

FISCAL YEAR 2020 BUDGET: MEMBERS' DAY

HEARING

BEFORE THE

COMMITTEE ON THE BUDGET HOUSE OF REPRESENTATIVES

ONE HUNDRED SIXTEENTH CONGRESS

FIRST SESSION

HEARING HELD IN WASHINGTON, D.C., MARCH 6, 2019

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FISCAL YEAR 2020 BUDGET: MEMBERS' DAY

WEDNESDAY, MARCH 6, 2019

HOUSE OF REPRESENTATIVES,
COMMITTEE ON THE BUDGET,
Washington, D.C.

The Committee met, pursuant to notice, at 10:02 a.m., in Room 210, Cannon House Office Building, Hon. John Yarmuth [Chairman of the Committee] presiding.

Present: Representatives Yarmuth, Jackson Lee, Sires, Khanna; Womack, Flores, Johnson, Hern, Burchett, Meuser, and Roy.

Apparently, we are scheduled to have votes during this hearing. So I ask unanimous consent that the chair be authorized to declare a recess at any time.

Without objection, the request is agreed to.

I would like to welcome everyone to the Budget Committee's Members' Day hearing. Members' Day is a longstanding tradition in the Budget Committee. Crafting the budget resolution is not an easy task, so I look forward to this annual hearing because it gives us the opportunity to hear the budget priorities of our colleagues.

Good governing and responsible budgeting requires smart, often difficult choices. This process begins by evaluating the tradeoffs our choices require. How much should we invest in our national and economic security? How much funding is needed to ensure our citizens do not go hungry or homeless? How much is needed to provide a safe and secure retirement? How do we pay for the services and programs the American people want and need?

Perhaps the biggest issue facing us this year is the remaining years of the austerity level spending caps required by the Budget Control Act of 2011. We face \$126 billion in cuts to defense and non-defense discretionary spending next year alone. This is neither sustainable nor responsible. We need to raise the caps for both defense and non-defense spending, to ensure that every American family has the chance to build a better future.

We have come together in a bipartisan manner in the past to provide necessary funding, and we can do it again. If we don't, investments that are vital to our economic and national security will face devastating cuts.

In order to build a budget to serve our nation, our committee will get as much input as possible. We listen to our constituents, review the President's budget request, review views and estimates from authorizing committees, and hear from outside experts and advocates. At the end of this process, our goal is to construct a budget that sets priorities, while remaining fiscally responsible. This hearing is a vital piece of that process.

I am pleased and honored to serve with my friend, Mr. Womack, the distinguished Ranking Member from Arkansas, and I look forward to working with him as we move forward. I would also like to thank members for taking time out of their busy schedules and appearing before the committee today.

[The prepared statement of Chairman Yarmuth follows:]

**Chairman Yarmuth
House Committee on the Budget
Members' Day Hearing Opening Statement
March 6, 2019 – 10:00AM**

This hearing will come to order. Good morning and welcome to the Budget Committee's Members' Day hearing. Members' Day is a longstanding tradition in the Budget Committee. Crafting the budget resolution is not an easy task, so I look forward to this annual hearing because it gives us the opportunity to hear the budget priorities of our colleagues.

Good governing and responsible budgeting requires smart, often difficult, choices. This process begins by evaluating the tradeoffs our choices require. How much should we invest in our national and economic security? How much funding is needed to ensure our citizens do not go hungry or homeless? How much is needed to provide a safe and secure retirement? How do we pay for the services and programs the American people want and need?

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family has the chance to build a better future. We have come together in a bipartisan manner in the past to provide necessary funding, and we can do it again. If we don't, investments that are vital to our economic and national security will face devastating cuts.

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I am pleased to serve with Mr. Womack, the distinguished ranking member from Arkansas. And I look forward to working with him as we move forward.

I would also like to thank members for taking time out of their busy schedules and appearing before the committee today. With that, I would like to yield to my friend and ranking member of this committee, Mr. Womack, for his opening remarks.

Chairman YARMUTH. With that, I would like to yield to my friend, Ranking Member Mr. Womack, for his opening remarks.

Mr. WOMACK. I thank the Chairman. I very much appreciate his leadership, and also the collegial way in which he conducts his business. And I am grateful for that. It is great to be here with him.

I want to start by commending you, Mr. Chairman, and your staff for drawing 26 of our colleagues to participate in our Members' Day. That is 26 times more Member participation we experienced at this very hearing last year, when our friend, Mr. Kildee, was the only Member to testify before the committee. Although, I would note that at our Joint Select Committee hearing on budget and appropriations process reform 25 testified. That was good news.

As we undergo the process of crafting a budget resolution for this fiscal year, I am encouraged to see members from across the country with diverse perspectives and constituencies join this discussion. To all our colleagues, your voices are an important part of this conversation, and I thank you for being here today.

As everyone in this room knows, the fiscal health of our nation is deteriorating. And unless we take significant action, this trend will soon begin to impact every aspect of American life, from the strength of our economy to the strength of our national security.

According to the Congressional Budget Office, if we maintain the status quo, deficits will total \$11.5 trillion, and the national debt will rise to nearly \$34 trillion over the next decade. Over that same period, federal debt held by the public will surge from 78 percent to 93 percent of GDP, the highest debt levels since just after World War II, and more than twice the average level of the past 50 years.

So what is driving our deficits? To me it is simple: out of control, unchecked spending.

As we heard from CBO Director Hall earlier this year, mandatory spending programs, such as Medicare and Social Security, are the core drivers of our deficit and debt. Today mandatory spending accounts for 70 percent of total federal spending, and is expected to increase to 78 percent of total federal spending by 2029.

What does that really mean for workers and families? It means that programs they are paying into today and counting on for the future may not be around when they need them most. It also means there will be fewer dollars for basic government operations, including defense, homeland security, and education. These are the programs that are being squeezed by mandatory spending.

Despite these very real fiscal threats, over the last several months we have been hearing more and more about proposals that will exacerbate our problems, rather than solve them. To that end, I want to ask the other side again: What is the plan to reconcile the desire for astronomical spending increases with the need to address the ballooning national debt? Will you pass a budget? And if so, give us the timing.

We have a moral obligation to get our fiscal house in order, to make sure that our children and grandchildren aren't saddled in the future with spending decisions Washington makes today. That requires tough choices. That requires asking ourselves, can we afford it? And should our constituents be forced to pay the price?

I look forward to the hearing and the Q&A that will ensue following each Member's presentation.

[The prepared statement of Steve Womack follows:]



HOUSE
BUDGET
REPUBLICANS

Ranking Member Steve Womack (R-AR) Opening Statement

(As Prepared For Delivery)

Thank you, Chairman Yarmuth.

I want to start by commending you and your staff for drawing 26 of our colleagues to participate in our annual Members' Day. That's 26 times more member participation than we experienced at this very hearing last year, when our friend from Michigan, Mr. Kildee, was the only member to testify before this Committee. Although, I would note that at our Joint Select Committee hearing on Budget and Appropriations Process Reform, 25 members testified.

As we undergo the process of crafting a budget resolution for this fiscal year, I'm encouraged to see members from across the country, with diverse perspectives and constituencies, join this discussion.

To all our colleagues, your voices are an important part of this conversation, and I thank you for being here today.

As everyone in this room knows, the fiscal health of our nation is deteriorating and, unless we take significant action, this trend will soon begin to impact every aspect of American life — from the strength of our economy to the strength of our national security. According to the Congressional Budget Office, if we maintain the status quo, deficits will total \$11.6 trillion and the national debt will rise to \$33.7 trillion over the next decade. Over that same period, federal debt held by the public will surge from 78 percent to 93 percent of GDP — the highest debt level since just after World War II and more than twice the average level of the past 50 years.

What is driving our deficits? Out-of-control, unchecked spending.

As we heard from CBO Director Hall earlier this year, mandatory spending programs such as Medicare and Social Security are the core drivers of our debt. Today, mandatory spending accounts for 70 percent of total federal spending, and is expected to increase to 78 percent of total federal spending by 2029.

What does that really mean for workers and families in our communities?

It means the programs they are paying into today and counting on for the future may not be around when they need them most. It also means there will be fewer dollars for basic government operations, including defense, homeland security, and education. These are the programs that are

being squeezed by mandatory spending. Despite these very real fiscal threats, over the last several months, we have been hearing more and more about proposals that will exacerbate our problems rather than solve them.

Toward that end, I want to ask the other side, again, what is your plan to reconcile the desire for astronomical spending increases with the need to address the ballooning national debt? Will you pass a budget, and if so, what's your timing?

We have a moral obligation to get our fiscal house in order — to make sure that our children and grandchildren aren't saddled in the future with the spending decisions Washington makes today — and that requires tough choices. That requires asking ourselves: can we afford it — and should our constituents be forced to pay the price?

I look forward to hearing the answers to these questions during today's discussion.

With that, Mr. Chairman, thank you again. I yield back.

Chairman YARMUTH. I thank the Ranking Member.

As a reminder, members appearing before the committee today will have five minutes to give their oral testimony, and their written statements will be made part of the formal hearing record.

Additionally, as the Ranking Member referenced, members of the committee will be permitted to question witnesses following their statements. But out of consideration of our colleagues' time, I would ask that you please keep your comments brief, as I think we actually now have 27 witnesses. So, obviously, this hearing could go on for days and days and days, if we had full committee—questioning by all the committee.

So, with that, it is an honor to recognize Mr. Case, from Hawaii, for his testimony.

You are recognized for 5 minutes.

**STATEMENT OF HON. ED CASE, A REPRESENTATIVE IN
CONGRESS FROM THE STATE OF HAWAII**

Mr. CASE. Thank you very much, Chairman Yarmuth, Ranking Member Womack, members of the committee. I am Ed Case, representing Hawaii 1, the beautiful city of Honolulu. And as one member who served previously and—including service on this committee, I very much appreciate your responsibilities and your hard work.

I am here today in support of a fiscally responsible budget for fiscal year 2020, a budget that would focus our core functions and discretionary priorities within our means. It would require a whole-budget, long-term approach with bipartisan solutions to one of the most challenging issues facing our country.

Our national debt, as we all know, has now surpassed \$22 trillion, a huge number. But what is most revealing to me is that, although \$22 trillion is a large number, what is more important to me is that when I left Congress in January 2007 it was \$9 trillion—\$9 trillion to \$22 trillion in half a generation, an unprecedented amount.

And, as we all know, the interest on our debt is now the fastest growing part of our budget. Next year we will spend more money on interest payments on the debt than all federal funding. And by 2025 it may well increase—exceed our defense budget.

This not only represents great risk to economic, social, and defense stability, but is a stark indicator of fiscal unsustainability.

Some say that budgets and deficits and debts don't matter, and we can and should spend more without also raising revenue. This feed-the-beast approach is the mirror image of the starve-the-beast approach that we have also seen. Both are wrong, as a matter of fiscal, economic, budgetary, and social policy. We do need a budget that is not just an aspirational exercise, but instead a document that comprehensively addresses our nation's needs and expenses.

As you both alluded to in your opening statements, we have urgent challenges, from climate change to health care and beyond, and we need a full and difficult debate on how best to address them in a fiscally responsible way.

You both also referenced the fact that if we continue on this currently fiscally unsustainable path, we will in fact reduce our ability to deal not only with normal course needs, but with future emer-

gencies or recessions. This is borne out in a number of examples that we have discussed repeatedly over the years, but are becoming much more acute, including the draining of the Social Security Trust Fund, the Highway Trust Fund, placing greater pressure on our overall budget, and deferring these issues only compounds them.

We need to return also to regular order. We need to pass both the budget and stand-alone appropriations legislation on time, every time. This lends both to internal stability and external predictability to the process.

As co-chair of the Blue Dog Caucus's Fiscal Responsibility and Government Reform Task Force, I encourage this committee to set meaningful goals to reduce the budget, and put a plan forward to achieve these actions on a bipartisan basis, where we can. Because the longer we wait, the worse these options become.

Let me talk briefly about a huge priority that I view out there right now, and that is the priorities of our challenges in the Indo-Pacific Region, my own backyard. Hawaii is closer to Asia than it is to Washington, D.C., much of Asia, and we spend a lot of time dealing with the Indo-Pacific Region, a region that has incredible economic contributions, economic promise, social promise and challenge, and an area where our interests are rooted deeply in the future, an area which will determine our country's future and our world's future, the Indo-Pacific Region.

It inherently plays a critical role in our foreign policy priorities, including combating climate change, countering violent extremism, and promoting democracy and the rule of law. And our investment and commitment on these issues in the region need to reflect the overall strategic importance of the Indo-Pacific, whether we are talking about defense or whether we are talking about soft power exercises, supporting our allies, supporting our partners, and really trying to enforce an international, rules-based order.

When we look in this area, we certainly need, I believe, to prioritize our response to China's growing role in the world. And this cuts across many, many different aspects. As you go through your budget process, then, I would ask you not only to try to work towards a fiscally responsible budget, not only try to work towards a budget that is delivered on time, on budget, and that the Appropriations Committee and other agencies of Congress, as well as the private sector, can depend on, but also a budget that focuses on the priorities out there in the rest of our world, to include the Indo-Pacific Region.

I thank you very much for your time, and appreciate the opportunity to share these thoughts, and stand ready, willing, and able to work with you on a bipartisan basis to solve our budget problems. Mahalo.

[The prepared statement of Ed Case follows:]

Written Testimony of Representative Ed Case (HI-01)

House Committee on Budget

Wednesday, March 6, 2019

Chairman Yarmuth, Ranking Member Womack and Members of the Committee,

Thank you for this opportunity to testify today in support of a fiscally responsible budget for FY20.

Such a budget would focus our core functions and discretionary priorities within our means. It would require whole-budget, long-term approach with bipartisan solutions to one of the most challenging issues facing our country.

Our national debt has now surpassed \$22 trillion – an unprecedented amount. The interest on our debt is now the fastest growing part of our budget – not education, not defense, not Medicare. Next year, we'll spend more money on interest payments on the debt than all federal funding on our American children, and by 2025, our interest payments will exceed our defense budget. This not only presents great risk to economic, social and defense stability, but is a stark indicator of fiscal unsustainability.

Our budget should not be an aspirational exercise but instead a document that comprehensively addresses our nation's needs and expenses. We have urgent challenges, from climate change to health care and beyond, and we need a full and difficult debate on how best to address them in a fiscally responsible way.

If we continue on our current fiscally unsustainable path, we will continue to reduce our ability to deal not only with normal course needs but with future emergencies or recessions. As just a few examples, we already know that several trust funds will soon be exhausted including the Social Security Trust Fund and the Highway Trust Fund, placing greater pressure on our overall budget. Deferring these known issues only compounds them.

We also must return to regular order. We need to pass both the budget and stand-alone appropriations legislation on time, every time. This lends both internal stability and external predictability to the process.

As Co-Chair of the Blue Dog Caucus' Fiscal Responsibility and Government Reform Task Force, I encourage this Committee to set meaningful goals to reduce the deficit and put a plan forward to achieve these actions. The longer we wait, the worse the options will become.

While doing so, we must reprioritize our spending to reflect the needs and demands of a rapidly changing country and world. The is particularly true of our accelerating priorities in my backyard, the Indo-Pacific region.

Over a third of global GDP and sixty percent of global GDP growth comes from the Indo-Pacific, which is also home to half of the twenty fastest growing economies. The region has now

become one of the great engines of the global economy, and it is no surprise that observers have referred to the twenty-first century as the Pacific Century.

Nor should it be a surprise that, as a Pacific nation, the United States has deeply rooted interests in the region and has played a pivotal role in its success. Since the end of the Second World War, the U.S. has advanced a rules-based regional order that promoted security, facilitated trade and development, and championed human rights and democracy. Today, the strategic importance of the Indo-Pacific is reflected in our trade and investment in the region: our foreign direct investment in the Indo-Pacific has more than doubled since 2007, and more than half of our top trading partners are in or border the Indo-Pacific.

The Indo-Pacific inherently plays a critical role in our foreign policy priorities, including combating climate change, countering violent extremism, and promoting democracy and the rule of law. Our investment and commitment on these issues in the region need to reflect the overall strategic importance of the Indo-Pacific.

Moreover, our engagement in the Indo-Pacific needs to account for new great power challenges that seek to replace the U.S.-supported regional and global order. As China's political, economic, and military power grows, so too does its ambitions to promote Beijing's interests and values to the detriment of the existing order and all those who benefit from it. Thus, we need nothing short of sustained increases to our political, diplomatic, economic, and security commitments to build a free and open order in the Indo-Pacific region that guarantee security, enhance trade and development and promote human rights.

Thank you for your time, and I appreciate the opportunity to share these thoughts as you begin to craft the FY20 budget.

Chairman YARMUTH. Mahalo to you. Thank you very much for your testimony.

Do any members on the committee wish to ask questions of Mr. Case?

Mr. Burchett is recognized.

Mr. BURCHETT. You are from Hawaii?

Mr. CASE. Yes, I am.

Mr. BURCHETT. Since I missed part of that I was wondering maybe if we could take a CODEL to Hawaii maybe to check into this a little further, Mr. Chairman.

Mr. CASE. Well, I think, you know, we can certainly educate you on the budget from the perspective of the Indo-Pacific Region if you want to put it that way. I think that is a very worthwhile exercise by Congress. I invite you.

Mr. BURCHETT. I will rephrase my question, Mr. Chairman.

[Laughter.]

Mr. BURCHETT. Thank you.

Chairman YARMUTH. Thank you.

Does anyone else have a question of the witness?

[No response.]

Chairman YARMUTH. Thank you, Mr. Case.

Mr. CASE. Thank you.

Chairman YARMUTH. I now recognize Mr. Cole of Oklahoma, a former member of this committee, a distinguished member.

Mr. COLE. Thank you.

Chairman YARMUTH. Welcome, Mr. Cole.

**STATEMENT OF HON. TOM COLE, A REPRESENTATIVE IN
CONGRESS FROM THE STATE OF OKLAHOMA**

Mr. COLE. Thank you very much, Mr. Chairman. And I tell you, if I had known you were going to have such splendid digs, I might have tried to stay on.

[Laughter.]

Mr. COLE. So it is a wonderful hearing room.

