adding that the amendment would undermine the ability of certain immigrant taxpayers to claim the credit. Rep. Judy Chu (D-CA) opposed the amendment, saying all children have been eligible for the CTC since 1975 and have only recently been subject to a SSN requirement since passage of the TCJA. Rep. Jimmy Gomez (D-CA) accused Republicans of undermining support for low-income taxpayers only to benefit wealthy corporations. Rep. Jimmy Panetta (D-CA) said the amendment would make it harder for immigrants to receive these benefits, causing him to oppose the change.

- **Amendment Sponsor: Rep. Tom Reed (R-NY)**

This amendment would strike all changes to the college endowment tax.

FAILED: 17–25

No substantive debate.

SUBTITLE I: RESPONSIBLY FUNDING OUR PRIORITIES

This section contains tax increases on high-income individuals, corporate and international companies and funding to increase Internal Revenue Service (IRS) enforcement, among other provisions. The tax code changes under this section would raise federal revenues to offset spending proposed by the rest of the budget reconciliation package. When it released the legislation, the Ways and Means Committee estimated that the bill contains \$2.9 trillion in revenue raisers and \$600 billion in economic growth. Together, Ways and Means Democrats claim the plan would fully offset the \$3.5 trillion package, should Democrats elect to include that much spending.

FAILED AMENDMENTS

Republicans offered 18 amendments to this subtitle, all of which were defeated.

- **Amendment Sponsor: Rep. Drew Ferguson (R-GA)**

The amendment would exempt taxpayers earning below \$400,000 from paying the excise tax on tobacco.

FAILED: 18–24

Republican Comments

Rep. Drew Ferguson (R-GA) said his amendment would have a substantial impact on taxpayers at the bottom of the income scale and would align with the Biden administration's promise to not increase taxes on those earning below \$400,000.

Democratic Comments

Rep. Judy Chu (D-CA) opposed the amendment due to health reasons, citing studies that show increases in cigarette taxes encourage people to quit smoking, which prevents death and second-hand smoke exposure.

- **Amendment Sponsor: Rep. Lloyd Smucker (R-PA)**

The amendment would delay the effective date of the bill until the unemployment rate reaches pre-COVID-19 pandemic levels.

FAILED: 18–25

Republican Comments

Rep. Lloyd Smucker (R-PA) said it is unwise to raise taxes during the COVID-19 pandemic. Rep. Darin LaHood (R-IL) supported the amendment, saying businesses within his district continue to struggle to recruit workers since the level of unemployment benefits outweighs that of working for them. He said the provisions under the bill would exacerbate this issue. Rep. Adrian Smith (R-NE) echoed these concerns.

Democratic Comments

Reps. Mike Thompson (D-CA) and Linda Sanchez (D-CA) said the amendment would delay the benefits and relief to taxpayers, so they urged lawmakers to vote against the amendment. Rep. Steven Horsford (D-NV) said the U.S. does not have a worker shortage, but a skills gap and a child care shortage. He said people want to work, but they need worker support, such as health care and child care that will allow them to return to work safely during the COVID-19 pandemic.

- **Amendment Sponsor: Rep. Mike Kelly (R-PA)**

The amendment would replace the \$80 billion in IRS funding with legislation he previously introduced that would (1) allow for more accurate and timely estimates of the tax gap, (2) protect taxpayer information by making clear banking information will not be collected by the IRS, (3) encourage more efficient use of IRS resources and (4) create a pilot program to strengthen IRS auditors to identify tax evaders and win cases. The amendment would also provide funding for the IRS to implement the Taxpayer First Act.

FAILED: 18–25

Republican Comments

Rep. Mike Kelly (R-PA) said he was pleased Democrats did not include in the reconciliation package a provision that would allow for the collection of banking information from every taxpayer. However, he added that Congress should not be blindly throwing money at the IRS to solve the problems associated with its operations.

Democratic Comments

Rep. Bill Pascrell (D-NJ) said the bill provides the IRS adequate resources to perform its duties. He also opposed the amendment. Rep. Judy Chu (D-CA) opposed the amendment, saying the IRS has been "systematically defunded" by Republicans over the past decade.

- **Amendment Sponsor: Rep. Tom Rice (R-SC)**

The amendment would make permanent the \$10,000 cap on the state and local tax (SALT) deduction for joint filers earning above \$1 million in adjusted gross income and individual filers earning above \$500,000. The amendment would use the revenue to extend the standard deduction through 2030.

