

**Joint Economic Committee
Opening Remarks for Hearing “The Fiscal Situation in the United States”
March 12, 2024**

Thank you, Vice Chairman Schweikert. And thank you and your staff for putting together this hearing today.

The financial health of our nation is critical to our stability and growth.

In the most basic sense, our financial health is what allows us to invest in the people and places of these United States.

Last week, I was proud to vote for the long-overdue package of six appropriations bills that included major investments in our families and communities.

Among many important priorities, I fought to secure full funding for Special Supplemental Nutrition Program for Women, Infants, and Children – better known as WIC—which serves nearly 7 million women and children nationwide.

As I worked to make sure that families could put food on the table, and that our housing programs had enough funding to keep roofs over their heads, there were others who opposed these investments, pointing to the deficit.

It's true that our deficits and debt are expected to grow in the coming years.

And we do need to take that very seriously.

But that starts with being clear about where these deficits came from, and what will actually work to help close them.

Much like any family's budget, when you look at our federal budget, it's a comparison of what's coming in against what's going out – revenue and spending.

It's clear that with our federal budget: we have a revenue problem.

Republican tax cuts for the wealthiest of the wealthy and biggest corporations have driven our revenue down and our debt up.

To restore financial stability and rein in our debt, we need tax reforms.

We need to close tax loopholes for the ultra-wealthy and maintain funding for the Internal Revenue Service, so they can go after wealthy tax cheats who, for too long, have gotten away without paying their fair share.

That includes imposing a minimum tax on billionaires.

Because no billionaire should be paying less in taxes than a teacher, sanitation worker, or grocery clerk.

We need to raise the corporate tax so that big companies pay their fair share – a move that would, alone, raise \$1.3 trillion over the next decade.

And we need to adopt the global minimum tax to make sure that multinational companies can't get out of paying U.S. taxes.

At the same time, we should limit costly tax expenditures that overwhelmingly benefit the wealthy – like lower tax rates for capital gains and stock dividends, or the carried interest loophole that allows hedge fund executives to pay less in taxes.

These policies reward wealth over work while pushing up our deficits.

Congress can also shore up Social Security and Medicare without cutting benefits.

For one, Congress should make sure that people earning over \$400,000 pay more into the Social Security trust fund.

Asking the highest earners to pay a small portion of every dollar earned would go a long way towards improving the health of the program.

Another proposal by President Biden would raise the Medicare payroll tax by 1.2 percentage points solely on taxpayers making over \$400,000.

This and other small tax changes would make Medicare solvent for the foreseeable future.

But perhaps our most important tool for reducing deficits is continued economic growth.

The Biden administration has led some of the strongest economic growth we've seen.

This administration is working to build an economy from the middle out and the bottom up.

That has meant record-setting job growth, with nearly 15 million jobs created since President Biden took office.

Unemployment has been below 4% for two full years – the longest stretch in half a century.

And we've seen unprecedented investments in infrastructure and a domestic manufacturing renaissance.

This strategy works because a booming economy boosts tax revenues without requiring higher tax rates.

To achieve that, we need to keep investing in what helps our economy grow – including our children.

Investing in programs for children like WIC or SNAP delivers a brighter future for those kids. And it also creates substantial long-term benefits for our economy.

Supports like early childhood education, health care, and nutrition programs lay the foundation for healthier and more productive adults.

They are then less likely to need social support services and more likely to participate in the labor force and earn higher incomes.

A permanent expansion of the Child Tax Credit could go a long way towards that goal.

By empowering families, we lift kids out of poverty, stimulate the economy, and increase tax revenues.

Investing in our economy means investing in all of America.

I'm pleased to join my colleagues to further explore these issues in today's hearing.

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