Mr. Chairman, Mr. Ranking Member, as a former member of the House Budget Committee, I have consistently supported responsible and balanced legislation to get our long-term fiscal house in order, and ultimately pay down the nation's daunting level of debt.

However, to make real progress toward tackling our nation's debt problem, we must enact reforms to save and sustain mandatory programs like Medicare, Medicaid, and Social Security.

There is no question that our country's major mandatory programs are a significant driver of our debt. In fact, the CBO estimated last April that in 2018 the federal government would spend 4 percent more than the year before to fulfill benefits promised to Americans enrolled in these programs. And over the coming decade, mandatory spending is projected to continue growing at an average annual rate of 5.5 percent, reaching \$7 trillion in 2028.

Social Security, Medicare, and net interest account for more than two-thirds of that increase. According to the Boards of Trustees for Social Security and Medicare, both are due to become insolvent within the foreseeable future, if no changes are made.

In response to this grim reality, I have again introduced legislation to save Social Security. H.R. 289 would create a bipartisan and

bicameral commission tasked with recommending reforms to ensure Social Security is solvent for at least 75 years. Certainly, the only way to avoid painful cuts to beneficiaries later is to make small changes to safety net programs today. The longer we avoid this challenge, the more expensive and painful the solutions will become, and the deeper the debt left to our children and grandchildren.

As a Ranking Republican of Appropriations Subcommittee on Labor, Health, and Human Services, Education, and Related Agencies, I believe we must continue to prioritize robust funding for disease research and prevention. In fiscal year 2019 Congress increased the budget for NIH by \$2 billion, building upon 3 previous increases of \$2 to \$3 billion each fiscal year.

Congress has also maintained strong funding for the Center for Disease Control disease prevention programs, working to prevent chronic disease and address global health issues such as malaria and the AIDS epidemic. These expenditures actually save money and lives. As I have often said, you are much more likely to die in a pandemic than a terrorist attack. So while we want to look for savings, this is an area I think we need to continue to invest.

And in writing the budget for fiscal year 2020, I urge members of this committee to prioritize continued sustained funding for these important agencies and programs, recognizing that the funding for disease research and prevention is an investment that generates tremendous benefits for society.

And in that regard, I would like to submit for the record an article by Jed Manocherian on the benefits of this continued investment.

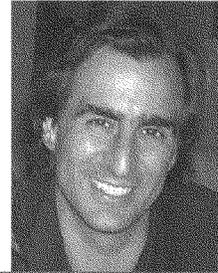
Chairman YARMUTH. Without objection, so ordered.

[The information follows:]

GUEST EDITORIAL



MAKING THE CASE TO DOUBLE NIH



By Jed Manoche
 Founder and chairman, ACT for NIH;
 Member of the Board of Visitors, MD Anderson Cancer Center

The decision to double the budget of the National Institutes of Health should be easy, because it will save lives and save our economy simultaneously. The case for NIH is overwhelming, and there is broad bipartisan congressional support. So why is it so challenging?

At a time of staggering budget debt and deficits, funding decisions are indeed very difficult. Congress must fund many competing and worthy programs, all seeking increases, and many backed by powerful interests.

Congress is constrained by the necessity to work within its annual budget, and disproportionate increases to NIH may force reductions to other critical programs.

Meanwhile, the next great threat to our nation and its economy looms large as the massive, aging, baby boomer generation confronts the costs associated with chronic diseases including Alzheimer's, Parkinson's, cancer, diabetes, and heart disease. It is only through the

tremendous promise of science that we will find solutions to the most intractable diseases and conditions, and rein in escalating health care costs that are on a trajectory to bankrupt the federal government.

In 2018, total federal health care spending was \$1.1 trillion, and is projected to skyrocket to \$4 trillion by 2040, devouring an ever-greater portion of the federal budget.

If we don't act now, it will be impossible to fix this later, as ever-increasing debt and deficits will force Congress to either drastically increase taxes, cut-back and eliminate countless programs, or both.

This is the greatest time in history for scientific discovery. Transformative cures are within our grasp—triumphs of human ingenuity that will save millions of lives and vanquish afflictions that have vexed us for centuries.

Even with historic increases to the NIH budget in the past four years, funding levels are not even close to adequate to capitalize on all of today's great scientific opportunities.

We are delaying and discarding the majority of promising NIH research grants because there are simply not enough funds available for all the highly-merited research.

With so much at stake, NIH should receive increases in funding commensurate with the impending health and financial crisis, yet the federal budget allocates a mere one percent towards medical research.

Doubling the NIH budget within 10 years is the only way to avert a devastating health—and health care cost—crisis.

The cost is billions, the return is trillions, and it is priceless to patients and their families.

Thanks to NIH:

Thanks to NIH-funded research, Americans are living longer and healthier lives. Biomedical research has helped eradicate polio and smallpox, and all but eliminated death from some cancers.

It has led to a 70 percent reduction in the death rate for coronary heart disease and stroke, and an AIDS-free generation is within our reach.

Advances in genomics, immunotherapy, big data analytics, artificial intelligence, and imaging technologies have unleashed a new world of exploration and innovation.

As we unlock the secrets of the human genome, medical researchers have led us to an era of precision medicine that is transforming the way we prevent, diagnose, treat and cure many diseases.

There are no incurable diseases, only diseases that haven't been cured yet.

U.S. global leadership

For a century—the American Century—American ingenuity has unleashed the greatest explosion of discovery and innovation the world has ever seen. Federal investment in biomedical research has made the United States the global research powerhouse.

But other nations are emulating our proven financial model to revitalize their economies by fueling their own biomedical research enterprises. China, India, the European Union, and Russia have all declared their intentions to dramatically increase their research investment. In 2019, for the first time in history, China will outspend the U.S. in research and development.

Our brightest young scientists are being lured by foreign countries to conduct scientific advances outside the U.S., and this trend now threatens our global leadership in biomedical research. This exodus of our most brilliant and talented minds has considerable consequences for patients, our research institutions, and our economy.

America must retain its preeminence in science and technology to remain competitive in today's global innovation-based economy.

Our economy

Over the past two centuries, at least half of all economic growth can be attributed to advances in public health and medicine that have led to longer, healthier lives.

Today, we are at the dawn of a life sciences revolution that will drive our economy and is already the life-blood of countless multi-billion dollar companies in the biotechnology and pharmaceutical industries.

Choose any medical advance by a pharmaceutical or biotechnology company, and chances are it emerged from an NIH-funded lab. The \$3.8 billion NIH-funded Human Genome Project has generated a return to the U.S. economy in excess of \$1 trillion.

The returns on NIH investment are immeasurable and soaring.

Investment in medical research stimulates economic growth by driving innovation, creating jobs, and improving America's global competitiveness. Nearly 95 percent of NIH's budget funds medical research by scientists, research institutions, and small businesses in every state across the country.

This investment creates more than 400,000 jobs in local economies and drives nearly \$69 billion in economic activity.

In turn, the American bioscience industry employs more than 1.74 million people, and exports \$90 billion in goods and services annually. No federal expenditure has a better return on investment and does more to create jobs and grow wealth.

Our budget

The personal and fiscal benefits of the extension of life and the extension of a healthy life are critical to patients, and vital to our economy. Someone in the U.S. is diagnosed with cancer every 18 seconds, and there will be a 50 percent increase in cancer incidence in the next decade.

Someone is diagnosed with Alzheimer's disease every 65 seconds, and the num-



As we unlock the secrets of the human genome, medical researchers have led us to an era of precision medicine that is transforming the way we prevent, diagnose, treat and cure many diseases.



ber of Americans plagued with Alzheimer's will triple in the next 30 years.

In 2018, Alzheimer's and other dementias cost the nation \$277 billion. In 2050, Alzheimer's is projected to cost the nation \$1.1 trillion. From 2017-2050, the cumulative federal health care cost for Alzheimer's is projected to be \$20.4 trillion.

Treatments that delay the onset of Alzheimer's by five years would result in Medicare and Medicaid savings of \$534 billion in the first ten years, and \$3.1 trillion over 25 years. Medical illness is also the number one cause of personal bankruptcy.

The lives of patients and families are turned upside down when healthy and productive tax-paying Americans who lose their health—and are experiencing horrific suffering—may also lose their job, home, and life savings.

Congressional champions

The top Democrats and Republicans of the Labor, Health and Human Services Appropriations Subcommittees in the Senate and House, Sens. Roy Blunt (R-MO) and Patty Murray (D-WA), and Reps. Rosa DeLauro (D-CT) and Tom Cole (R-OK), have shown extraordinary commitment to NIH.

Through their unwavering leadership, fiscal year 2019 marks the fourth consecutive year of multi-billion-dollar increases to the NIH budget, which currently stands at \$39.1 billion.

Following twelve years of eroding NIH budgets, this recent boost in funding was desperately needed. Thousands more brilliant young scientists are now able to pursue their dreams of research and launch major NIH research initiatives that will result in treatments and cures that will transform lives.

Congress has elevated NIH as a bipartisan national priority and this renewed

congressional investment in NIH will have an impact on global health for generations to come.

Millions across the globe will be spared from the ravages of disease. Among the giants in the history of global health are the NIH congressional champions, who understand the enormous power of science to ease human suffering, and have demonstrated a compassionate resolve to conquer illness.

Double the NIH budget

America's leaders have the vision and determination to proactively address the grand challenges facing our nation.

It would be difficult to overstate the dire repercussions to our personal and financial health if we don't act decisively, strategically, and urgently.

Doubling the NIH budget over 10 years is certainly audacious, but nothing less than the health and wealth of our nation is at stake.

There is no higher calling than to improve the wellbeing of others, and there is no single action that will do more to advance our nation and improve the human condition than doubling the NIH budget.

There are too many patients to be patient.

I am grateful to our many partners in research advocacy that were an important resource for this article including: The Ad Hoc Group for Medical Research, Alzheimer's Association, FasterCures, The Lasker Foundation, Research!America, and United for Medical Research.

Mr. COLE. Thank you, Mr. Chairman.

Unlike other constituencies, the federal government has a unique government-to-government relationship with Native American tribal governments that is enshrined in the U.S. Constitution, upheld by the U.S. Supreme Court case law, and reinforced by numerous federal statutes, treaties, and government-to-government agreements.

Advanced appropriations for the Indian Health Service would ensure that the trust responsibility is not abrogated by congressional indecision over the annual appropriations process. The most recent government shutdown caused significant jeopardy to the health and safety of Native Americans, due to the lack of funding for the IHS, BIA law enforcement, and other crucial BIA services.

With respect to the IHS, the shutdown destabilized Native health delivery and access to health care providers, damaging tribal government operations and impacting families, children, and individuals.

Nearly every year since 2003, the budget resolution has limited how much and for what purpose advanced appropriations can be made. Indian Health Service and BIA must be included in future budget resolutions to ensure these agencies, tribal governments, and urban Indian health care providers can continue to improve the quality of and expand access to health and other services.

Finally, as the senior member of the House Appropriations Subcommittee on Defense, I believe we must support a robust military force postured to meet the challenges and threats of the 21st century. Indeed, Congress has no greater responsibility than to provide for our military, with the training and resources it needs to meet growing security challenges around the world.

However, in the face of unprecedented fiscal challenges, a broader discussion and debate must take place that includes not only the cost of weapons systems, but the cost to sustain them over their life cycle. I urge you to consider these costs in your deliberations.

Mr. Chairman, this concludes my testimony. I thank you for your time and this forum in which I was able to present my views.

[The prepared statement of Tom Cole follows:]

Written Testimony of Representative Tom Cole

Wednesday, March 6, 2019

As a former member of the House Budget Committee, I have supported legislation that seeks to get our long-term fiscal house in order by balancing the budget and working toward eventually eliminating the national debt. I support the aims of the Budget Control Act, which I had hoped would have developed a solution to our long-term entitlement problems.

Of the more than \$3.7 trillion in federal government spending, about one third is spent on discretionary programs, those that Congress and the President can control. But without taking on the complicated task of reforming the other two thirds of government spending, we will bankrupt this great nation.

Commission on Long Term Social Security Solvency

Our country's major mandatory – or entitlement – programs (Medicare, Medicaid and Social Security) are a significant driver of our debt. CBO estimated last April that federal outlays in 2018 would total \$4.1 trillion —\$160 billion, or 4 percent, more than the amount spent in 2017.

Spending is projected to grow at an average annual rate of 5.5 percent over the coming decade, reaching \$7.0 trillion in 2028. Social Security, Medicare, and net interest account for more than two-thirds of that increase. According to the Boards of Trustees for Social Security and Medicare, both are due to become insolvent within the next 25 years if no changes are made.

I have introduced legislation, H.R. 289, that would put us back on a path towards fiscal balance. The bipartisan and bicameral commission would be required to come up with a plan to make Social Security solvent for 75 years. The commission would report its recommendations within one year of its first meeting, and it would take 9 votes for the report to be sent to Congress. At that point, the legislation would get expedited consideration and an up-or-down vote in Congress.

Making smaller changes to critical safety-net programs can prevent painful cuts to current beneficiaries if Congress acts now. Every year that we delay addressing the issue, the solutions become more expensive and more painful, and continue to put our children and grandchildren even deeper in debt.

Funding for Disease Prevention

As Ranking Member of the Labor, Health and Human Services, Education, and Related Agencies Appropriations Subcommittee, I am also supportive of robust funding for disease prevention. In Fiscal Year 2019, Congress increased the budget for NIH by \$2 billion, building upon three previous increases of \$2-\$3 billion each fiscal year. Congress has also maintained strong funding for the CDC's disease prevention programs, working to prevent chronic disease and address global health issues such as malaria and the AIDS epidemic.

As this Committee begins to consider the federal government's budget for the next fiscal year, I urge Committee members to support continued, sustained funding for these important agencies and programs. While the cost of research is high, the cost of doing nothing is higher.

For example, we spend \$2.3 billion at NIH researching Alzheimer's, a disease currently costing the Medicare and Medicaid programs \$186 billion annually. Nearly 30 percent of people with Alzheimer's and other forms of dementia are on Medicare and Medicaid. Per-person Medicare costs for Alzheimer's and dementia patients are triple that of people without Alzheimer's. Per-person Medicaid costs are 19 times higher.

Funding for this research leading to better treatment and prevention could help lower costs for the country. The same can be said for many other diseases and conditions. I hope this Committee views disease prevention funding for what it is: an investment that will generate tremendous benefits down the road.

Mandatory Budget IHS

Unlike other constituencies, the federal government has a unique government-to-government relationship with Tribes that is enshrined in the U.S. Constitution, upheld by U.S. Supreme Court case law, and reinforced by numerous federal statutes. Advance appropriations would ensure that the trust responsibility is not abrogated by Congressional indecision over the annual appropriations process.

There is a demonstrated need for such advance appropriations in Indian Country. The most recent government shutdown caused significant jeopardy to the health and safety of American Indians and Alaska Natives (AI/ANs) due to the lack of funding for IHS, BIA law enforcement, and other crucial BIA services. With respect to IHS, the shutdown destabilized Native health delivery and access to health care providers, damaging Tribal Government operations, and impacting families, children and individuals.

In September 2018, the Government Accountability Office (GAO) issued a report examining the feasibility for IHS advance appropriations (GAO-18-652). GAO found that IHS and Tribes are given significant administrative burdens due to the fact that the IHS must modify hundreds of contracts each time they operate under a continuing resolution. In addition, the GAO found that "uncertainty resulting from recurring CRs and from government shutdowns has led to adverse financial effects on tribes and their health care programs." The Congressional Budget Office has noted that enacting advance appropriations does not affect direct spending or revenue.

Nearly every year since 2003, the budget resolution has limited how much and for what purpose advance appropriations can be made. IHS and BIA must be included in future budget resolutions to ensure the agencies, Tribal governments, and urban Indian health care providers can continue to improve the quality of and expand access to health and other services.

Defense Budget

As a senior member of the House Appropriations Subcommittee on Defense, I am a champion of a strong national defense and returning fiscal discipline to the Pentagon. I support a strong military and believe one of my greatest responsibilities is to support a force postured to meet the challenges of the 21st century.

A long-term debt reduction plan remains the most divisive and elusive issue before Congress. In the face of unprecedented budgetary and fiscal challenges, I firmly believe that a broader discussion and debate must take place that includes not only the cost of weapon systems but the cost to sustain them over their lifecycle. Unfortunately, conflict is more likely now than ever before with our near peer and peer adversaries. While we have adapted to fight counter-insurgencies and terrorists over several decades, a shift to warfare in remote and austere environments, on multiple fronts and domains, will require immense resources to deter and defeat our adversaries.

A robust industrial base is vital to the national security of the United States and to military readiness. As defense budgets have declined, there has been a much-needed focus on the acquisition of new weapons systems to modernize the armed forces. However, little attention has been given to the inescapable fact that sustainment is 70-80 percent of the total lifecycle cost of a weapon system, according to the Department of Defense. Therefore, the ongoing health of the defense industrial base, in its entirety, also must be carefully considered.

The sustainment industrial base is comprised of both private sector and military facilities, each serving a unique and vital role in the maintenance, repair and overhaul of weapons, weapons systems, components, subcomponents, parts and equipment. As budget resources become scarcer, the military facilities and private sectors should focus on the areas in which each excel, entering into public-private partnerships (PPP), as appropriate, to save taxpayer dollars and increase readiness to the warfighter. Furthermore, the Department should learn from recent mistakes and failed policies which include the unnecessary furlough of working capital fund employees or managing by end strength. Workload should be one of the key drivers when managing depots, arsenals, and ammunition plants to ensure the lowest cost to the taxpayer.

Military depots are the backbone of the organic industrial base and are our nation's insurance policy against the tides of economic uncertainty, changes in the defense industry, and wartime demands. Additionally, military depots serve as the appropriate location to maintain command and control of most of our war fighting systems. The B-52 bomber program, among other examples, is a reminder that sustainment of weapons systems for decades beyond their initially projected lifecycle is here to stay and will be essential to meeting military readiness needs. Military depots have proven their value to the taxpayer for efficiently sustaining systems which are no longer profitable or no longer cost-effective to maintain in the private sector. During

peacetime or war, military depots meet military readiness requirements and provide critical and necessary skill sets on time and on budget.