FAILED: 18–24

Republican Comments

Rep. Tom Rice (R-SC) said 90% of the SALT deduction benefits the top 10% of income earners, and 50% of the benefit is enjoyed by income earners in the top 1%. He and Rep. David Schweikert (R-AZ) said Congress would be subsidizing the rich through the underlying language. They said this amendment would address this concern. Ranking Member Kevin Brady (R-TX) supported the amendment, saying it would provide a tax cut for middle-income taxpayers.

Democratic Comments

Rep. Bill Pascrell (D-NJ) characterized the SALT cap imposed by the TCJA as double taxation and “a deliberate harm” on his constituents. He also accused Republicans of “going after blue states” during the TCJA debate. Rep. Tom Suozzi (D-NY) accused Republicans of boasting that the \$10,000 SALT deduction cap has spurred taxpayers to leave states like New York and New Jersey. Rep. Jimmy Gomez (D-CA) accused Republicans of claiming to propose amendments that benefit low-income earners when they actually do not.

- **Amendment Sponsor: Rep. Adrian Smith (R-NE)**

The amendment would make the SALT cap permanent for taxpayers earning above \$1 million. It would redirect the revenue to fund moonshot cancer research.

FAILED: 18–24

Republican Comments

Rep. Adrian Smith (R-NE) said although Chair Richard Neal (D-MA) has said he has committed to SALT relief, the bill does nothing to provide it. Rep. Ron Estes (R-KS) supported the amendment, saying it would prevent the top 1% of wage earners from receiving a tax cut and instead divert funds to cancer research. Rep. Lloyd Smucker (R-PA) discussed the benefits of cancer research.

Democratic Comments

Rep. Bill Pascrell (D-NJ) characterized the amendment as “disingenuous,” saying it would force Democrats who vote against the amendment to ostensibly vote against funding cancer research. Rep. Brad Schneider (D-IL) echoed the sentiments expressed by Rep. Pascrell.

- **Amendment Sponsor: Rep. Jodey Arrington (R-TX)**

The amendment would propose a sense of Congress that the final package should not include a repeal of the SALT deduction cap, a repeal of stepped-up basis or new IRS reporting requirements.

FAILED: 17–25

No substantive debate.

- **Amendment Sponsor: Ranking Member Kevin Brady (R-TX)**

The amendment would impose an 18% corporate tax rate for incomes that do not exceed \$400,000, a 21% corporate tax rate for incomes that exceed \$400,000 and conditions the imposition of the tax so that it may not exceed the highest capital gains rate of tax imposed by China.

FAILED: 18–25

Republican Comments

Ranking Member Kevin Brady (R-TX) said the bill provides millionaires and billionaires a \$300 billion tax break. Rep. Adrian Smith (R-NE) noted that the ramifications are not clear and that we need a more competitive corporate tax rate. Rep. Kelly spoke about the importance of running a company and the negative impact of losing companies to other countries. Rep. Vern Buchanan (R-FL) said competition from China should be the top concern. Rep. David Schweikert (R-AZ) said providing jobs is the quickest and most effective way to lift Americans out of poverty. Rep. Lloyd Smucker (R-PA) said the amendment would create jobs and allow Americans to achieve their American dream. Rep. Jackie Walorski (R-IN) supported the amendment and noted that her constituents worry about their companies and jobs should the corporate tax rate increase. Rep. Carol Miller (R-WV) raised concerns about welfare, arguing that it puts American citizens at a disadvantage compared to foreign competitors.

Democratic Comments

Rep. Mike Thompson (D-CA) said the bill helps workers and that the corporate rate proposal is still low by historic standards. He argued it is not much to ask corporations to contribute more to the tax system. Rep. Judy Chu (D-CA) opposed the amendment, stating that it would continue an unconscionable tax break for corporations. Rep. Lloyd Doggett (D-TX) opposed the amendment and cited a JCT report that shows corporations on average only pay an effective rate of 7.5%. Rep. Gwen Moore (D-WI) opposed the amendment arguing that it is a continuation of failed “trickle-down” economics. Rep. Tom Suozzi (D-NY) thanked Rep. Vern Buchanan (R-FL) for his comments on competition, but stated that the bill is about striking a balance between competition and providing for all Americans. Chair Richie Neal (D-MA) cited that while Congress was considering the TCJA in 2017, corporations never asked for a 21% corporate tax rate and suggested that the number was arbitrarily picked.

- **Amendment Sponsor: Devin Nunes (R-CA)**

The amendment would require the Secretary of the Treasury to certify that China has a tax substantially similar to the global intangible low-taxed income (GILTI) tax before implementing any higher rate.

