

## MEMORANDUM

**TO:** Clients

**FROM:** Cooper Chamblee, Associate  
David Perez, Associate

**DATE:** July 1, 2025

**RE:** Senate Passes the One Big Beautiful Bill Act

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On Tuesday, July 1, the Senate passed the One Big Beautiful Bill (OB BB) Act, as amended, by a vote of 51-50, with Vice President JD Vance casting the tie-breaking vote. Final passage followed over 24-hours of continuous voting during a “vote-a-rama.” Republicans Rand Paul (R-KY), Thom Tillis (R-NC), and Susan Collins (R-ME) joined Democrats in opposition. The OB BB now moves back to the House of Representatives with floor consideration expected as early as Wednesday. Senate passage followed key revisions to the bill resulting from ongoing negotiations within the Republican conference and guidance from the Senate Parliamentarian. K&A’s summary of the current version of the OB BB, released by the Senate Budget Committee on June 28, is attached.

### **Relevant Changes**

On Sunday, June 29, the Senate Parliamentarian, Elizabeth MacDonough, ruled that language reinstating the ORPHAN Cures Act could be included in the bill after an earlier reversal. The provision would expand and clarify the exemption for orphan drugs under the Medicare Drug Price Negotiation Program, allowing manufacturers to retain the exemption for products with one or more orphan indications and delaying negotiation eligibility until the drug receives its first non-orphan indication.

Additional recommendations followed over the course of Sunday and Monday. A proposal led by Senator Lisa Murkowski (R-AK) to increase Medicaid payments to Alaska and Hawaii was removed after being deemed noncompliant with budget rules. A separate proposal to impose a tax on litigation finance profits from Senator Thom Tillis (R-NC), a key Republican holdout, was also ruled out of order. In the morning of Tuesday, July 1, Senate Republican leadership included a change that doubled the relief fund for rural hospitals to \$50 billion.

### **Vote-a-Rama Summary**

During the more than 24-hour voting session, both Democrats and Republicans introduced a wide range of amendments addressing various aspects of the bill. Senators John Cornyn (R-TX) and Marsha Blackburn (R-TN) each offered amendments (Cornyn #2705 and Blackburn #2401) aimed at restoring provisions related to Medicaid eligibility and state funding that had been previously removed following rulings by the Parliamentarian. Neither amendment secured the 60 votes necessary for adoption. Democrats submitted several amendments focused primarily on preserving Medicaid and Affordable Care Act (ACA) premium tax credits, among other priorities. None of the Democratic amendments were adopted. In addition to amendment proposals, Democrats also offered a series of Motions to Commit, which would have referred the OB BB back to relevant committees for further consideration. These motions were likewise rejected.

One amendment received broad bipartisan support. Senator Marsha Blackburn (R-TN), along with Senator Maria Cantwell (D-WA), offered Amendment #2841, which removed a proposed 10-year moratorium on state-level regulation of Artificial Intelligence (AI). The amendment was adopted by a 99 to 1 vote. Senator Thom Tillis (R-NC) was the only senator to vote against it.

### **Relevant Adopted Amendments**

#### **Artificial Intelligence**

*Blackburn #2841: Senator Marsha Blackburn (R-TN) offered an amendment to strike the 10-year moratorium on state-level regulation of Artificial Intelligence (AI).*

The amendment was approved by a 99-1 vote. Republican Thom Tillis (R-NC) was the only Senator to vote against the amendment.

### **Relevant Rejected Amendments**

#### **Medicaid**

*Cornyn #2705: Senator John Cornyn (R-TX) offered an amendment to reduce the Federal Medical Assistance Percentage (FMAP) for the Medicaid expansion to 80 percent in expansion States that provide State-funded coverage to aliens who are not qualified aliens and who have been charged with or convicted of certain acts.*

The amendment was rejected by a 56-44 vote. Democrats Gary Warnock (D-GA), Jon Ossoff (D-GA), Catherine Cortez-Masto (D-NV), and Maggie Hassan (D-NH) joined Republicans in support, and Republican Susan Collins (R-ME) joined Democrats in opposition.  
(Not compliant with the Byrd Rule; subject to 60-vote threshold)

*Blackburn #2401: Senator Marsha Blackburn (R-TN) offered an amendment to prohibit Federal financial participation under Medicaid and CHIP for individuals without verified citizenship, nationality, or satisfactory immigration status.*

The amendment was rejected by a 53-47 party-line vote.  
(Not compliant with the Byrd Rule; subject to 60-vote threshold)

*Kim #2817: Senator Andy Kim (D-NJ) offered an amendment to strike a provision relating to limitations on certain Medicaid payments.*

The amendment was rejected by a 48-52 mostly party line vote. Senator Lisa Murkowski (R-AK) joined Democrats in support.

#### **Affordable Care Act**

*Ossoff #2698: Senator Jon Ossoff (D-GA) offered an amendment to amend the Internal Revenue Code of 1986 to extend the Affordable Care Act (ACA) enhanced premium tax credits and increase the individual tax rate for taxpayers with income of \$10,000,000.*

The amendment was rejected by a 47-53 party-line vote.

#### **Medicare**

*Sanders #2435: Senator Bernie Sanders (I-VT) offered an amendment to cut the price of prescription drugs under Medicare in half and expand Medicare to cover dental, vision, and hearing.*



The amendment was rejected by a 47-53 party-line vote.

**Rural Health**

**Collins #2812:** *Senator Susan Collins (R-ME) offered an amendment to amend the Internal Revenue Code of 1986 to apply a 39.6 percent individual income tax rate, and to provide additional funding and specify eligible providers under the Rural Health Transformation Program.*

The amendment was rejected by a 22-78 vote.