Acquisition reform and a review of Goldwater-Nichols should reaffirm the value of military core statutes and the longstanding balance of workload between military depots and the private partners.

It is imperative that Congress confront the difficult budget decisions now, so that national security programs can continue to be funded at a level that ensures our armed forces are ready to meet any number of growing national security threats facing the United States. Congress has no greater responsibility than to provide our military with the training and resources it needs to meet the growing security challenges around the world.

Chairman YARMUTH. Thank you, Mr. Cole. And I believe the Ranking Member has a question of the witness.

Mr. WOMACK. So Representative Case, in his testimony this morning, I think, did a pretty good job of explaining the two choices that we have: feed the beast or starve the beast, or some sweet spot in between.

So my question of you, Mr. Cole, who happened to chair and now rank on one of the—arguably, one of the real important subcommittees—not that there—anything is less important than others, but Labor H is a very important subcommittee, it deals with a lot of things important to the American public.

And sometimes we get into big shouting matches and fights over spending, as a general term. But in the case of your subcommittee, there are—there is spending within that subcommittee, namely in NIH, that can actually bend the cost curve in the out-years on one of the key factors facing our budget, and that is health care expense.

So I want to give you just a moment to articulate just what happens when we are able to do really good research—whether you want to call it a moon shot or not—on something like an Alzheimer's, or some of these other great medical issues facing our country, and the impact they have, say, a generation or two from now.

Mr. COLE. That is a great question, as you know. You were Vice Chairman of that committee, and so you are—you know these topics better than most.

And let me just take the example you mentioned, of Alzheimer's. Currently, the federal government spends about \$257 billion a year, mostly through Medicaid, to look after Alzheimer's patients. And that cost is projected to go to \$1.1 trillion by 2050. So getting ahead of this, if you can just delay the onset—not just find a cure, just delay the onset, because this hits so many people late in life—you actually lower the cost by 42 percent, if you could delay it for five years. If you can cure it, obviously, that is the right thing to do, and humanitarian reasons. But it is the smart thing to do.

So on that committee in the last four years we have made that a priority, and we have literally quadrupled Alzheimer's research funding, going from \$500 million to about \$2.4 billion. And that has been done in a very bipartisan manner. Again, these are investments that Republicans and Democrats alike know will save them money.

You know, how much better—I am old enough, sadly, to have lived in a world where polio was pretty common. Now it is—there is fewer than 20 cases a year in the entire globe. That is a direct result of biomedical research. How many lives have been improved? How much money has been saved? You could go on and on. And we happen to be at the cusp right now of—because of the mapping of the human genome, where we are on the verge of extraordinary progress.

Now, I will tell you, in some cases, that is going to complicate your job, because we are going to live a lot longer. We already are. I mean the largest generation in American history is also going to live longer than any previous generation, and so that has created

problems for Medicare and Social Security. They just simply weren't anticipated.

That is why I would also urge you, while we do this research, to look at these fundamental safety programs. And I would remind you of the last time we did this, in 1983, Ronald Reagan was President, Tip O'Neill was our Speaker. They worked together. The proposal we have is actually very similar to the one that they enacted. And I think you would probably get, you know, a minor reduction in benefits and additional income into these systems, as well. We are going to have to look at both sides of these.

But again, disease research holds, honestly, the answer to many, many of our challenges in Medicare and Medicaid, long-term.

Chairman YARMUTH. I thank the gentleman. It is now an honor to recognize Ms.—oh, I am sorry, I am sorry.

Mr. HERN?

Mr. HERN. Yes. First, I want to thank my colleague from Oklahoma for being here today and testifying before us. I could not agree more that we have a major spending problem in this country.

You know, the Associated Press, ironically, just yesterday reported that from October through January government revenues totaling \$1.11 trillion—down 1.7 percent from the same period a year ago—but government spending was \$1.15 trillion, up 8.8 percent from the same period a year ago.

You know, as a lifelong business person, there is really only three things you can do to correct a financial problem. You either grow revenues, cut expenses, or some combination thereof. Under these current CBO projections, the federal government will collect the extraordinary sum of \$46 trillion over the next 10 years. No country in the history of this world has ever collected more.

And I guess my question is sort of a two-part. One is does this surprise you, that spending is up 8.8 percent, year over year?

Mr. COLE. It disappoints me. It doesn't surprise me. And, you know, again, I go back and where is it, you know, going up?

If you actually look at fiscal year discretionary spending in 2010 and define defense and OCO spending, overseas contingency—we are actually spending less today than we were nine years ago on defense. And on non-defense, we are actually spending—and this is after the budget agreements of last year—less than we were in 2010.

The difference is all mandatory programs and interest on the national debt. In 2010 the mandatory programs were, round numbers, about \$1.9 trillion. This year they will be about \$2.6 trillion. Then throw in the deficit, the interest on the debt, which back then was running around \$190 billion. This year it will be \$300-plus. I think \$312 is the latest number I saw.

So I think, you know, we have a lot of arguments about spending through the appropriations process. The real elephant in the room is the thing that nobody wants to talk about: What are you going to do to either sustain or, you know, reform Social Security, Medicare, and Medicaid? Those three programs are over 60 percent of all federal spending. So the idea we can balance the budget without going back and looking at things that are politically popular but fiscally unsustainable, I think is just a myth. And the longer we put it off, the worse the problem that you outlined is going to be.

Mr. HERN. Mr. Chairman, I agree with my colleague. And I think we all agree—and I appreciate my colleague from Hawaii and his comments, as well—it is our responsibility, as representatives of the people who fund our great government, that we have to be greater stewards of the taxpayer dollars. And I would appreciate the opportunity.

Chairman YARMUTH. I thank the gentleman and now recognize Mr. Burchett.

Mr. BURCHETT. Thank you, Mr. Chairman.

Mr. Cole, I will give you a little background. My sister-in-law has just recently been diagnosed with breast cancer, and she is going through all that.

And I would like you to—you research all the current things going on. I am wondering. How do we maybe not streamline, but how do we ensure that there is collaboration between these different groups that we are funding? Because it seems to me a lot of people are going down the same path that somebody else went down.

Is there any way to ensure with dollars that we provide these groups that are doing research—maybe these hospitals or universities—that they are, in fact, collaborating and they are not just re-inventing the wheel, and that we can find—it just seems to me there is a lot of waste. Maybe not waste, just duplication.

Mr. COLE. Well, I think that is a great question. We actually worked pretty closely with the NIH on this when I was Chairman, and I know our new Chairman, the gentlelady from Connecticut, Rosa DeLauro, will be taking that subcommittee out to the NIH.

We have hearings with them every year. We really do pay attention to this for exactly the reason that you mention. There is the risk of duplication.

Now, again, the research that they put out is all peer-reviewed. As Congress, we don't pick this or that research project. So we have kept the process bipartisan—it is very clean of steering money to our favorite institutions, or what have you. So I think both sides should be commended in that.

But we also, you know, are pretty clear with the NIH directors and the people at the various institutes, look, we have to see results for investments of this size. You have to use these dollars wisely.

And again, I would tell you—you mentioned cancer. What an awful thing. Sixty-five percent of the people that get cancer today—and 1.6 million Americans get it every year—are going to be cancer survivors. You want to compare the numbers 30 years ago to that, or 20 years ago?

So I am not going to tell you we haven't made mistakes, or gone down blind alleys. Frankly, blind alleys are part of research sometimes. But the reality is this is research that has made life better. And while disease—or, you know, research is expensive, just try disease. That is really expensive, the cost associated with that for any American that has the misfortune to have that and, frankly, the role the government rightly plays in trying to help them do that.

So again, I just tend to think, if you look dollar for dollar, these investments have paid off for the American people. But we will al-

ways be trying to make it more efficient and protect that very precious taxpayer dollar.

Chairman YARMUTH. I thank the gentleman. Now it is my honor to recognize Ms. Plaskett of the Virgin Islands for 5 minutes.

STATEMENT OF HON. STACEY E. PLASKETT, A DELEGATE IN CONGRESS FROM THE TERRITORY OF THE VIRGIN ISLANDS

Ms. PLASKETT. Thank you, Chairman Yarmuth and Ranking Member Womack, members of the committee. Good morning, and thanks for the opportunity to present a brief statement of my views about what the budget should look like for the upcoming fiscal year.

Budgets are moral documents. They are statements about what we want our future to look like, and where we are going to spend our resources. It sets the stage for whether this country will continue to lead.

I will start by saying that, over the long term, this will require cancellation of sequestration, rethinking current tax policy, modernizing our military, and investing in education, health care, infrastructure, and jobs.

I want to use the rest of my time to address specific areas of need, particularly in the U.S. Virgin Islands, and how your budget impacts those—the territories.

Congress does not always acknowledge the contribution of the territories to our nation. But the geographic importance of the territories and our own brain drain shows the contributions, along with our high participation rate in the United States armed forces.

Each of the territories has had at least one major disaster declared by the President in the last two years. Of course, we are all very familiar with the impact of Hurricanes Irma and Maria in the Virgin Islands and Puerto Rico. Recovery is still ongoing, and I applaud the excellent work that has been done. However, I would be remiss if I did not acknowledge—did not acknowledge how much work remains in order to fulfill the promise of full recovery and, indeed, begin rebuilding.

Many of the challenges are the result of factors beyond the control of government, such as geographic isolation. But some challenges we face are exacerbated by federal policies, which are within our power in Congress to change.

With an economy that primarily relies on tourism now, the Virgin Islands depends heavily on infrastructure. Given the catastrophic level of damage suffered, the recovery of our islands will hinge on the level of support from Congress to rebuild and maintain infrastructure, roads, and particularly our ports. The budget must call for a significant investment in infrastructure, with a piece of it geared toward assistance to rural and traditionally under-served areas, including the U.S. territories.

For example, the territorial highway program has been unfairly singled out in recent years for funding cuts, while states and the District of Columbia have received significant increases. I have continued to urge my colleagues to correct this inequity for years.

Along with transportation and other infrastructure, a great many of the schools in our country are in need—are at the end of their life cycle. School buildings, classrooms, equipment, among other

things, are crucial to our children's funding. A lack of significant infrastructure in school infrastructure in the Virgin Islands was an enabling factor in the resulting loss of a large percentage of schools after our storms in the Virgin Islands.

As of now, we still have many students who are living in temporary structures. And it would seem more fiscally responsible to put the money into the schools now, so that when ensuing and, God forbid, additional natural disasters occur, those schools are resilient and can continue to stand.

Another area of support in the budget makes fiscal and long-term responsibility is health care, specifically regarding Medicaid. The arbitrarily high local match required of the territories under Medicaid has imposed severe and unstable financial demands on the territory.

In addition, with overall federal Medicaid funding to the states and D.C. is open-ended, the Medicaid programs in the territories are subject to annual federal funding caps. Once the cap is reached, the territory must assume the full cost. Up to 30 percent of the population could lose access to Medicaid on September 3rd when the Affordable Care Act allotment expires, and access to Medicaid would be lost by the territories. Congress must act to prevent this potential calamity before September 30th.

That, along with CMS reimbursement rates from the 1980s, the Virgin Islands' lack of being able to be part of the DISH, the disproportionate share for hospitals, means that, for the hospitals in the territories, which were also destroyed in the hurricanes, we—they have a large portion of uncompensated care for those individuals who do not have Medicaid or health insurance in the territories.

The Islands and territories also face unique security threats, so funding for Coast Guard funding, Homeland Security entities, et cetera, are important.

I see that I am running out of time, but there are areas related to federal tax policy playing a crucial role, as well as increased funding to NOAA. Increasing funding for NOAA's Endangered Species Act, marine protection, essential fish habitation, consultations would—are necessary to address the backlog and permitting process, which negates us having an ability to have developments move forward in the territories.

I will submit a full written testimony, which has much more, particularly in the area of tax cuts, and the unintended consequences to the territories due to some of the tax laws. Thank you.

[The prepared statement of Stacey E. Plaskett follows:]

Testimony of Congresswoman Stacey Plaskett (VI)

House Committee on the Budget

Hearing: "Members' Day"

210 Cannon House Office Building

March 6, 2019. 10:00am

Chairman Yarmuth, Ranking Member Womack, members of the committee. Good morning and thank you for the opportunity to present a brief statement of my views about what the budget should look like for the upcoming fiscal year.

As we often hear, budgets are moral documents. They are a statement about what we want our future to look like, and where we are going to spend our resources. It will set the stage for whether this country will continue to lead. I'll start by saying that, over the long term, this will require cancellation of sequestration, rethinking current tax policy, modernizing our military, and investing in education, health care, infrastructure and jobs.

I want to use my time addressing a few specific areas, and in particular to speak to the concerns of the island territories of the United States.

Congress doesn't always acknowledge the contributions that the territories make to our nation. But the geographical importance of the territories and our high participation rates in the United States armed forces are clearly an integral contribution to our country.

Each of the territories has had at least one major disaster declared by the president in the past two years. Of course, we're all very familiar with the impacts of hurricanes Irma and Maria on the Virgin Islands and Puerto Rico.

Recovery is still going on and I applaud the excellent work that has been done. However, I would be remiss if I did not acknowledge how much work remains in order to fulfill the promise of a full recovery.

Many of the challenges are the result of factors beyond the control of the government, such as geographic isolation; but some challenges we face are exacerbated by federal policies, which are within the power of the Congress to change.

Firstly, with an economy that primarily relies on tourism, the Virgin Islands depends heavily on infrastructure.

Given the catastrophic level of damage suffered, the recovery of our islands will hinge on the level of support from Congress for rebuilding and maintaining infrastructure.

The budget must call for significant investments in infrastructure, with a piece of it geared towards assistance to rural and traditionally underserved areas, including U.S. territories.

The Territorial Highway Program, for example, has been unfairly singled out in recent years for funding cuts, while the states and D.C. have received

significant increases. I have been urging my colleagues to correct this inequity for years.

Along with transportation and other infrastructure, a great many of the schools in our country are at the end of their life cycle. School buildings, classrooms, and equipment, among other things, are crucial to our children's future.

America's public schools are the second-largest public infrastructure investment after roads and bridges, but investments in schools have lagged behind. Schools in the Virgin Islands are still in temporary units. So it is very important for the budget to call for increased investments in improving our schools.

We will also need significant investments in health care. Even before the disasters of the last two years, the healthcare systems in the territories were under great stress.

Specifically regarding Medicaid, the arbitrarily high local match required of territories under Medicaid has imposed severe and unsustainable financial demands on our territory.

In addition, while overall federal Medicaid funding to the states and DC is open-ended, the Medicaid programs in the territories are subject to annual federal funding caps. Once the cap is reached, the territory must assume the full cost of Medicaid services.

The annual federal capped funding has been supplemented by additional Affordable Care Act block grants since 2011; but the Virgin Islands and all other territories face the so-called fiscal cliff on September 30th of this year when these Affordable Care Act allotments expire.

Up to 30 percent of our population could lose access to Medicaid unless Congress takes action to eliminate the fiscal cliff. Congress must act to prevent this potential calamity well before September 30th, and this year's budget would be a great place to send that message.

The island territories are also faced with unique security threats, and we will need additional funding for advance customs clearances and for costs of collecting customs duties, and more support to counter drug and weapons trafficking that runs through our islands.

Lastly, I would like to discuss how federal tax policy relates to economic development on our islands. Federal tax policy plays a crucial role in creating the investment necessary to create more jobs outside of the tourism sector to generate sustainable economic growth and improve the territory's long-term fiscal health.

The current federal tax code is unfair to the territories in certain key ways that impair economic development and financial self-sufficiency.

Under the Internal Revenue code, the Virgin Islands is considered a foreign jurisdiction even though Virgin Islanders are U.S. citizens and Virgin

Islands businesses are American businesses. U.S. territories should always be treated more favorably than foreign jurisdictions under federal tax law.

But as a result of unduly harsh provisions in the code, stemming from the so-called American Jobs Act of 2004, the territories are treated worse than foreign jurisdictions. In particular, the revised income sourcing rules have inhibited our ability to attract new employers and create more jobs. I urge your support for modest corrective changes that I have proposed to remedy these inequities.

Furthermore, very importantly, the Tax Cuts and Jobs Act of 2017 disadvantaged U.S. investments in the Virgin Islands, especially with respect to new taxes imposed on so-called Global Intangible Low Taxed Income (or "GILTI"). I request committee's support for a technical amendment to provide parity for such investment in American sovereign territory.

Most of our hotels will not be fully reopened until 2020. We won't be getting any real tourism until after next year. We simply don't have that luxury of time. These tax policy fixes are very important.

Thank you for considering this testimony and for your support of your fellow Americans in the Virgin Islands.

Chairman YARMUTH. I thank the gentlelady for her testimony. Does anyone have a question of the witness?

Thank you very much.

I now recognize Mr. Olson of Texas for 5 minutes.

**STATEMENT OF HON. PETE OLSON, A REPRESENTATIVE IN
CONGRESS FROM THE STATE OF TEXAS**

Mr. OLSON. Thank you, Chairman Yarmuth. Thank you, Ranking Republican leader Womack, and every member of this important committee for allowing me to share my thoughts about the budget.

I come from the most diverse district in America. If the census comes through in 2020 as expected, election in 2022 in my home district of Texas 22 will be 25 percent, 25 percent, 25 percent, 25 percent divided equally between Hispanic-Americans, Asian-Americans, African-Americans, and Caucasian-Americans. Everyone in this—these groups have concerns, and some have fears about Medicare for all.

We all know the drivers of our uncontrolled national debt. It is three programs that we have to pay for. We made a promise. Social Security for retirees, Medicaid for less fortunate, and Medicare for senior citizens for their health. Medicare is in the worst shape of all those, financially.

Medicare for all destroys Medicare as we know it. It ensures a rapid bankruptcy, meaning Medicare for none. Medicare had a study. They put the target, the number, at \$32 trillion over 10 years for Medicare for all. New York Times, not the most conservative paper out there, has said, “Medicare for all will have increased possibly higher taxes for people on Medicaid, new taxes for people who pay for the insurance out of their pocket, Tricare for our veterans, gone. And private insurance through your employers, gone,” meaning the promise if you like your health care, you can keep it is being broken.