FAILED: 18–25

Republican Comments

Rep. Ron Estes (R-KS) raised concerns about companies going through the inversion process and the importance of a global minimum tax to prevent tax abuse. Rep. Drew Ferguson (R-GA) said the bill would cause America to surrender its competitive advantage. Ranking Member Kevin Brady (R-TX) said the bill favors foreign workers and companies, not American workers and businesses. Rep. Adrian Smith (R-NE) said the amendment is relevant to maintaining competitiveness, arguing that tax policy should not be based on the actions of other countries. Rep. Mike Kelly (R-PA) said the rushed markup process will lead to bad policy. Rep. Jodey Arrington (R-TX) said the reforms in TCJA lowered tax burdens on job creators and raised concerns that the bill would allow China to dictate America’s tax policy.

Democratic Comments

Rep. Mike Thompson (D-CA) opposed the amendment stating corporations should pay their fair share of taxes. Rep. Lloyd Dogget (D-TX) said the bill addresses the issue of American jobs moving overseas and suggested the amendment would allow for corporate tax evasion.

- **Amendment Sponsor: Kevin Hern (R-OK)**

The amendment would strike FDII changes.

FAILED: 18–25

Republican Comments

Rep. Kevin Hern (R-OK) said FDII and the TCJA led to record research and development spending, suggesting that the changes proposed in the legislation would end those investments and lead corporations to moving jobs overseas.

Democratic Comments

Rep. Mike Thompson (D-CA) said the legislation strikes a proper balance in preserving intellectual property ownership and incentivizing firms to remain in America.

- **Amendment Sponsor: David Schweikert (R-AZ)**

The amendment would strike GILTI changes.

FAILED: 18–24

Republican Comments

Rep. David Schweikert (R-AZ) said increasing the global minimum tax would lead to reductions in jobs and investments. He said the current model is working and the changes proposed in the legislation will cost jobs and lower tax receipts. Rep. Mike Kelly (R-PA) criticized arguments that other nations are raising their global minimum tax rates, stating that American tax policy should not be dictated by other competing nations.

Democratic Comments

Rep. Mike Thompson (D-CA) said raising the GILTI rate will show American leadership on the global tax stage.

- **Amendment Sponsor: Rep. Brad Wenstrup (R-OH)**

The amendment would remove tax-exempt status for five years for any organization that helps fund gain-of-function research by foreign adversaries.

FAILED: 18 – 25

Republican Comments

Rep. Brad Wenstrup (R-OH) said gain-of-function research poses grave national security concerns if not conducted with the proper safety protocols and said tax dollars should not be used to fund this type of research by foreign adversaries in uncontrolled environments. Rep. Drew Ferguson (R-GA) and Rep. Devin Nunes (R-CA) said circumstantial evidence points to the Wuhan lab in China as the origin of COVID-19 and said gain-of-function research in China should not be funded by the United States.

Democratic Comments

Rep. Mike Thompson (D-CA) said the legislation will make investments across the nation to improve the lives of millions and criticized the amendment for not addressing or improving upon any of those points.

- **Amendment Sponsor: Rep. Mike Kelly (R-PA)**

The amendment would require that tax increases will not go into effect until the Treasury Department certifies that the increases will not drive jobs overseas.

FAILED: 18–25

Republican Comments

Rep. Mike Kelly (R-PA) said increasing the corporate tax rate will lead to unemployment and disadvantage corporations compared to their foreign competition. He added that the changes to the global minimum tax would further drive corporations and jobs overseas, noting that there has not been a major corporate inversion

since the TCJA was enacted. Rep. Carol Miller (R-WV) said the TCJA created economic growth and the proposed legislation would reverse those gains. Rep. Lloyd Smucker (R-PA) said keeping low tax rates allows corporations to thrive and creates more jobs.

Democratic Comments

Rep. Jimmy Gomez (D-CA) opposed the amendment stating that the legislation allows the nation to compete in the global modern economy.

- **Amendment Sponsor: Rep. Jodey Arrington (R-TX)**

The amendment would require that tax increases on oil and gas extraction not take effect unless the Treasury Department certifies that it would not result in an increase in oil production from Russia, China, Iran and Venezuela.

