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ALERT

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To join our advocacy efforts, please email [taxreform@kutakrock.com](mailto:taxreform@kutakrock.com).

## “One, Big, Beautiful Bill” Fails House Budget Committee Vote Today

### On the Hill

Earlier this morning the House Budget Committee attempted to pass the “One, Big, Beautiful Bill” out of committee. With a count of 16-21, the vote failed. Republican Representatives Norman, Roy, Brecheen, Clyde, and Smucker all voted against the legislation. Reports indicate that these members do not believe the spending cuts go far enough and remain extremely focused on and concerned about the deficit.

### What This Means for Tax-Exempt Bond Issuers

The path ahead is uncertain, but it is extremely likely that negotiations around the legislation will include another attempt to increase spending cuts and pay-fors. *Given this, the tax-exempt preference for state and local and private activity bonds remains in jeopardy.*

### What's Next

Congressman Arrington, the Chairman of the House Budget Committee, dismissed the Budget Committee members for the remainder of the day and announced he does not plan for the committee to meet again until next week. Delayed passage out of the House Budget Committee postpones receipt and passage by the House Rules Committee, which threatens the May 31 timeline that Speaker Johnson is targeting for passage of the bill out of the House.

As always, we will continue to keep you informed and engaged as the legislation moves forward.



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