Leader of Medicare for all in the Senate, Senator Sanders, admits that his proposal will cost \$1.38 trillion per year. That is \$13.8 trillion over the 10-year budget window.

Our seniors know that expanding membership to Medicare, their exclusive program for their last years of lives, will lead to lower quality of care and less access to care. You can’t put bands of youngsters into Medicare without diminishing seniors’ care. The math just doesn’t add up.

In addition to risking Medicare for seniors, all people back home have asked me, the whole time I have been in Congress, over 10 years now, the same question: “If my family has to have a balanced budget, if my business has to have a balanced budget, if my local city government has to have a balanced budget, if my state government has to have a balanced budget, why in the heck does D.C. not have to have a balanced budget?”

And balanced budgets are hard. My old boss, Field Graham, had a great quote about balanced budgets. He said, “Balancing a budget is like going to heaven. Everybody wants to do it, but nobody wants to do what it takes to get there.”

When my party had control of this committee, we balanced our budget within the budget window. Some 10 years, some as low as seven years. Those were tough, tough votes. Tough, tough choices.

I ask this committee to please make your goal to balance our budget within the 10-year window. You don't need to have this committee balance the budget after the world ends in 12 years or after Jesus comes back. Make the tough choices now. Show the American people we get it.

I am happy to take some questions.

[The prepared statement of Pete Olson follows:]

**Congressman Pete Olson's Testimony
March 6, 2019**

Thank you Chairman Yarmuth. Thank you ranking Republican leader Womack and every member of this important committee for allowing me to share my thoughts about the budget.

I come from the most diverse district in America. The census comes through in 2020 is expected to be 25 percent, 25 percent, 25 percent, 25 percent divided equally between Hispanic, Asian, African and Caucasian Americans. Everyone in these groups have concerns or fears about Medicare for all. We all know the drivers of our uncontrolled national debt. Its three programs that we have to pay for. We made a promise. Social Security for retirees, Medicaid for less fortunate and Medicare for senior citizens for their health. Medicare is in the worst shape financially of the three. Medicare for all destroys Medicare as we know it. It ensures rapid bankruptcy meaning Medicare for none. Medicare has a study, they put the target number at 32 trillion dollars over ten years for Medicare for all. New York times, not the most conservative paper out there, has said, "Medicare for all will have increased possibly higher taxes for people on Medicaid, new taxes for people who pay for insurance out of their pocket, Tricare for our veterans...gone, private insurers through employers...gone. Meaning the promise "if you like your health care, you can keep it" is being broken. Leader of Medicare for all in the Senate, Senator Sanders admits that his proposal will cost \$1.38 trillion per year. That's \$13.8 trillion over a 10-year budget window. Our seniors know that expanding membership to Medicare, their exclusive program from their last years lives will lead to lower quality of care and less access to care. You can't put bands of youngsters into Medicare without diminishing senior's care. The math just doesn't add up. In addition to risking Medicare for seniors, all people back home have asked me, the entire time I've been in Congress over 10 years now, the same question: "If my family/business/local state government/state government has to have a balanced budget, why in the heck does D.C. not have to have a balanced budget?" And balanced budgets are hard. My old boss Field Graham had a great quote about balanced budgets, he says, "balancing a budget is like going to heaven, everyone wants to do it, but no one wants to do what it takes to get there." When my party had control of this committee, we balanced out budget within the budget window. Some 10 years, some only seven years. Those were tough, tough votes. Tough, tough choices. I ask this committee to please make your goal to balance our budget within the 10-year window. You don't need to have this committee balance this budget after the world ends in 12 years or after Jesus comes back. Make the tough choices now. Show the American people we get it.

Chairman YARMUTH. I thank the gentleman. Does anyone have a question for the witness?

Thank you very much, Mr. Olson.

Mr. OLSON. Thank you.

Chairman YARMUTH. Just so you know the order now, it is Mr. Malinowski, Ms. Johnson, Mr. Cohen, the next three witnesses.

Thank you both, Ms. Plaskett and Mr. Olson, and I now recognize the gentleman from New Jersey, Mr. Malinowski, for 5 minutes.

**STATEMENT OF HON. TOM MALINOWSKI, A REPRESENTATIVE
IN CONGRESS FROM THE STATE OF NEW JERSEY**

Mr. MALINOWSKI. Thank you, Chairman Yarmuth. Thank you, members of the committee. I want to raise a small number of issues that I think are particularly important to the 7th District of New Jersey, and I think important to the country, as a whole.

And the first is the need for a budget that invests in transportation infrastructure. In particular, public transportation. All of us, I think, know this, and certainly those of us who have traveled to other countries know this, that America's infrastructure, once the envy of the world, is losing its battle against time, growth, weather, and wear.

And no state suffers more from our under-investment in public infrastructure than New Jersey, where twice as many people use public transportation as the national average. To get to and from New York, 200,000 of us a day still depend on just two rail tracks across the Portal Bridge and through the Hudson River Tunnel, two structures that were a marvel when they were built in 1910, but are crumbling today.

If we fail to repair this vital transportation corridor in time, we will be dealing a crippling blow to the economy of our region and our country. Even a partial shutdown of these tunnels would disrupt not just passenger rail, but car and truck traffic up and down the east coast, making commutes virtually impossible for tens of thousands of people, diminishing property values, and driving away businesses in one of the most economically vital areas of our country.

And so I ask that the Budget Committee support significant investments in our nation's transportation infrastructure, particularly the all-important Gateway Project.

I also ask for full funding for the U.S. Army Corps of Engineers Flood-Risk Management Program. This is especially important to residents in my district. For years, homeowners near the Rahway River Basin and Green Brook Sub Basin in my district have lived under the constant threat that—of flooding that devastates businesses and homes whenever there are heavy rains. The last major flood was in 2011, when Hurricane Irene ravaged the east coast. The town of Cranford in my district lost 1,600 homes to significant damage. Funding would enable urgently-needed flood-control work to be done in these areas and others in similar situations.

In January, our mayors presented a proposed solution to the Army Corps of Engineers and are now pushing for a feasibility study to be completed. This will get us one step closer to authorizing construction on the Rahway River Basin, so that we never

again have to be pulling people out of second-story windows in the communities that I represent because of flooding that can be predicted and should be prevented.

Finally, Mr. Chairman, there is a profound debate that we are having in this very body right now about the words we speak and the example that we set when it comes to bigotry and intolerance. But it is not just what we say as leaders that matters; it is what we do as legislators. Anti-Semitic incidents surged by 57 percent in 2017, and overall hate crimes rose by 17 percent. In my district, white nationalist and anti-Semitic propaganda has appeared from community bulletin boards to graffiti in public schools. People whose minds have been poisoned by this extremism have threatened and committed brazen acts of terror, including the deadliest attack on Jewish Americans in our country's history.

We have invested enormous resources as a country to prevent foreign terrorists from conducting attacks on our soil, and we have been remarkably successful. We have devoted vastly fewer resources to preventing attacks by domestic extremists, even though they have claimed roughly as many lives as groups like al-Qaeda and ISIS within the United States since 9/11. The Trump Administration has actually proposed to cut funds for countering violent extremism at the Department of Homeland Security.

So let's make sure that our budgets for the Justice Department, including the FBI and for DHS, are adequate to meeting the threat that our citizens actually face from both foreign and domestic extremist groups, and that there is an expectation of greater parity when it comes to which are prioritized.

I look forward to working with you to shape our response to this and all the other challenges I mentioned. Thank you.

[The prepared statement of Tom Malinowski follows:]

Representative Tom Malinowski

March 6, 2019

Thank you Chairman Yarmuth and Ranking Member Womack. I appreciate the opportunity to testify in front of the House Budget Committee.

I'm here today on behalf of the 7th Congressional District of New Jersey to advocate for a fiscal year 2020 budget that invests in transportation and infrastructure, in particular public transportation.

America's infrastructure, once the envy of the world, is losing its battle against time, growth, weather, and wear. It is suffering from decades of underinvestment. No state suffers more from a lack of attention to infrastructure than New Jersey where twice as many people use public transportation than the national average. To get to and from New York, 200,000 of us a day still depend on just two rail tracks across the Portal Bridge and through the Hudson River Tunnel, two structures that were a marvel when they were built, in 1910, but crumbling today.

If we fail to repair this vital transportation corridor in time, we will be dealing a crippling blow to the economy of our region and country. According to the New Jersey, New York and Connecticut Regional Plan Association, even a partial shutdown of the tunnels would disrupt not just passenger rail, but car and truck traffic up and down the east coast, making commutes virtually impossible for tens of thousands of people, diminishing property values, and driving away businesses in one of the most economically vital areas of our country.

I ask that the Budget Committee fund significant investments in our nation's transportation infrastructure, including the Gateway Project.

I ask for full funding for the U.S. Army Corps of Engineers Flood-Risk Management Program. For years homeowners near the Rahway River Basin and Green Brook Sub Basin in my district have lived under the constant threat of flooding that devastates businesses and homes whenever there are heavy rains. The last major flood was in 2011 when Hurricane Irene ravaged the east coast. The town of Cranford was the worst hit with 1,600 homes sustaining damage. Funding would enable urgently needed flood control work to be done in these areas and others in similar situations.

In January, our mayors presented a proposed solution to the Army Corps of Engineers and are now pushing for a feasibility study to be completed. This will get us one step closer to authorizing construction on the Rahway River Basin, so that we never again have to pull people out of second story windows in the communities I represent because of flooding that can be predicted and should be prevented.

Finally, Mr. Chairman, we are having a profound debate in this body about the words we speak and the example we set when it comes to bigotry and intolerance. But it's not just what we say as leaders that matters; it's also what we do as legislators.

Anti-Semitic incidents surged by 57 percent in 2017, and overall hate crimes rose by 17 percent. In my district, white nationalist and anti-Semitic propaganda has appeared from community bulletin boards to graffiti in public schools. People whose minds have been poisoned by this extremism have threatened and committed brazen acts of terror, including the deadliest attack on Jewish Americans in our country's history.

Mr. Chairman, we have invested enormous resources to prevent foreign terrorists from conducting attacks on our soil, and we've been remarkably successful. We have devoted vastly fewer resources to preventing attacks by domestic extremists, even though they have claimed roughly as many lives as groups like al Qaeda and ISIS within the United States since 9/11. The Trump administration has actually cut funds for countering violent extremism at the Department of Homeland Security.

Let's make sure that our budgets for the Justice Department, including the FBI, and DHS, are adequate to meeting the threat our citizens face from both foreign and domestic extremist groups, and that there is an expectation of greater parity when it comes to which are prioritized. I look forward to working with you to shape our response to this and all the challenges I mentioned.

Chairman YARMUTH. I thank the gentleman for his testimony. Does anyone have a question of the witness?

Thank you very much. I am now pleased to recognize the chairwoman of the Science Committee, Ms. Bernice Johnson of Texas, for 5 minutes.

**STATEMENT OF HON. EDDIE BERNICE JOHNSON, A
REPRESENTATIVE IN CONGRESS FROM THE STATE OF TEXAS**

Ms. JOHNSON. Thank you very much, Mr. Chairman. And good morning to all.

Since submission of the President's fiscal year 2020 budget request has been delayed, it is obviously not possible to comment on its impact on the nation's research and innovation enterprise. However, if the Trump Administration's past budget submissions are any guide—and I fear that they are—this year's request will continue the trend of devaluing the important role that federal investments make in R&D and play in advancing our economy, preparing our workforce for the jobs of the 21st century, and maintaining our national security.

In the President's fiscal year 2019 budget request, we witnessed a troubling disregard for science, as massive cuts were made to vital research and development project funding. Unfortunately, we again expect to see more proposed cuts in crucial funding areas like R&D, innovation, education, and technology in the fiscal year 2020 request.

As a result, my highest priority request to the Budget Committee as it works to craft the budget resolution, is that we reject further cuts to civilian R&D and science and technology programs. And, indeed, I would hope that you would increase our federal R&D investments in these programs. The federal investments are vital to our scientific enterprise, and further cutbacks would put our nation's global competitiveness in jeopardy. We need to invest in our research agencies: NASA, NOAA, NSF, NIST, DOE, EPA, and others that enhance America's economic strength, address our national priorities, advance knowledge, and inspire our youth.

The Science, Space, and Technology Committee's budgetary priorities are laid out in more detail in the views and estimates that we will be submitting to the Budget Committee later this week. In view of the time constraints, I will just mention a few of them here today.

First, the Department of Energy funds a wide range of research, development, demonstration, and commercial application activities. Given the President's repeated promises to revitalize American infrastructure, and the need to transition to a clean energy economy, we believe strong investments across DOE's energy RDD&CA activities should be a top priority.

Second, though a few will point to the successes of the Environmental Protection Agency in protecting public health and the environment over the past 40 years as a reason to stop pushing for stricter limits on pollution, it is important to note that these protections must be sustained with robust funding for the Agency. Maintaining clean air and water, and protecting our most vulnerable populations from environmental contaminants is a continuing

endeavor. We must be investing more, and must be investing more in EPA, not less.

With respect to climate change, though our understanding of the physical drivers of climate change has improved, there is a clear need for continued sustained funding for research at agencies such as NOAA and NASA that—which will help inform robust solutions to one of our nation’s greatest challenges.

The National Aeronautics and Space Administration, or NASA, has long been recognized as the world leader in aeronautics and space research and exploration. We support robust funding that will allow NASA to maintain a balanced and healthy portfolio in programs in aeronautics, Earth and space science, technology development, and human spaceflight and exploration, as well as allowing investments in the infrastructure that will be required if NASA is to carry out the tasks our nation has given it.

We encourage the Budget Committee to maintain robust funding for NOAA across all line offices, especially for environmental data collection and scientific research needs to ensure the agency can continue to meet its critical mission.

It is also imperative that funding for the next generation of NOAA’s weather satellites be maintained to ensure that those satellite programs remain on track for successful development and launch.

The National Science Foundation is the only federal agency to support basic research across all fields of science and engineering. At a time of increasing global competition and national urgency in critical research areas like quantum science, artificial intelligence, the future of work, and climate change, NSF should be funded at levels that allow it to support the cutting-edge research that makes the U.S. the global leader in innovation.

NIST is one of the most important but underappreciated agencies in our government. The work NIST does with the relatively modest budget yields incalculable benefits to the competitiveness of U.S. industry across all sectors, while also protecting the security, privacy, safety, and well-being of all Americans. NIST is worthy—

Chairman YARMUTH. The witness could wrap up. Your time has expired. Again, if you could wrap up, that would be appreciated.

Ms. JOHNSON. Oh, I thank you, Mr. Chairman.

Chairman YARMUTH. Thank you.

Ms. JOHNSON. I simply ask for your sincere investigation and support for these areas. Thank you very much.

[The prepared statement of Eddie Bernice Johnson follows:]

STATEMENT TO THE BUDGET COMMITTEE
ON FY 2020
BUDGET PRIORITIES

HON. EDDIE BERNICE JOHNSON

March 6, 2019

Good morning. Since submission of the President's Fiscal Year 2020 budget request has been delayed, it is obviously not possible to comment on its impact on the nation's research and innovation enterprise. However, if the Trump Administration's past budget submissions are any guide—and I fear they are—this year's request will continue the trend of devaluing the important role that Federal investments in R&D play in advancing our economy, preparing our workforce for the jobs of the 21st century, and maintaining our national security.

In the President's FY 2019 budget request we witnessed a troubling disregard for science as massive cuts were made to vital research and development (R&D) project funding. Unfortunately, we again expect to see more proposed cuts in crucial funding areas like R&D, innovation, education, and technology in the FY 2020 request.

As a result, my highest priority request to the Budget Committee, as it works to craft its Budget Resolution, is that you reject further cuts to civilian R&D and science and technology programs, and indeed I would hope that you would *increase* our Federal R&D investments in these programs. The Federal investments are vital to our scientific enterprise, and further cutbacks would put our nation's global competitiveness in jeopardy. We need to invest in our research agencies: NASA,

NOAA, NSF, NIST, DOE, EPA and others that enhance America's economic strength, address our national priorities, advance knowledge, and inspire our youth.

The Science, Space, and Technology Committee's budgetary priorities are laid out in more detail in the Views & Estimates that we will be submitting to the Budget Committee later this week. In view of the time constraints, I will just mention a few of them here today.

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Agency (EPA) in protecting public health and the environment over the past 40 years as a reason to stop pushing for stricter limits on pollution, it is important to note that these protections must be sustained with robust funding for the Agency. Maintaining clean air and water, and protecting our most vulnerable populations from environmental contaminants, is a continuing endeavor. We should be investing more in EPA, not less.

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The National Aeronautics and Space Administration (NASA) has long been recognized as the world leader in aeronautics and space research and

exploration. We support robust funding that will allow NASA to maintain a balanced and healthy portfolio of programs in aeronautics, Earth and space science, technology development, and human spaceflight and exploration, as well as allowing investments in the infrastructure that will be required if NASA is to carry out the tasks our nation has given it.

We encourage the Budget Committee to maintain robust funding for NOAA across all line offices, especially for environmental data collection and scientific research needs to ensure the agency can continue to meet its critical mission. It is also imperative that funding for the next generation of NOAA's weather satellites be maintained to ensure that those satellite programs remain on track for successful development and launch.

The National Science Foundation (NSF) is the only federal agency to support basic research across all fields of science and

engineering. At a time of increasing global competition and national urgency in critical research areas like quantum science, artificial intelligence, the future of work, and climate change, NSF should be funded at levels that allow it to support the cutting edge research that makes the U.S. the global leader in innovation.

NIST is one of the most important but underappreciated agencies in our government. The work NIST does with its relatively modest budget yields incalculable benefits to the competitiveness of U.S. industry across all sectors, while also protecting the security, privacy, safety, and wellbeing of all Americans. NIST is worthy of additional support in the Budget Resolution.

Finally, the Department of Homeland Security Science and Technology (S&T) Directorate is responsible for providing the research and technology capabilities for the operational components of the Department.

For fiscal year 2020, we urge the Budget Committee to provide the level of funding necessary to fully support the work of the S&T Directorate.

Chairman YARMUTH. I thank the witness very much. Any questions of Ms. Johnson?