FAILED: 18–25

Republican Comments

Rep. Jodey Arrington (R-TX) said the economy is dependent on fossil fuels and said the country is energy independent for the first time in decades. He said the GILTI tax rate should not apply to oil and gas production given that the demand for fossil fuels continues to increase and the industry already faces a high tax burden. Ranking Member Kevin Brady (R-TX) said the bill is an attack on American energy and jobs. Rep. Carol Miller (R-WV) said tax increases on coal production and other fossil fuels is destroying jobs and forcing individuals to move into industries in which they do not want to work. Rep. Drew Ferguson (R-GA) said producing fossil fuels domestically helps to fight climate change by not funding foreign adversaries. Rep. Kevin Hern (R-OK) said fossil fuels and nuclear energy should be included in energy solutions and tax increases will make the country dependent on the Middle East.

Democratic Comments

Rep. Earl Blumenauer (D-OR) said the legislation will achieve energy independence by continuing to grow the renewable energy sector, noting that the industry has the potential to create thousands of jobs. He said the fossil fuel industry is in decline and consumers are voting with their wallets for more sustainable and economic choices.

- **Amendment Sponsor: Rep. Jason Smith (R-MO)**

The amendment would strike the limitation on deduction of qualified business income for certain high-income individuals.

FAILED: 18–25

Republican Comments

Rep. Jason Smith (R-MO) said the tax proposals in the legislation would cause small businesses to face a 39% tax rate while also putting an arbitrary limit on small-business deductions, putting small businesses at a competitive disadvantage compared to large corporations. He said this is a huge marriage penalty to small businesses and a favor to C-corporations.

Democratic Comments

Rep. Mike Thompson (D-CA) said half of the 199A deduction has gone to the top 1% of income earners, instead of going toward the taxpayers the provision was intended to support. He said the legislation will continue to provide the deduction to the households it is intended to support. Rep. Don Beyer (D-VA) said the legislation is intended to go after the wealthiest income owners who have more than \$10 million in pre-tax profit.

- **Amendment Sponsor: Rep. Vern Buchanan (R-FL)**

The amendment would strike changes to the NIIT and Pass-Through Loss Limitation rates.

FAILED: 18–25

Republican Comments

Rep. Vern Buchanan (R-FL) said the pass-through tax rate should not be substantially higher than the corporate tax rate, arguing that Congress needs to send the right message to small businesses. He also said Congress should pursue regular order in debating these changes.

Democratic Comments

Rep. Mike Thompson (D-CA) said he is willing to work in a bipartisan way if Republicans will come to work on tax credits for clean energy, housing, child care and low-income families.

- **Amendment Sponsor: Rep. Adrian Smith (R-NE)**

The amendment would strike changes to the estate tax and gift tax.

FAILED: 18–25

Republican Comments

Rep. Jason Smith (R-NE) said creating an estate tax exemption for farmers would ensure that farmland remains in production and allow producers to efficiently plan their estates. He said Congress should be mindful of small businesses across the country. Rep. Jodey Arrington (R-TX) said the estate tax is the most unfair tax in the tax code and it punishes hard-working farmers. He also expressed concern that stepped-up-basis provisions might be included in the final package.

Democratic Comments

Rep. Mike Thompson (D-CA) said family farms and businesses should be protected, but added that he has faced Republican opposition to efforts to fix the estate tax issue for farmers. He said the underlying bill already provides protection for family farms. Rep. Bill Pascrell (D-NJ) noted that 99% of Americans pay no estate tax and expressed his disappointment that the legislation does not include language to address stepped-up-basis. Rep. Jimmy Panetta (D-CA) said the vast majority of family farms are not impacted by the estate tax, but stated that he is pleased that the legislation provides for some additional protections for family farms.

- **Amendment Sponsor: Rep. Lloyd Smucker (R-PA)**

The amendment would strike allowance of deduction for certain union expenses.

FAILED: 18–25

Republican Comments

Rep. Lloyd Smucker (R-PA) said many of the provisions in the bill only apply to unionized workers, which he said unfairly disadvantages non-unionized workers. He noted only 10% of workers belong to unions and that most unions support Democrats with political contributions. Rep. Tom Rice (R-SC) said union expenses should not be subsidized by the tax code. Rep. Adrian Smith (R-NE) said union membership is not in the interest of individual workers and that workers should have the choice about whether they want to join a union.

Democratic Comments

Rep. Steven Horsford (D-NV) said union workers built the middle class and give a voice to workers. He said the amendment works against the ability of unions to represent their members. Rep. Linda Sanchez (D-CA) noted that union dues cannot be used for political contributions and all union political contributions are through

separately contributed funds. Rep. Don Beyer (D-VA) noted that union members are not single-minded partisan voters.