Mr. FLORES. Thank you, Mr. Chairman. I don't have a question, but I do want to make sure that we don't leave the wrong impression in the hearing record regarding the gentlelady's comments regarding research funding.

The President's budget has historically requested decreases in research funding. That said, Congress has actually increased funding in important basic research over the course of the last four years. So I just want to make sure the record reflects that Congress, on a bipartisan basis, has placed a priority on basic research funding.

Thank you. I yield back.

Chairman YARMUTH. I thank the gentleman and thank the witness.

I now recognize Mr. Cohen of Tennessee for 5 minutes.

**STATEMENT OF HON. STEVE COHEN, A REPRESENTATIVE IN
CONGRESS FROM THE STATE OF TENNESSEE**

Mr. COHEN. Thank you, Mr. Chair and members of the committee, Ranking Member Womack, and others, for providing us this opportunity to address congressional priorities.

Firstly, I would like to say that if you see a person's budget, you know what their—what they value. And I believe it is time that our budget aligns with the values of the American people, and the needs of the American people.

Defense spending is one of the primary areas of our budget, and takes a great deal of it. It is important, no question about it. But we have compelling needs at home that need prioritizing for more funding, even more so than defense. We must deal with, first of all, our own mortality. That is a special interest to each and every one of you, your own mortality. And a lesser-included part of that is our health care, our health experiences, our health care, and how we deal with that.

Secondly, we need to deal with education and educating our populous.

Third, get people jobs, and we do that through a good infrastructure program, which we need to fund. Our infrastructure is crippling, and it is important to get goods to market and to help our commerce and also to embrace diplomacy.

You know, the likelihood that—Congress also needs to end the school-to-prison pipeline, reduce recidivism, end the rape kit backlog, and support people who are getting clean from drugs. And we can do this by supporting programs in Commerce, Justice, and Science.

The likelihood of any one of us dying from heart attack, or heart disease, or stroke, or diabetes, or Alzheimer's, or AIDS, or whatever else is pretty darn good. The likelihood of us dying from a terrorist attack or in a war involving North Korea, Iran, or anybody else is pretty much nil. I am not saying we don't need a defense budget. But there is a whole lot of fat in that defense budget.

And the real enemy of the American people, out of all the people on the globe, is disease. And we need to do all we can to fight the disease. That is our real enemy. And the Defense Department against disease is the NIH and the CDC. And the more we can help

the NIH and the CDC and doing funding on these catastrophic diseases, the more we are prioritizing what the real enemy is, and what our real purpose should be: keeping people healthy and keeping them alive for a longer period of time, and keeping their relatives and their loved ones, et cetera, alive, too.

We need to maintain our safety nets: Medicare, Medicaid, just part of that health program. And food assistance programs also relates well to it. You don't have a good diet and you don't have an opportunity, you are going to have disease that is going to follow with it.

There are 15 million American households, 11.6 percent, who are food insecure, or were at some time during 2017. That means 40 million people, including 6.5 million children, live in food-insecure households. The wealthiest country on earth should not be letting people go to sleep hungry. So we need to support SNAP payments and any other payments. We have to see to it that people have a chance to get food. And we should try to eliminate food deserts and see that people can get fresh fruits, fresh vegetables, and eat better, not have a bunch of sodium-filled and carbohydrate-filled fast foods.

Congress needs to invest in diplomacy and foreign aid, as well. As our great former Secretary of Defense, Jim Mattis, said during testimony before the Senate Armed Services Committee, "If you don't fund the State Department fully, then I will need more ammunition, ultimately." So I think it is a cost benefit ratio. The more we put into the State Department's diplomacy, the less we have to put into the military budget as we deal with the outcome of an apparent American withdrawal from the international scene.

Diplomacy and foreign assistance saves service members' lives, and saves the United States government money by putting less soldiers in harm's way, and doing the right thing to try to head off crises before they occur. I believe it is contrary to what our priorities should be when the Department of Defense receives over half of our discretionary spending, and every other department and agency has to fight over the scraps of whatever is left.

I appreciate the opportunity to appear before you, and just stress all I can—and I know it is a special interest, a special interest to each of you individually and your families and to every one of your constituents, to make fighting disease and improving health outcomes the number-one priority of our budget, because that is what we need to be doing.

So I urge the committee to do this, and I thank you so much for your efforts and your time, and I look forward to many, many years from now, when Mr. Yarmuth retires and his picture will be up on the wall with Mrs. Black, Mr. Ryan, and Mr. Spratt, and others.

[The prepared statement of Steve Cohen follows:]

Congressman Cohen's Budget Committee Testimony

Chairman Yarmuth, Ranking Member Womack, I want to thank you for allowing members to testify about what we think Congress' priorities should be in Fiscal Year 2020.

People like to say, "show me your budget and I'll tell you what you value." I believe that it is finally time for our budget to align with our values. I believe that Congress needs to significantly increase non-defense discretionary spending and reduce defense spending.

Defense spending is important but there are compelling needs at home that need funding as much if not more. We must deal with our failing infrastructure, our poor health outcomes, and embrace diplomacy.

Congress should be doing more to end the school to prison pipeline, reduce recidivism, end the rape kit backlog and support people who are trying to get clean from drugs. We can do that by supporting the key programs in the Commerce, Justice, and Science appropriations bill.

Americans are far more likely to die from a heart attack, cancer, dementia, diabetes, and other diseases than from a terrorist attack or an active conflict.¹ We need to invest more in our real first line of defense, the National Institutes of Health and other health programs.

Congress needs to maintain and strengthen the social safety net. We must strengthen Medicaid, Medicare, and food assistance programs.

In 2017, 11.6% or 15 million American households were food insecure at some time during 2017. That means that 40 million people including 6.5 million children live in food-insecure households.² The wealthiest country on earth should not be letting people, especially children, go hungry.

Congress also needs to invest in diplomacy and foreign aid. As former Secretary of Defense Jim Mattis said during testimony before the Senate Armed Services Committee, "If you don't fund the State Department fully, then I need to buy more ammunition ultimately. So, I think it's a cost benefit ratio. The more that we put into the State Department's diplomacy, the less we have to put into a military budget as we deal with the outcome of an apparent American withdrawal from the international scene."³

Diplomacy and foreign assistance saves the United States government money, saves servicemembers' lives by not putting them in harms way, and is the right thing to do.

I believe that it is contrary to what our priorities should be when the Department of Defense receives over half of our discretionary spending and every other department and agency has to fight over the scraps of whatever is left.

I strongly urge the Budget Committee to increase the non-defense discretionary cap so that we can finally align our budget with our values.

¹ <https://ourworldindata.org/causes-of-death>

² <https://www.ers.usda.gov/topics/food-nutrition-assistance/food-security-in-the-us/key-statistics-graphics.aspx>

³ <https://www.usgic.org/blog/the-military-understands-smart-power/>

Chairman YARMUTH. I thank the gentleman very much for his testimony and that comment.

Any—yes, you are recognized for 5 minutes.

Mr. ROY. Thanks, Mr. Chairman.

Representative Cohen, just a couple of quick questions. I appreciate you being here and taking the time. We always have busy schedules during the day, so thanks for coming here and addressing the committee.

You outlined some of the issues that you believe are pressing and important, and things that we should prioritize, as a Congress. I share your concern about the well-being of the American people, and the health issues. You know, my dad is a polio survivor, I am a cancer survivor. You have got hundreds of stories, right, in your family network. We all do.

My question for you is you described the extent to which there is waste in defense. Would you also agree that there is waste in non-defense discretionary spending?

Mr. COHEN. There probably is, but I have not seen as outrageous reports as the reports I have seen over the years on defense, whether it is toilet seats on planes or other examples that have been cited, and cost overruns on airplanes.

Mr. ROY. Well, I think there are a significant number of reports that suggest there is waste throughout government. And I would agree with you, that there is waste in the Department of Defense. But I would say it is—I would suggest there is probably equally so in non-defense discretionary.

But here is my question. For any additional spending that you think is necessary for the CDC—you mentioned other health care priorities, fighting disease, all laudable goals in society—are you suggesting dollar-for-dollar cuts out of DoD in order to pay for any increases that you are suggesting there?

Mr. COHEN. I am, indeed, because I think it is our first line of defense, and it is the real enemy.

More than—I am a polio survivor, also.

Mr. ROY. Oh.

Mr. COHEN. Now, Dr. Salk and Dr. Sabin kind of took care of that.

Mr. ROY. Right.

Mr. COHEN. And Gates is a nice trio.

Mr. ROY. Sure.

Mr. COHEN. But, you know, you have got heart disease, stroke, you name it. And just pick up the paper any day and look at the obits. Those are people we lost, and they could have been put off.

We are all going to go eventually, but we can delay it, put it off, and make it better. And I just think that is our first priority.

Mr. ROY. Okay, I just wanted to clarify about what we are talking about here in order to get—you know, because we are sitting here looking at a \$1.3 trillion deficit, right, for the—this fiscal year, and—or, I am sorry, almost \$1 trillion of deficit spending this fiscal year. I am trying to look out and see, well, what are we going to do next year in order to control spending.

And so that is one option, right? If those who want non-defense discretionary to go up, they say, well, we want dollar-for-dollar cuts

in defense. If we want defense to go up, maybe dollar-for-dollar cuts in non-defense discretionary.

I guess my question for you is how do you propose we get a handle on spending and balancing the budget going forward if what you just suggested would be to increase non-defense discretionary, do dollar-for-dollar cuts out of defense? We are still going to be spending \$1 trillion more than we are taking in. So what—how—what is our way forward, when we are staring at \$22 trillion in debt?

Mr. COHEN. Well, there is a lot of ways. And I think revenue is a major way. And I think a lot of the tax cuts that we just passed were unnecessary, wasteful, didn't spur the economy on, it was a short blip. And we ought to put the taxes back on the wealthiest, wealthiest people. And while you know, what was proposed by one of my freshman colleagues might be a little high, the top rate ought to go up, because people who are earning over \$10 million, over \$20 million can and should pay more.

And the estate tax never should have been changed, even when the Democrats did it. It should go back to the level of \$3.5 million single exemption and \$7 million marital exemption. Sixty percent of the wealth in this country is passed through estate shifts, by inheritance. People ought to earn that money. You know, Ivanka Trump just said people don't want a handout, they would rather work and earn their own money, they don't want to be given something. But 60 percent of the wealth in this country is passed by inheritance, and that is where the estate tax comes in. And we could raise a lot of money there by putting it back to the right areas where we did, and not give tax breaks to the—

Mr. ROY. Do you think there is \$1 trillion of revenue on the table in tax increases?

Mr. COHEN. There certainly can be. We had \$1 trillion of deficit created because of tax decreases.

Mr. ROY. So the answer, then, what I am hearing, is increase non-defense discretionary, to cut defense, to increase taxes to the tune of a significant amount of money, upwards of \$1 trillion. That is the suggestion?

Mr. COHEN. You know, I am kind of like, I guess, Everett Dirksen, I think it was, and it might have been, you know, a million here and a trillion there, and you have got real money. I don't know trillions and billions. It could be billions. I don't want to go with trillions. But whatever it is, I mean, there is money that we gave away in the tax cuts, and there is money we gave to a bunch of people who are going to inherit money that they otherwise would not have when we reduce that rate.

The rate is the big thing. It is not the exemption level. It is the rate, going from 55 percent down to 35 percent. That gives the billionaire folks hundreds of millions of dollars to pass on—

Mr. ROY. So last—

Mr. COHEN.—don't want it, because they want to work.

Mr. ROY. With my time decreasing, I obviously believe that the tax cuts have paid for themselves, and the CBO report has suggested such. I think we have more than paid for the tax cuts that have been put in place to then generate the revenue that we are now seeing with three percent economic growth last year. So I

would, obviously, respectfully disagree. But I thank you for your time.

Mr. COHEN. You are welcome, sir.

Chairman YARMUTH. The gentleman's time has expired. I now recognize the gentlelady from North Carolina—

Mr. ROY. Thank you.

Chairman YARMUTH.—Ms. Adams.

**STATEMENT OF HON. ALMA S. ADAMS, A REPRESENTATIVE IN
CONGRESS FROM THE STATE OF NORTH CAROLINA**

Ms. ADAMS. Thank you, Chairman Yarmuth and Ranking Member Womack, for the opportunity to be with you today and to address the funding priorities of the House Agriculture Committee for fiscal year 2020. The committee succeeded in passing the 2018 Farm Bill in the waning days of the last Congress. Together with our Republican colleagues, we worked extremely hard to make sure that every program contained in this bill was an effective, transparent, and fiscally-responsible mechanism to improve the lives of all Americans. The bill was budget neutral, and it passed with overwhelming and historic bipartisan support. In the House more members voted for the 2018 Farm Bill than have ever voted for a farm bill in history. What we did in that legislation was done thoughtfully and with input from stakeholders across the country.

As the Budget Committee is aware, the 2018 Farm Bill directs USDA to implement a broad range of programs that deal with the process of producing food, fiber, and fuel across America. These programs include critical nutrition assistance for working families; new tools to prevent animal diseases; improved risk management for farmers; conservation and renewable energy incentives; forest management tools; foreign market development assistance; research into emerging crops like hemp; and resources for young, veteran, and under-served producers; support to combat opioid addiction and provide rural mental health services; and investment in academic research and innovation in our 1862, 1890, and 1994 land-grant universities.

Simply put, this bill contains programs that directly and indirectly serve every single American. These programs are critical, given the various situations so many in our agriculture industry face. And whether that is a challenge from volatile weather and potential livestock and plant pest and disease, or falling farm income due to trade disputes, the farm bill helps families in those rural communities deal with the adverse conditions facing them.

I do want to urge the committee to acknowledge the seriousness of these challenges and, through your process, maintain the fiscal commitments that we have made to fighting them through the farm bill in the coming year.

I thank you for the opportunity to be here and to address the committee. I am pleased to answer any questions you may have. Thank you, Mr. Chair.

[The prepared statement of Alma S. Adams follows:]

**Statement on Budget Views and Estimates before the House
Committee on the Budget**

Rep. Alma S. Adams, Ph.D., Vice Chair
House Committee on Agriculture March 6, 2019

Thank you Chairman Yarmuth and Ranking Member Womack for the opportunity to be with you today and to address the funding priorities of the House Agriculture Committee for fiscal year 2020.

The Committee succeeded in passing the 2018 Farm Bill in the waning days of the last Congress.

Together with our Republican colleagues, we worked extremely hard to make sure every program contained in this bill was an effective, transparent, and fiscally-responsible mechanism to improve the lives of all Americans.

The bill was budget neutral, and it passed with overwhelming and historic bipartisan support.

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What we did in that legislation was done thoughtfully and with input from stakeholders across the country.

As the Budget Committee is aware, the 2018 Farm Bill directs USDA to implement a broad range of programs that deal with the process of producing food, fiber, and fuel across America.

Those programs include critical nutrition assistance for working families; new tools to prevent animal diseases; improved risk management for farmers; conservation and renewable energy incentives; forest management tools; foreign market development assistance; research into emerging crops like hemp; resources for young, veteran and underserved producers; support to combat opioid addiction and provide rural mental health services; and investment in academic research and innovation at our 1862, 1890 and 1994 land-grant universities.

Simply put, this bill contains programs that directly and indirectly serve every single American.

These programs are critical, given the various situations so many in our agriculture industry face.

Whether that's a challenge from volatile weather and potential livestock and plant pest and disease or falling farm income due to trade disputes, the farm bill helps families in those rural communities deal with the adverse conditions facing them.

I urge you to acknowledge the seriousness of these challenges and through your process, maintain the fiscal commitments we've made to fighting them through the farm bill in the coming year.

Thank you and I am pleased to answer any questions you may have.

Chairman YARMUTH. I thank the gentlelady.

Any questions for the witness?

Thank you once again.

Just—I will review the order now for the next few witnesses. It is Ms. Miller, Ms. Scanlon, Dr. Bucshon, and Dr. Burgess.

Ms. Miller, you are recognized—from West Virginia—you are recognized for 5 minutes.

**STATEMENT OF HON. CAROL D. MILLER, A REPRESENTATIVE
IN CONGRESS FROM THE STATE OF WEST VIRGINIA**

Mrs. MILLER. Okay. Again, thank you, Chairman Yarmuth and Ranking Member Womack, for having me here today. It is my pleasure to be here.

Today I want to share with you issues that are critical to my district and the importance of having a budget that supports the health and well-being of our communities, while also being good stewards of taxpayers' dollars. I will focus my remarks on three central areas: career and technical education; the energy industry; and infrastructure.

Across the United States, career and technical education programs, known as CTE, have helped prepare students for the workforce. I am sure that many of you have seen this within your own districts. These programs incorporate what students are learning in the classroom and give them real-world applications by developing skills needed to enter the working world upon leaving high school.

In my home state of West Virginia, 37 percent of all students have completed at least one CTE program, and have earned more than 14,000 industry-recognized credentials.

Further, students who participate in CTE programs are more likely to graduate high school, as well. Whether during high school or after, as part of a continuing education, investing in CTE will help equip our children and grandchildren with the skills and knowledge they need to succeed. The demand for a skilled and educated workforce is continuing to grow, and programs like CTE help ensure we have the people ready to succeed in their journey in life.

It is no secret that the opioid crisis is devastating communities around the country, and especially in my home state of West Virginia. It has torn families apart and taken too many of our children. Along with the toll taken on family and friends, our opioid epidemic has taken too many out of the workforce. In addition to giving students the ability to enter the workforce, programs like CTE can help give young adults plans for the future, hope outside of drugs, and keep our students on a path towards success.

I also want to stress the importance for any proposed budget to protect our energy industry and those who work in it. West Virginia is an energy state. It employs our people and powers our communities. The previous Administration instituted regulations that devastated the coal industry in my state, and eliminated many precious jobs. We cannot go back down that road.

That is why I am worried about proposals like the Green New Deal. I urge the committee to not consider overreaching proposals such as this when crafting the budget of fiscal year 2020. Plans like the Green New Deal pose an imminent threat to the economy of my state and the livelihoods of my constituents.

In West Virginia nearly 30,000 people work in the energy industry, and 93 percent of our electricity comes from coal. I urge the committee to reject any proposals that would regulate the energy industry out of business.

We all have a duty to protect our planet and to leave our home better than we found it for our children and our grandchildren, so let's incentivize innovation, not taxation and regulation, when it comes to protecting our environment. We have lifted so many people out of poverty and built the America of the 21st century, but we still have much more to do.

In my district, companies are beginning to work on taking previously toxic material and transforming it into inert rock, pure clean water, and rare earth elements used in everything from pacemakers to cell phones. Again, we need a budget that incentivizes innovation that will deliver real solutions that we can implement today.

Finally, I ask the committee to include money for infrastructure in the fiscal year 2020 budget. Across the United States we have crumbling roads and bridges. My district lacks easy access to highways and interstates, which make it difficult for my constituents from the most rural parts of the third district to access services in more populous areas of the state. We need to innovate our infrastructure and invest in our roads, railways, and rivers to connect our state and transport our resources.

There is a great need all across the country to improve and maintain thoroughfares, while also enhancing safety. Any federal money towards infrastructure can have a positive economic impact in our local communities through increasing growth and creating jobs.

As an important part of infrastructure I also ask the committee to consider the inclusion of rural broadband in the fiscal year 2020 budget. Many communities across the United States lack reliable access to the internet.

I was pleased to see Facebook's announcement this week that it will be laying 275 miles of fiber in West Virginia. I know Governor Justice and Senator Capito worked tirelessly on bringing this project to fruition, and I hope we can continue efforts like this across the United States. Increasing connectivity in rural America can preserve the rural way of life, while also growing local economies, delivering a quality education, promoting tourism, and enhancing tele-health.

Thank you again, Chairman and Ranking Member Womack. Thank you.

[The prepared statement of Carol D. Miller follows:]

**House Committee on the Budget
Members' Day
March 6, 2019**

Congresswoman Carol Miller (WV-3)

Thank you Chairman Yarmuth and Ranking Member Womack. It is a pleasure to be here.

Today, I want to speak about issues critical to my district and the importance of having a budget that supports the health and wellbeing of our communities while also being good stewards of taxpayers' dollars. I would like to focus my remarks on three central areas: Career and Technical Education, the energy industry, and infrastructure.

Across the United States, Career and Technical Education programs, known as CTE, have helped prepare students for the workforce. I am sure many of you have seen it within your own districts. These programs take what students are learning in the classroom and give them real world applications by developing skills needed to enter the working world once they leave high school. In my home state of West Virginia, 37% of all students have completed at least one CTE program and have earned more than 14,000 industry recognized credentials. Further, students who participate in CTE programs are more likely to graduate high school as well. Whether during high school or after as part of a continuing education, investing in CTE will help equip our children and grandchildren with the skills and knowledge they need to succeed. The demand for a skilled and educated workforce is continuing to grow, and programs like CTE help ensure we have people ready to succeed in our economy.

It's no secret that the opioid crisis is devastating communities around the country and especially my home state in West Virginia, it has torn families apart and taken too many of our children. Along with the toll taken on families and individuals, our opioid epidemic has taken too many individuals out of the

workforce. In addition to preparing students to enter the workforce, programs like CTE can help give people plans for the future, hope outside of drugs, and keep our students on a path towards success.

I also want to stress the importance for any proposed budget to protect our energy industry and those who work in it. West Virginia is an energy state – it employs our people and powers our communities. The previous Administration instituted regulations that devastated the coal industry in my state and eliminated many precious jobs. We cannot go back down that road.

That is why I am worried about proposals like the Green New Deal. I urge the Committee to not consider overreaching proposals such as this when crafting the budget for Fiscal Year 2020. Plans like the Green New Deal pose an imminent threat to the economy of my state and the livelihoods of my constituents. In West Virginia, nearly 30,000 people work in the energy industry and 93% of our electricity comes from coal. I urge the Committee to reject any proposals that would regulate the energy industry out of business. We all have a duty to protect our planet and leave our home better than we found it for our children and grandchildren, so let's incentivize innovation, not taxation or regulation, when it comes to protecting our environment. We've lifted so many people out of poverty and built the America of the 21st century, but we still have so much more to do. In my district, companies are beginning to work on taking previously toxic material, and transforming it into inert rock, pure clean water, and rare earth elements used in everything from pacemakers to cell phones. Again, we need a budget that incentivizes innovation and can deliver real solutions that we can implement today.

Finally, I ask the Committee to include money for infrastructure in the Fiscal Year 2020 budget. Across the United States, we have crumbling roads and bridges. My district lacks easy access to highways and interstates, which makes it difficult for my constituents from the most rural parts of the Third District to access services in more populous areas of the state. We need to innovate our infrastructure and invest in our roads, railways, and rivers to connect our state and transport our resources. There is a great need all

across the country to improve and maintain thoroughfares while also enhancing safety. Any federal money towards infrastructure can have a positive economic impact in our local communities through increasing growth and creating jobs.

When discussing infrastructure, I also ask the Committee to consider the inclusion of rural broadband in the Fiscal Year 2020 budget. Many communities across the United States lack reliable access to the internet. I was pleased to see Facebook's announcement this week that it will be laying 275 miles of fiber in West Virginia. I know Governor Justice and Senator Capito worked tirelessly on bringing this project to fruition, and I hope we can continue efforts like this across the United States. Increasing connectivity in rural America can preserve the rural way of life while also growing local economies, delivering a quality education, promoting tourism, and enhancing telehealth.

Thank you again Chairman Yarmuth and Ranking Member Womack.

Chairman YARMUTH. I thank the gentlelady for her testimony. Any questions of the witness?

Mr. ROY. Just one quick question, Mr. Chairman, to my friend from West Virginia.

Thanks for being here today. Thanks for taking the time. Would you agree with the assessment that in the early 1870s the average American family spent about—more than 80 percent of its income on food, clothing, and shelter, and that today about a—after a roughly threefold increase in per capita energy usage, and a nearly fourteenfold increase in real per capita GDP, Americans spend a third of their income on these basic necessities?

In other words, is fossil fuels making lives better in this country and around the world?

Mrs. MILLER. Fossil fuels do make lives better.

Mr. ROY. And can I also ask if you would agree that, according to a 2015 report by the International Energy Agency, that an estimated 1.2 billion people, 17 percent of the global population, remain without electricity, and 2.7 billion people, 38 percent of the global population, put their health at risk through reliance on the traditional use of solid biomass for cooking, things like that? Do we make the world a lot better when we export our fossil fuels and our energy around the world?

Mrs. MILLER. Absolutely. It is most important.

Mr. ROY. Thank you, ma'am.

Mrs. MILLER. Thank you.

Chairman YARMUTH. I thank the gentleman. I am going to defer now—we have two members of the leadership who are going to—or at least scheduled to testify, so I am going to defer to them right now and interrupt the schedule.

So I recognize Assistant Speaker Luján for 5 minutes.

STATEMENT OF HON. BEN RAY LUJÁN, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF NEW MEXICO

Mr. LUJÁN. Thank you, Mr. Chairman. To our Ranking Member, thank you for the honor of being before the Budget Committee.

I also want to recognize Chairman Pallone of the Energy and Commerce Committee, who invited me to testify on the priorities of the committee for the 116th Congress.

The Energy and Commerce Committee has a broad mandate. Our work touches nearly every aspect of Americans' lives. That is why our committee knows there is much work to be done. We must address our changing climate, preserve an open Internet, rebuild our crumbling infrastructure, and ensure every individual in this country has affordable and high-quality health care coverage.

Our agenda will be ambitious. And, most importantly, it will ensure that all those living in the U.S. will be able to reach their full potential.

In this new majority it feels fitting to draw strength and wisdom from an extraordinary former dean of the House, our very own Chairman Dingell, who often said it is imperative that we not compromise public safety in the name of being penny wise and pound foolish. I cannot agree more.

Our budget must reflect serious, sustained investments to fight climate change. Climate change represents an existential threat to our future, our way of life, and our economy. We simply cannot wait any longer to act.

The federal government, our national labs, the universities are unique and invaluable resources that we must mobilize to address the climate change crisis, in partnership with state and local governments, and the private sector. The Energy and Commerce Committee will act to reaffirm America's role as the leader in the research, development, demonstration, and deployment of clean and renewable energies.

Our budget must also recognize the importance of a free flow of information. A free and open Internet has revolutionized the way we do business, changed how we learn and communicate with loved ones, and expanded our ability to access information. We must keep this innovative spirit alive, which is why the Energy and Commerce Committee will pass the Save The Internet Act to restore the net neutrality protections President Trump's Federal Communications Commission repealed.

We must also affirm our commitment to modernizing the nation's infrastructure to create jobs, promote economic growth, and protect public health and the environment.

The Energy and Commerce Committee will take action on legislation like the LIFT America Act, which makes key investments in modernizing an inadequate broadband system and the electric grid, in expanding renewable energy infrastructure and healthcare, and cleaning contaminated drinking water.

We will decisively act on health care. Our budget must make a steadfast commitment to ensure that every American can access quality health care, that every senior can afford their prescriptions, that every child is sent to a healthy school, that every person is covered, no matter their preexisting conditions.

The Energy and Commerce Committee is hard at work unraveling the sabotage done to our health care system over the last few years, and especially under the last two years with this current Administration. My colleagues are in the committee room right now, discussing how we can strengthen health insurance markets, enroll more eligible individuals, and decrease the costs of coverage.

But we won't stop there. While Republicans want to talk about what Americans can't have, Democrats want to talk about what Americans can be. We believe Americans can be healthy and prosperous, and how much money you make and where you live should not have a determination on your potential.

I want to conclude my testimony today by recognizing the importance of this moment. And while I am sure that Americans are not sitting on the edge of their sofas watching the budget hearing today, I want them to know that we are hard at work prioritizing the needs of the families, so that everyone can live a better life.

With that, Mr. Chairman, I yield back.

[The prepared statement of Ben Ray Luján follows:]

**Written Testimony of Representative
Ben Ray Luján**

Thank you, Chairman Yarmuth and Ranking Member Womack.

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Our agenda will be ambitious. And -- most importantly -- it will ensure that all those living in the U.S. will be able to reach their full potential.

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That **every senior** can afford their prescriptions.

That **every child** is sent to school healthy.

That **every person** is covered no matter their preexisting conditions.

The Energy and Commerce Committee is hard at work unraveling the sabotage done to our health care system by the Trump administration and congressional Republicans.

My colleagues are in the Rayburn room **right now** discussing how we can strengthen health insurance markets, enroll more eligible individuals, and decrease the costs of coverage.

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I want to conclude my testimony today by recognizing the importance of this moment.

And while I'm sure that Americans are not sitting on the edge of their sofas watching this Budget Committee hearing, I want them to know that we are hard at work prioritizing the needs of their family so that everyone can live a better life.

Thank you and I yield back.

Chairman YARMUTH. I thank the gentleman for his testimony. Any questions of the witness?

Mr. ROY. A quick question, thank you, Mr. Chairman.

Representative, thank you for taking the time for being here out of your busy day. I appreciate your time.

You rattled off a whole lot of priorities that I think were important for you, in terms of—whether it was preexisting conditions, sort of health care for all, and a number of different priorities.

What is your suggestion for paying for these things? We have a—you know, \$22 trillion of debt, and over, you know, a \$1 trillion deficit we are looking at. What do you view as the way that we pay for those things? Is it cuts out of defense spending? Is it tax increases? Or what are you suggesting?

Mr. LUJÁN. Mr. Chairman?

Chairman YARMUTH. The gentleman is recognized.

Mr. LUJÁN. I appreciate the question, Congressman Roy. Just as when Democrats worked to pass the Affordable Care Act, sadly, when it was passed on a—pretty much a partisan vote in the House, that was a piece of legislation that Democrats worked to ensure that there were pay-fors. As a matter of fact, it was going to save money. Our Republican colleagues did not accept that debate, the facts associated with Congressional Budget Office that were laid out that showed that was paid for.

So, going forward, I would hope that, as you characterize my priorities as mine alone, I would hope that these are shared priorities of both sides of the aisle in the Congress to help lower costs for the American people when it comes to health care, protecting people with preexisting conditions, as well as lowering prescription drug prices.

And in the same way that under the last Congress, under repeal efforts of the Affordable Care Act, that we do everything we can not to eliminate or completely gut Medicaid funding for the country, but that we actually look to bolster those initiatives, and that we find ways to pay for them.

Mr. ROY. Well, I appreciate that sentiment. I think that any number of the studies I have looked at for, you know, Medicare for all, or for other provisions that would talk about how we pay for health care, that—I have seen studies saying there is \$30 to \$40 trillion of costs that we deal with with respect to those kinds of plans. So that is what I am wondering, how we would pay for that.

My next question is on—with respect to climate change. You suggested that we have a crisis or, you know, a problem that we are facing with climate change that is somewhat existential. Do you believe that we are facing a apocalyptic kind of situation with climate change?

Mr. LUJÁN. Well, Mr. Roy, I know that you are also a supporter of our military, and concerned with the national security. And I would encourage you to read the briefings that are coming from the Department of Defense itself, as it pertains to the safety and security not just of our country, but of our soldiers.

Most people agree that we need to act on this. As a matter of fact, 98 percent of climate scientists agree the facts lead us where they need to.

I think you are also a supporter of NASA and NOAA. As we look at those important installations and the science and research that takes place, there alone present those opportunities for the American people to read. And if you look at what they say, important federal agencies that we all support through our budgetary investments, those are where the facts are.

I am not a climate scientist, but I like to understand the importance of the science and the research taking place. And look, when the Department of Defense, NASA, and NOAA, and climate scientists agree, it is something that the American people and the world should take notice of.

Mr. ROY. So if CO₂ is the problem, and if that is what you are suggesting, is that we have got a problem with respect to climate change, will you commit to pushing an all-nuclear power supply, which has—which would produce zero CO₂?

Mr. LUJÁN. Mr. Chairman, Mr. Roy, I think that when we are looking at reducing emissions there are many ideas that are on the table that will lead us to a reduced emission state. Currently, when you look at proposals, including those that have been objected to by Republicans, they also include generation from nuclear entities.

But I think that we should have an honest conversation about what this is, and what it is not.

Mr. ROY. So—

Mr. LUJÁN. And there should be agreement amongst all of us that we need to reduce pollution, just as we did with the problems we had in the 1990s, with the negative impacts to farmers across America with acid rain. When there were provisions put in place to reduce NO_x and SO_x in America, and the utilities and private-sector of America said that it would bankrupt them, they actually exceeded their responsibilities.

Mr. ROY. So—

Mr. LUJÁN. There is ways to get this done.

Mr. ROY. So from my perspective—and I will just wrap up, I know we got—need to move on—is just if we have a CO₂ crisis—I am not suggesting that we do or don't. But if those who suggest we do, it would seem to me that we want to push clean-burning natural gas, export clean-burning natural gas around the world, which you are doing, and the innovation which is driving down CO₂ production in America, 25 percent reductions, let's get it to India and China. And then let's adopt nuclear technology so that we can have zero emissions.

But yet I don't see that from those on the other side that might say that we are going to have an apocalyptic end times in 12 years because of CO₂ reduction.

I yield back.

Mr. LUJÁN. Mr. Chairman, if I just may, if Mr. Roy would—
Chairman YARMUTH. The gentleman may respond.

Mr. LUJÁN.—take a look at the renewable electricity standard piece of legislation that I have authored, and others, I think you might find that there is a reason that you should cosponsor it, sir. So I will be reaching out to the office of yourself and others and see if we could get you on board.

Mr. ROY. I am happy to look at any legislation that would advance the interests of the United States. Thank you.

Chairman YARMUTH. I thank the gentleman. His time has expired. The gentleman from Texas, Mr. Flores, is recognized.

Mr. FLORES. I thank you, Mr. Chair. I would just like the record to reflect that, in terms of the proposals that were laid out, the cost for the Green New Deal is roughly \$93 trillion. The cost of Medicare for all is \$40-some-odd trillion dollars, for a total of over \$136 trillion. The total wealth of every man, woman, and child in this country is \$108 trillion. I just wanted to show—I wanted the American people to know what the cost is of these programs versus the total value of the families in this country.

I yield back.

Chairman YARMUTH. I thank the gentleman. I thank the Assistant Speaker for his testimony.

And now I recognize the gentlelady from Pennsylvania, Ms. Scanlon, for 5 minutes.

STATEMENT OF HON. MARY GAY SCANLON, A REPRESENTATIVE IN CONGRESS FROM THE COMMONWEALTH OF PENNSYLVANIA

Ms. SCANLON. Thank you, Chairman Yarmuth and Ranking Member Womack. It is an honor to appear before you today in my role as Vice Chair of the Committee on the Judiciary.

The work of the Department of Justice, the federal courts, the Department of Homeland Security, and all of the programs overseen by the Judiciary Committee are vital to safeguarding the values upon which our country was built. While there may be disagreements with and sometimes sharp criticism of certain agencies, their leadership, or priorities, I believe we can all agree on the fundamental importance of their missions.

I urge this committee to fund these critical programs and agencies at levels appropriate to accomplish their important work. I would like to highlight a few specific funding priorities that I hope you will consider favorably.

To begin, we recommend funding the Executive Office for Immigration Review at a level that will address the overwhelming backlog of immigration cases. Perhaps no issue has caused more passionate debate in Congress than that of our country's broken immigration system. However, I trust we can all agree that, regardless of how we believe immigration policies must be reformed, fair and timely adjudication of cases is necessary both to ensure access to justice and effective enforcement of our laws. Therefore, we recommend that the office be funded at a level appropriately—appropriate to effectively administer its mission.

In addition, while the House has already demonstrated a commitment to addressing this country's gun violence epidemic through the passage of H.R. 8 and H.R. 1112, Congress can and must do more to ensure that guns do not fall into the hands of those who would commit violent acts.

To that end, we should increase funding for the Bureau of Alcohol, Tobacco, Firearms and Explosives, and allocate further resources to processing applications for regulated firearms in order to protect our communities.