- **Amendment Sponsor: Rep. Drew Ferguson (R-GA)**

The amendment would require the Treasury Secretary to certify that 199A changes do not force the closure of small businesses eligible for the Small Business Administration’s Small Disadvantage Program.

FAILED: 18–25

No substantive debate

SUBTITLE J: PRESCRIPTION DRUGS

This section aims to lower prescription drug prices through government negotiations on drug prices. Drug manufacturers who do not participate in the Fair Price Negotiation program will face an excise tax during noncompliance periods. Also, the maximum out-of-pocket Medicare Part D benefit would be reduced to \$2,000 beginning in 2024.

Republicans offered five amendments to this subtitle, all of which were defeated.

- **Amendment Sponsor: Rep. Kevin Hern (R-OK)**

The amendment would exempt cures for rare diseases from government price negotiations.

FAILED: 17–25

Republican Comments

Rep. Kevin Hern (R-OK) said many rare diseases still have no FDA-approved treatment. He specifically addressed spina bifida, which affects the spine and can often result in death for infants. He discussed his personal experience with spina bifida, which has afflicted many in his immediate family. Rep. Ron Estes (R-KS) supported the amendment, saying the U.S. needs to remain at the forefront of medical research and development to find new cures for rare diseases. Rep. David Schweikert (R-AZ) said the underlying text would “make Big Pharma bigger” and shut down investments into cures. Rep. Carol Miller (R-WV) reiterated the concerns expressed by Rep. Schweikert, saying the underlying text would result in fewer cures.

Democratic Comments

Rep. Judy Chu (D-CA) said people who have rare diseases deserve lower prices for their treatments. Rep. Lloyd Doggett (D-TX) said drugs for rare diseases are often incredibly expensive—sometimes up to \$1 million. He said he would like to see some changes in H.R.3, which he did not mention. He also said there is an issue with launch prices, which he said allows Big Pharma to set prices that are unaffordable. He said Congress needs to ensure drugs are affordable, and he said the underlying text attempts this. Because of this, he opposed the amendment.

- **Amendment Sponsor: Rep. Brad Wenstrup (R-OH)**

The amendment would delay the bill until the Secretary of Health and Human Services confirms that the bill will not reduce patient access to medication.

FAILED: 17–25

Republican Comments

Rep. Brad Wenstrup (R-OH) said that the bill shuts down the development and access to cures.

Democratic Comments

Rep. Terri Sewell (D-AL) said Rep. Wenstrup's amendment would further delay competitive drug pricing. The bill currently incentivizes physicians to practice in underserved rural communities and expands CTC, EITC and Medicare.

- **Amendment Sponsor: Rep. Darin LaHood (R-IL)**

The amendment would require the Secretary of Health and Human Services (HHS) to certify there has been no shift in investment or drug production from America to China or other countries before implementing any provisions of Subtitle J.

FAILED: 18–25

Republican Comments

Rep. Brad Wenstrup (R-OH) said TCJA brought back manufacturing and stopped inversions, and noted the present bill would bolster China's manufacturing capabilities by driving innovation out of America. Ranking Member Kevin Brady (R-TX) said TCJA promoted American intellectual property by lowering taxes to prevent research and development from going overseas.

Democratic Comments

Rep. Lloyd Doggett (D-TX) opposed the amendment stating that multinational pharmaceuticals will exploit all available tax loopholes.

- **Amendment Sponsor: Rep. David Schweikert (R-AZ)**

The amendment would prevent the use of the reference pricing mechanism as to the quality-adjusted life years.

FAILED: 17–25

Republican Comments

Rep. Brad Wenstrup (R-OH) said the bill puts a dollar figure on the value of a patient's life by allowing poorer countries to dictate the value.

Democratic Comments

Rep. Lloyd Doggett (D-TX) said America can continue to have innovation without exploitation, and that there have been no findings by the CBO or independent organizations that suggest cures will be lost.

- **Amendment Sponsor: Rep. Kevin Brady (R-TX)**

The amendment would strike the drug pricing provision from the bill.

FAILED: 17–25

Republican Comments

Ranking Member Kevin Brady (R-TX) said that Republicans believe certain drug pricing provisions in the bill are a dangerous tradeoff that will harm medical patients and set back medical breakthroughs. He said one lost cure is one too many.

Democratic Comments

Rep. Earl Blumenauer (D-OR) responded that consumers would pay a reasonable price because of government negotiation, not because of how human life is calculated.

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