In December Congress passed the bipartisan First Step Act to initiate urgently-needed reforms to our criminal justice system. Re-

ducing federal incarceration and providing prisoners with rehabilitative programs to end recidivism is both a moral necessity and a fiscally prudent move. Criminal justice reform, if funded at appropriate levels, will save money which can be invested to reduce crime and make our communities safer. Congress should fully fund the First Step Act and the Bureau of Prisons' efforts to expand rehabilitation reduction programs.

I would also like to call attention to the 9/11 Victims Compensation Fund, which announced that, without additional funding, it will be unable to continue fully compensating claimants. Congress originally enacted the fund to compensate injuries and death suffered in the September 11th terrorist attacks. Congress subsequently expanded the fund to include responders and survivors would have become ill and died following exposure to the toxic debris released in that attack.

Chairman Nadler intends to report H.R. 1327, which would authorize funding for the VCF through fiscal year 2090. We need to ensure sufficient funding so that first responders, survivors, and their families do not face financial ruin due to the ongoing health effects caused by 9/11 attacks.

And finally, I want to highlight the funding needs of the Legal Services Corporation, an agency with which I worked for over 34—30 years before coming to Congress last year. LSC, which provides civil legal representation to Americans living at or near poverty, has enjoyed bipartisan support since it was created in 1974. LSC funds legal aid organizations that cover every county in every state in our country, returning tax dollars back to communities to protect the most vulnerable: veterans and the elderly, children and domestic violence victims.

Civil legal aid is one of the best anti-poverty programs that our country has. It protects individuals from losing housing or benefits. It helps families stay together, and protects vulnerable family members from abusive relationships, so they all can remain healthy and productive, and contribute to our communities and economy.

Civil legal aid stimulates economic growth, saving millions of dollars that would otherwise be spent on health care, foster care, emergency shelters, and law enforcement.

These are only a few of the vital programs within the Judiciary Committee's jurisdiction. I trust you appreciate the important work of the departments overseen by Judiciary, and their critical role in ensuring the constitutional rights and procedural safeguards that have protected our democracy for over two centuries. Thank you.

[The prepared statement of Mary Gay Scanlon follows:]

**Statement of the Honorable Mary Gay Scanlon, Vice Chair of the Committee
on the Judiciary, for the Members' Day Hearing on the Fiscal Year 2020
Budget Resolution Before the House Committee on the Budget**

March 6, 2019

Chairman Yarmuth, and Ranking Member Womack – It is an honor to appear before you today as Vice Chair of the Committee on the Judiciary. I am pleased to discuss the Committee's priorities for the fiscal year 2020 budget resolution.

As you know, the Judiciary Committee's jurisdiction covers a vast array of federal agencies and programs with responsibility for federal law enforcement, our nation's immigration system, the administration of the federal criminal and civil justice systems, and the encouragement of innovation in the arts and sciences, among other matters.

The work of the Department of Justice, the federal courts, the Department of Homeland Security, and all the other federal entities and programs the Judiciary Committee oversees is vital to safeguarding the values upon which our country was built. While there may be disagreements with, and indeed sometimes sharp criticism of, certain agencies, their leadership, or priorities, I believe we can all agree on the fundamental importance of their mission. I urge the Budget Committee to fund these critical programs and agencies at levels appropriate to accomplish their important missions.

I would like to use the remainder of my time to highlight several funding priorities that I hope your Committee will consider favorably.

To begin, we recommend funding the Executive Office for Immigration Review at a level that will address the overwhelming backlog of immigration court cases. Perhaps no other issue has caused more passionate debate in Congress than that of our country's broken immigration system. I trust we can all agree that regardless of how we

believe immigration policies must be reformed, fair and timely adjudication of immigration cases is necessary both to ensure access to justice and effective enforcement of our nation's laws. Therefore, we strongly recommend the Office for Immigration Review is funded at a level appropriate to effectively administer the laws Congress has passed.

In addition, there are a number of criminal justice matters in need of Congress' attention. First, the Congress must address the scourge of gun violence afflicting the nation. In a given year, 120,000 Americans are shot during murders, assaults, suicides, unintentional shootings, or through police action, resulting in 35,000 gun related deaths. On any given day, an average of 34 Americans are murdered on account of gun violence. The House has already demonstrated a commitment to addressing this epidemic of gun violence through the passage of H.R. 8, the "Bipartisan Background Checks Act," and H.R. 1112, the "Enhanced Background Checks Act." Congress, however, can and must do more to ensure guns do not fall into the hands of those who would commit violent acts.

To that end, we should not only fund the Justice Department's relevant agencies and programs at appropriate levels to carry out their missions, but increase funding for the investigations and inspections functions of the Bureau of Alcohol, Tobacco, Firearms and Explosives, in addition to any further resources that may be allocated to the processing of applications for regulated firearms and related devices.

Second, Congress must do more to address criminal justice reform. In December, Congress passed a bipartisan measure—the First Step Act—to initiate urgently needed reforms to our nation's criminal justice system. Many states have already adopted policies to address both the injustices and fiscal concerns raised by incarceration. Reducing federal incarceration and providing prisoners with rehabilitative programs to end recidivism is not just a moral necessity, but will also generate substantial cost savings. Criminal justice reform, if pursued aggressively and funded at appropriate levels, will save money which

can be invested into other initiatives to reduce crime and make our communities safer. Congress should fully fund the First Step Act to further aid the Federal Bureau of Prison efforts to expand its recidivism reduction programs.

There are also a number of civil justice matters to which I would like to call attention here today. In February, the 9/11 Victims Compensation Fund announced it would be unable to continue fully compensating current and future claimants, and that responders and survivors would receive a 50% cut to awards for pending claims and a 70% cut to awards for future claims.

Congress originally enacted the Fund as an alternative to litigation and to compensate physical injuries and death suffered in the immediate aftermath of the September 11th terrorist attacks. Congress subsequently expanded the fund to include the thousands of responders and survivors that have become ill or died following their exposure to the toxic debris and chemicals released by the attack. In order to correct this injustice, Chairman Nadler intends to report H.R. 1327, the “Never Forget the Heroes: Permanent Authorization of the September 11th Victim Compensation Fund Act,” which would authorize funding for the VCF necessary to continue funding through FY 2090. We need to ensure sufficient funding levels so that first responders, survivors, and their families do not face financial ruin due to the ongoing adverse health effects caused by 9/11 attacks.

Finally, I want to highlight the funding needs of the Legal Services Corporation, an agency with which I worked for over 30 years before coming to Congress. LSC – which provides civil legal representation to Americans living at or near poverty – has enjoyed bi-partisan support since it was created in 1974. LSC funds legal aid organizations that cover every county in every state, returning tax dollars back to communities; protecting the most vulnerable – veterans, the elderly, and domestic violence victims. Civil legal aid is one of the best anti-poverty programs our country has as it protects individuals from losing housing

or veterans benefits, or from abusive relationships, so that they can remain healthy and productive workers, and contribute to our communities and economy. Civil legal aid stimulates economic growth, saving millions of dollars that would otherwise be spent on emergency shelters, health care, foster care, and law enforcement.

These are only a few of the vital programs within the Judiciary Committee's jurisdiction. I recognize that your Committee has many competing interests and I trust you appreciate the important work of the many federal agencies and programs entities overseen by the Judiciary Committee and their critical role in ensuring the constitutional rights and procedural safeguards that have protected our democracy for over two centuries. Thank you.

Chairman YARMUTH. I thank the gentlelady.
 Any questions of the witness?
 I now recognize the gentleman from Indiana, Dr. Bucshon——
 Mr. BUCSHON. Thank——
 Chairman YARMUTH.——for 5 minutes.

**STATEMENT OF HON. LARRY BUCSHON, A REPRESENTATIVE
 IN CONGRESS FROM THE STATE OF INDIANA**

Mr. BUCSHON. Thank you, Chairman Yarmuth, Ranking Member Womack. Thank you for giving me the opportunity to appear today before the committee to talk about the detrimental impact that Medicare for all would have on the federal budget and the health care of all Americans.

As you know, Medicare for all would establish a government-run, single-payer health care system that would completely upend the health care system as Americans know it today.

For example, H.R. 1384 would take away the health plans of more than 150 million Americans by prohibiting employers and unions from offering any competing health benefits; end Medicare as seniors know it today by eliminating Medicare Advantage plans, which are popular with seniors, and deliver higher-quality health care at a better price than traditional Medicare.

Medicare for all, which would be the only health care plan allowed under federal law, would only pay for treatments and services that the federal government determines are necessary or appropriate for the maintenance of health or for the diagnosis, treatment, or rehabilitation of a health condition. The result of this total government takeover of Americans' health care would place Washington bureaucrats, and not doctors and patients, completely in charge of the health care decisions of Americans.

Not only will Washington decide what health care services and treatments Americans can have access to, but it will effectively decide the physicians and health care providers that you can see.

Medicare for all would also authorize a government takeover of health care treatments by allowing the federal government to steal a company's intellectual property if the company and the federal government cannot come to an agreement on the price of a particular treatment. Not only would this completely do away with the constitutionally-protected right to intellectual property, but would likely have a chilling effect on innovation of new treatments and cures, as well as the associated good-paying jobs of tens of thousands at these companies, as America is the global leader in medical innovation.

Under Medicare for all, what company would spend tens of millions of dollars developing the latest medical breakthrough, only to see the federal government take it away?

Not only would Medicare for all be bad for the health care of Americans, it would be catastrophic for the fiscal health of the nation. Our nation is already on a spending-driven path to fiscal bankruptcy. On our current budget path, CBO's June 2018 long-term budget outlook projects that spending will exceed 25 percent of GDP by 2034, and debt held by the public will exceed 100 percent of the GDP even earlier in 2031.

Apart from a short-term, temporary period during World War II, federal spending and publicly-held debt have never reached these astronomical levels that we are projected to reach on a sustained and growing basis in the near future.

Medicare for all would accelerate our movement down this path. Under this plan, the federal government would foot the bill for 100 percent of all health care services and treatments. Beneficiaries would have no—have zero cost-sharing, meaning no deductibles, co-insurance, co-payments, or similar charges imposed on an individual for any benefits provided. By conservative estimates of a less comprehensive version of Medicare for all than the one I just discussed, and the one recently introduced in the House of Representatives, the plan would add approximately \$32 trillion over 10 years to the federal budget, which is approximately \$255,000 per American household, on average.

As humorist P.J. O'Rourke once said, "If you think health care is expensive now, wait until you see what it costs when it is free."

We know that our nation's long-term fiscal problems are structural and driven by the growth of mandatory spending, primarily Medicare and Medicaid. As a nation, we must find a way to get rid of—to get our health care costs under control, and not just the cost of insurance, the cost of the product, health care, in order to get off the path to national bankruptcy.

However, the only thing that Medicare for all would get us—would get under control is the health care decisions of Americans, centralizing them with Washington bureaucrats in a one-size-fits-all system. And a one-size-fits-all health care system ultimately fits no one, and it doesn't work with our budget.

Thank you for the opportunity to testify in front of your committee. I am open to questions.

[The prepared statement of Larry Bucshon follows:]

**Written Testimony
Larry Bucshon, M.D.
Member of Congress**

**Before the House Committee on the Budget
Hearing on Fiscal Year 2020: Members' Day
March 6, 2019**

Chairman Yarmuth and Ranking Member Womack,

Thank you for giving me the opportunity to appear today before the committee to talk about the detrimental impact that Medicare for All would have on the federal budget and the health care of all Americans.

As you know, Medicare for All would establish a government run, single payer health care system that would completely upend the health care system as Americans know it today. For example, Medicare for All would:

- Take away the health care plans of more than 150 million Americans by prohibiting employers and unions from offering any competing health benefits.
- End Medicare as seniors today know it by eliminating Medicare Advantage plans, which are popular with seniors and deliver higher quality health care at a better price than traditional Medicare.

Medicare for All – which would be the only health care plan allowed under federal law – would only pay for treatments and services that the federal government determines are necessary or appropriate for the maintenance of health or for the diagnosis, treatment, or rehabilitation of a health condition. The result of this total government takeover of Americans' health care would place Washington bureaucrats – and not doctors and patients – completely in charge of the health care decisions of Americans. Not only will Washington decide what health care services and treatments Americans have access to, but it will effectively decide the physicians and health care providers that you can see.

Medicare for All would also authorize a government takeover of health care treatments by allowing the federal government to steal a company's intellectual property if the company and the federal government cannot come to an agreement on the price of a particular treatment. Not only would this completely do away with the Constitutionally-protected right to intellectual property, but it would likely have a chilling effect on innovation of new treatments and cures – as well as the associated good-paying jobs of tens of thousands at these companies, as America is the global leader in medical innovation. Under Medicare for All, what company would spend tens of millions of dollars developing the latest medical breakthrough only to see the federal government take it away?

Not only would Medicare for All be bad for the health care of Americans, it would be catastrophic for the fiscal health of the nation. Our nation is already on a spending-driven path to fiscal bankruptcy. On our current budget path, CBO's June 2018 Long-Term Budget Outlook¹ projects that spending will exceed 25 percent of GDP by 2034 and debt held by the public will exceed 100 percent of GDP even earlier in 2031. Apart from a short, temporary period during World War II, federal spending and publicly-held debt have never reached the astronomical levels that we're projected to reach on a sustained and growing basis in the near future. Medicare for All would accelerate our movement down this path. Under this plan, the federal government would foot the bill for 100 percent of all health care services and treatments. Beneficiaries would have zero cost-sharing – meaning no deductibles, coinsurance, copayments, or similar charges, imposed on an individual for any benefits provided. By conservative estimates of a less comprehensive version of Medicare for All than the version recently introduced in the House of Representatives, this plan would add approximately \$32 trillion over a ten year period to the federal budget² – which is approximately \$255,000 per American household, on average. As humorist P.J. O'Rourke once said, "If you think health care is expensive now, wait until you see what it costs when it's free."³

We know that our nation's long-term fiscal problems are structural and driven by the growth of mandatory spending, primarily Medicare and Medicaid. As a nation, we must find a way to get our health care costs under control – and not just the cost of insurance – in order to get off the path to national bankruptcy. However, the only thing that Medicare for All would get under control is the health care decisions of Americans, centralizing them with Washington bureaucrats in a one-size-fits-all system – and a one-size-fits-all health care system ultimately fits no one.

¹ CBO [June 2018](#) Long-Term Budget Outlook

² <https://www.mercatus.org/bridge/commentary/medicare-all-plan-would-cost-federal-government-32-trillion>

³ <https://www.cato.org/publications/speeches/liberty-manifesto>

Chairman YARMUTH. I thank the gentleman. I just want to clarify. The bill you were talking about was the bill that Ms. Jayapal introduced last week, on Wednesday, and that \$32 billion cost was not based on that legislation.

Mr. BUCSHON. It was based on, by many people's estimations, actually a less comprehensive version, which means her version potentially could cost even more.

Chairman YARMUTH. We will see about—yes, we will see.

And just—and you are aware that there have been a number of other proposals to expand Medicare.

Mr. BUCSHON. Yes, right, you know, early buy-ins, and those things. I am just addressing the current Medicare-for-All proposal.

Chairman YARMUTH. Right.

Mr. BUCSHON. Primarily the one that was introduced in the House, but others.

Chairman YARMUTH. I thank the gentleman. The Ranking Member has a question.

Mr. BUCSHON. Yes, sir.

Mr. WOMACK. Both of the gentlemen seated at the table right now are physicians, providers.

So, Dr. Bucshon, just a quick question. I know you providers have studied these types of medical—or these types of health care programs through and through. What, in your opinion, would a Medicare for all, as we see it, whether it is filed in the bill that is before the Congress right now, or some of the other provisions, what would a Medicare for all, a government-run, single-payer health care system do to the incentive for the bright young men and women of our country to enter the health care professions, when they have a lot of other options.

Mr. BUCSHON. Right.

Mr. WOMACK. Because of their—

Mr. BUCSHON. Well, I mean, it would dramatically change that. I mean, as you probably know, people that go into medicine tend to be entrepreneurial types, many of them, and they want to work in a system that allows them to practice medicine and have the control of the medical decision-making based on their expertise and the input from the families and the patients. And I think that would be dramatically hindered under this plan.

Essentially, every medical provider in America would now be a government employee. Some estimates say that there would be a 40 percent or so reduction in reimbursement and income level to health care providers, particularly physicians, which would dramatically decrease the incentive for any young person who has a lot of options to enter the health care field. So I think it would dramatically decrease the incentive for people to enter health care.

Chairman YARMUTH. Anyone else have a question?

Mr. JOHNSON?

Mr. JOHNSON. Thank you, Mr. Chairman.

And Dr. Bucshon, this is probably going to sound a little bit redundant, but I want to dig just a little bit deeper.

You know, the focus of the media has been on the Medicare for all proposals that have come out of the House and the Senate. But there are other Democrat proposals that would expand the role of government in health care through a Medicare buy-in. What are

your views on how these plans will affect patients, physicians, and facilities?

Mr. BUCSHON. Again, very similar to my answer to the Ranking Member, I think you are—you know, first of all, from a fiscal budgetary standpoint, I just don't see, without dramatic tax increases—in our current system, if we don't get the overall cost of health care down, how it would be—put us on a sustainable path.

And so—and the other thing is I think it is a stepping stone to Medicare for all. I mean it is a—I think many of these plans are introduced as an incremental advancement down that pathway. And so, you know, it would, again, cause long-term fiscal problems with the country, it would put health care under—for more and more people, under the control of the federal government.

And my main concern as a provider is that that takes away the control of health care decision-making from the patient, the family, and the physician. And it would just be detrimental, in my view, to the overall sustainability of our system, as a whole.

Mr. JOHNSON. Okay, thank you. I yield back.

Chairman YARMUTH. I thank the gentleman.

Thank you, Mr. Bucshon.

Mr. BUCSHON. Thank you.

Chairman YARMUTH. Now I recognize Dr. Burgess from Texas for 5 minutes.

**STATEMENT OF HON. MICHAEL C. BURGESS, A
REPRESENTATIVE IN CONGRESS FROM THE STATE OF TEXAS**

Mr. BURGESS. Thanks, Chairman, for the recognition. Thank you for doing this Member Day, Mr. Womack. I have attended these before when you were chair, I have enjoyed them.

I like what you have done with the place. It certainly seems to have—I guess it was included in the budget.

I want to share my thoughts about the budget resolution for fiscal year 2020, and concerns about this committee's interest in pursuing single-payer, government-run health care.

Health policy has a budgetary component, I accept that. But on the policy side, our committee, the Committee of Energy and Commerce, is one of the principal committees of jurisdiction that involves itself deeply in the genesis and management of health care policy.

Look, the Democrats' one-size-fits-all, government-run, single-payer health care bill would be an epic fail to provide access to quality health care for Americans. I hope I will have the opportunity to answer the questions Mr. Womack and Mr. Johnson and Mr. Roy—I would appreciate your question, as well.

But this plan will lead to a massive tax increase. It will eliminate private insurance. And it will accelerate the pending bankruptcy in the already dwindling Medicare Trust Fund.

The constituents in my district are struggling. They are struggling to afford their health insurance. And I am sure my district is not the only one where people come in to me complaining about their high premiums and their high deductibles. What good is health care insurance if you are afraid to use it because you cannot afford your copay or your deductible? This is an issue that I would like to see us tackle, and I am confident that a government-run,

single-payer health care system would only further erode our nation's health care.

I am the son of a physician, a physician who chose to leave Canada's government-run health care system behind for the United States. I worry that the central state control of health care as it exists in other countries would be damaging to the doctor-patient relationship.

As a physician, I do not believe that the government should interfere or hinder a doctor's ability to act in the best interest of his or her patient. I wish the concept of a government dictating a physician's practice and decisions was unthinkable. However, I find myself here today having to deconstruct the idea of further government control of health care.

A proposal by one of the members of your committee would implement the global budget. And once that is set, hospitals and institutions would be required to stick to it. You know, that sounds like a block grant. Maybe that is a good thing.

But there is another part of the bill that talks about making this expenditure an entitlement, so I am a little confused. Is it a block grant or is it an entitlement? And, as this committee knows better than any committee in the United States House of Representatives, the thing that is driving our debt and deficit is that expenditure which is already baked into the cake over which we have no control; it is that 67 percent of the budget that is on auto-pilot. It is on automatic spending.

Today we should be focusing on parts of health insurance—the insurance market that are working for Americans. According to a survey from America's health insurance plans, over 70 percent of Americans are satisfied with employer-sponsored health insurance. And it provides robust protections for individuals.

And guess what? There is no prohibition on covering—or there is a prohibition on failing to cover preexisting conditions. And that is not the Affordable Care Act, that is the ERISA law. That is Senator Javits's legislation from 1973.

Quite simply, the success of the employer-sponsored insurance market is not worth wiping out with single-payer health care. Since President Trump took office, the number of Americans having employer-sponsored health insurance is between 2.5 and 5 million more than it was over—just a little over two years ago. That is more than at any time since 2000. Democrats want to abolish that type of insurance entirely.

Look, I was the senior policy advisor, health policy advisor, for Senator McCain's presidential campaign. Senator McCain proposed a plan that would impact ERISA plans, and I learned firsthand that is not something that you want to mess with. People don't take kindly to you changing their employer-sponsored health insurance.

So, instead of it building on the success of our existing health insurance framework, this radical, single-payer, government-run system would tear it down. It would eliminate employer-sponsored health insurance, private health insurance, and popular Medicare Advantage plans.

The single-payer health care system would be another failed attempt at one-size-fits-all. Americans are all different, and a single-

payer health care system will not meet the varying needs of each and every individual. Single-payer is not one-size-fits-all, it is one-size-fits-no-one.

I would be happy to take your questions.

[The prepared statement of Michael C. Burgess follows:]

Congressman Michael C. Burgess, M.D.
Testimony
Budget Committee Members' Day Hearing
March 6, 2019

Thank you, Chairman Yarmuth and Republican Leader Womack, for allowing me to share my thoughts this morning about the Budget Resolution for Fiscal Year 2020. I would particularly like to express my concern about this Committee's interest in pursuing single-payer, government-run health care. This is not a budget item, but one that should move through a transparent, regular order process at the Committees of jurisdiction, including the Energy and Commerce Committee.

The Democrats' one-size-fits-all government-run, single-payer health care bill would epically fail to provide access to quality health care for Americans. This plan would lead to a massive tax increase, eliminate private insurance, and bankrupt the already-dwindling Medicare trust fund.

The constituents in my district are struggling to afford their health insurance, and I am sure that my district is not the only one suffering from sky-high premiums and deductibles. What good is health care insurance if you are afraid to use it because you can't afford your deductible? This is an issue that I would like to see us tackle, and I am confident that a government-run, single-payer health care system would only further detriment our nation's health care.

As the son of a doctor who chose to leave Canada's government-run health care system behind for the United States, I worry that central state control of health care as it exists in other

countries would be damaging to the doctor-patient relationship. As a physician, I do not believe that the government should hinder a doctor's ability to act in the best interest of his or her patient. I wish the concept of government dictating a physician's practice and decisions was - unthinkable. Alas, I find myself here today having to deconstruct the idea of further government control of health care.

Ms. Jayapal's proposal would implement a global budget, and once that is set, hospitals and institutions would be required to stick to it for all outpatient and inpatient treatment. That is what terrifies me. What happens if the budget runs out? Are patients told "sorry, we ran out of money, try again next year?" I also would expect that of all the Committees in the House, this very Committee would know better than to create an additional entitlement program and devolve further power to the executive branch.

Today, we should be focusing on the parts of the health insurance market that are working for Americans. According to a survey by America's Health Insurance Plans, 71 percent of Americans are satisfied with their employer-sponsored health insurance, which provides robust protections for individuals with pre-existing conditions. Quite simply, the success of the employer-sponsored insurance market is *not* worth wiping out with single-payer health care. Since President Trump took office, the number of Americans in employer health coverage has increased by more than 2.5 million. In fact, today there is a greater percentage of Americans in employer health coverage than at any time since 2000. That's why I am thoroughly astounded – though not surprised – that House Democrats want to abolish that insurance option entirely. Having been a surrogate on the campaign trail for Senator McCain in 2008, who proposed a

policy that would impact ERISA plans, I learned first hand that touching individuals' employer plans is not well-received.

Instead of building upon the successes of our existing health insurance framework, the Democrats' radical, single-payer, government-run policy would tear it down. It would eliminate employer-sponsored health insurance, private insurance, and popular Medicare Advantage plans for seniors.

There is no question that this policy could be catastrophic for American patients today and for generations to come. Under this policy: you cannot keep your doctor, you cannot keep your insurance, you cannot keep your personal liberty. It effectively would end all the parts of our health care system that are working for the American people.

Quite simply, single-payer health care would be another failed attempt at a one-size-fits-all approach to health care. Americans are all different and a single-payer health care plan will not meet the varying needs of each and every individual. Single-payer is not one-size-fits-all, it is really one-size-fits-no-one.

Chairman YARMUTH. Does any member have a question of the witness?

Ranking Member?

Mr. WOMACK. Dr. Burgess, the same question I ask of Dr. Bucshon, and that is what, in your opinion, are the second and third-order effects of a Medical for all in whatever form in the provider community?

Mr. BURGESS. How much time do you have? Look, people don't hazard big things for no gain.

It is true that some of us who went into medicine went in for the most altruistic of reasons, we wanted to help our fellow man, and it really wasn't a concept of earning a good living in that profession. It is because it was what I was—almost as if it was in my DNA. It was what I was born to do. I am the son of a physician, my grandfather was a physician. That is what I was destined to become.

However, as we have seen today, I mean, it costs a lot of money to go to medical school. I mean our students are finishing medical school and their residency with crushing amounts of debt. You can't expect them to take on that kind of liability, which basically will subjugate them the rest of their lives, if you are not willing to pay the freight on the other end, on the compensation side.

And as we heard from Dr. Bucshon, the expectation is that in a single-payer, government-run system, where there is no—you just take—you know, you become a price-taker. You take what they are spending.

And also, I think the bigger question is what would you do to actually make things better? And this is what I never understood. And, of course, I wasn't involved when the Affordable Care Act was written. I wasn't invited into those closed-door sessions. But when you look at the success of the employer-sponsored health insurance in this country—and again, over 70 percent now covered with employer-sponsored health insurance—the favorability rate is off the charts high. And you will find that out when you go to take it away from people, because they will be mighty upset.

Why did we not look at expanding the availability of that type of insurance? In the individual market it is an entirely different situation. And so, for those individuals in the individual market, yes, they do have exclusions for preexisting conditions, there are things where the insurance companies have made some rules that are perhaps not consistent with good health and benefits.

However, this House, or the House under Republicans, almost every year that I have been in service here has passed a bill that dealt with association health plans. Association health plans would allow small-group markets and individual markets to buy into—to pool together and buy into those large-group markets with ERISA protections, protections against exclusions for preexisting conditions that have been in existence since 1973.

Why wouldn't we have done that, rather than what was done? And the answer to that question is do you want the individual or the individual, in concert with their employer, to be in charge of their health care? Or do you want the government to be in charge?

And if the answer is you want the government to be in charge, then no, you don't care anything about employer-sponsored health

insurance, and you are willing to take it away from people, even at some political hazard and peril. And I guarantee you there is political hazard and peril if you go down that road.

But why wouldn't you provide something that people actually like, and what people actually want? The big fail of the Affordable Care Act is that you provide a subsidy and a mandate, and you have destroyed, of course, the market. Why would an insurance company sell me something that I actually wanted to buy, when I have got to buy what they are selling under penalty of law, or I am going to get a big fine?

That is what is so baffling about the system that we find ourselves with today. And we are going to make it worse.

Mr. WOMACK. I thank the gentleman.

Mr. BURGESS. Thank you.

Chairman YARMUTH. Thanks. Mr. Johnson?

Mr. JOHNSON. Dr. Burgess, you are not very passionate about these things, are you?

Mr. BURGESS. Well, I think about it from time to time. But otherwise, I am just worried about how we broke the Internet and it doesn't work any more.

Mr. JOHNSON. Yes. Well, I appreciate your passion. You—our Republican Ranking Member, Republican leader, asked the question about how it will affect—how Medicare for all will affect the provider community. And you are a member of that provider community.

What happens to the patient? I mean if we see what many are projecting could be as much as a 40 percent decrease in payments to providers under a Medicare for all scheme, which will not cover the costs of operating their practices, what is that going to mean for the millions of Americans that call themselves patients?

Mr. BURGESS. Well, let me take this in two parts. First off, just the effect on the practice of medicine. I thought it would take longer for the deleterious effects of the Affordable Care Act to affect my profession. It was astonishingly fast. And I don't know whether it was by design, or it was a defect in the Affordable Care Act. The facilitation of consolidation in the health care market place, doctors purchasing medical practices really has taken off.

I get it, why a doctor would enter that type of—it is just too darn much trouble. I am having to, you know, spend all my energy trying to take care of sick people, and I don't have time to deal with the insurance companies and every other aspect. The hospital wants to buy my practice at a tidy sum. I will sell it to them, and I will just work for them.

But here is the problem with that. Our contract is always with the patient. It is not with the hospital, it is not with the government. No man can serve two masters. You are—as a physician, my contract must be with the patient. I must always keep the patient's best interest at the front of my mind. Because if I don't, if I am only worried about what it is going to cost the hospital, or how can I make more money for the hospital—perhaps there are some additional tests that could be ordered. Perhaps the cost of the whole system, upward—it is not in the best interest of the patient to have the doctor working for anyone but the patient. And that is one of the things that I think we have to keep in mind.

Mr. JOHNSON. This is a little bit anecdotal, and I know that is dangerous in a hearing, to go—

Mr. BURGESS. The plural of anecdote is data.

Mr. JOHNSON.—anecdotal, but, I mean, life expectancy in the United States has tremendously increased over the last four or five decades, you know? I mean, you know, we talk about Medicare and Social Security. And when those programs were put in place, people were living into their 60s. Now people are living into their 80s, 90s, and, I mean, I got people in my district that are popping 100.

There is something working in America's health care system that Americans are living longer because of improved health outcomes. Why do we want to tear that down?

Mr. BURGESS. I don't have an answer for you, because it doesn't seem wise.

I did hear Mr. McGovern make the statement that life expectancy was decreasing. There is no question—and you know this—the opioid epidemic has, in fact, had an impact—

Mr. JOHNSON. Oh, sure.

Mr. BURGESS.—on life expectancy in this country. But the general thesis that you are putting forward is absolutely correct. And, you know, we just had that hearing on vaccines in our committee. We forget the number of children we used to lose to vaccine-preventable injury just—you know, just a few short years ago. And those lives are not lost today.

This—not this Congress, but the United States House of Representatives passed a big bill right at the end of 2016, right at the end of the Obama Administration. It was signed into law by President Obama—I think it was one of his last bills—called Cures for the 21st Century. You know we worked on that in our committee for several years. And you think about the number of big breakthroughs that are just tantalizingly close, and Cures was to bring them even closer and deliver them to patients so they can begin making an impact in their lives.

I look at that through a provider's eyes and say, no, this generation of doctors that is coming up, they are going to have tools at their disposal to alleviate human suffering that no generation of doctors has ever known. That is the good news. And we, the United States of America, the United States House of Representatives, is making that investment and bringing those things ever closer. And that is a good thing, and we should all celebrate that.

We are going to have to figure out, on some of the cost parameters, as we saw with the breakthrough drug that cured Hepatitis C, boy, it nearly bankrupted some state Medicaid programs. They weren't expecting that. So we are going to have to better communicate those things that are just around the corner. But it is going to be—it will be a true golden age of medicine.

Mr. JOHNSON. All right, thank you.

Mr. BURGESS. I apologize for going long.

Mr. JOHNSON. I yield back.

Chairman YARMUTH. The gentleman's time has expired. I just—I want to create one little—or correct one little comment that you made, and it is related to the Affordable Care Act. When you said you were not invited into the room, you may not have been specifically.

But to create the impression that that was a closed process is—

Mr. BURGESS. Yes.

Chairman YARMUTH. There were dozens and dozens of hearings on both the House and Senate. There were markups.

I was on the Ways and Means Committee at the time. We had a meeting with all 45 members, Republicans and Democrats. We asked Republicans, “Is there any way we can write a health care reform bill that any one of you can support?” They said no. They didn’t want to participate in the process. That was the reaction we got consistently. Republicans were consistently invited into the process, and refused to participate. So—

Mr. BURGESS. Just, if I may, I can’t speak for the Ways and Means Committee. Yes, the Energy and Commerce Committee did have a several-day markup, and Chairman Waxman did entertain a number of Republican amendments.

But, as you will recall how that all played out, it was a bill that passed on the Senate floor on Christmas Eve that was delivered back to the House. And all the work that the House had done the year before going into that, good or bad, was then done away with, and we just had to take or leave—it was the Senate bill, take it or leave it.

And I remember Speaker Pelosi’s comments when that bill came over from the Senate, “Well, I haven’t got 100 votes for this damn thing over here,” and she didn’t until they worked on people and eventually got it passed, and it was a strict party-line vote.

Chairman YARMUTH. Right. Well, we will have plenty of opportunity in the Congress to debate the future of health care. We need to move ahead—

Mr. ROY. Mr. Chairman, I would like to—

Chairman YARMUTH. Mr. Roy?

Mr. ROY.—address my colleague from Texas, if I might. Thank you.

I want to—just a couple quick questions for you, Doctor. Thank you for dedicating your life to the care of others, and to health care, and then—and obviously, serving here. Thank you for your time here today.

I would note I was not in Congress in 2009. I think my observation as a spectator, as a federal prosecutor back in Texas and just watching public policy from Texas, was that, clearly, that was passed on a strict party-line vote, that it was put through in a process that was questionable, at best, and that Obamacare, which you would think, when it was passed and implemented, to pretty much, you know, start the slow decline of destroying our health care system, the private health care market, would, in fact, have been something to be tried to be done on a bipartisan basis, not a partisan basis.

Am I missing anything in my assessment of how that was passed in 2009?

Mr. BURGESS. Well, and fortunately for you, we have a good example of health care policy that did proceed on an open, bipartisan basis, and that was the Medicare Access and Chip Reauthorization Act of 2015. We got rid of the sustainable growth rate formula, something I had fought for the—all the time that I had been here.

And it had—it got 393 votes in the House and 92 votes in the Senate, so it had significant broad, bipartisan support.

And the important thing there is—and we know this—when we do big—especially health care policy bills, but in other areas of policy—we do big stuff like that, it gets over to the agency and they start interpreting it, and if it is really big and vast sometimes they interpret it in ways that, oh, my gosh, where the heck did that come from?

And we—I have seen this personally, with the Medicare Access and Chip Reauthorization Act—you will hear doctors complain about MACRA and MIPS back home. And to be sure, it requires constant vigilance on the part of the committee. We have had four oversight hearings on MACRA, and there has been bipartisan input in trying to fix the problems as they have arisen.

So if you do something in a bipartisan fashion, you have more equity with which to work, going forward, when the inevitable problems of implementation—when those occur.

Mr. ROY. So—and a couple other quick questions. We have talked a lot about the costs, since we are here in the Budget Committee, of something like Medicare for all. We are aware there are a lot of reports out there—\$32 trillion is at least one assessment, I have seen \$40 trillion.

Are you aware that, even Senator Sanders, who puts out, you know, his full support for Medicare for all, and was one of the original proponents of it, that even on his own website he would suggest that it costs \$1.38 trillion per year over 10 years?

In other words, \$14 trillion. So even his own promotion of it would be another \$14 trillion—i.e. more than our annual deficit right now. Would you agree, that that is the bottom line assessment of the cost? The actual cost is more along the lines of \$32 or \$40 trillion?

Mr. BURGESS. We historically under-estimate the cost of these programs.

Mr. ROY. No way. In Washington, D.C.?

And then the question—talking about private markets and health care, would you agree that the purpose of government is to protect the inalienable rights and to protect our liberty, that that is the reason our government exists?

And do—are we aware that, under Medicare for all, that we are pretty much going to outlaw private insurance? That is—the purpose of it is, essentially, to outlaw it and leave it at the—at best, at the margins, as an additive?

Mr. BURGESS. So if the question is is the government too big, too small, or just the right size, I think you and I would agree that it is too big. And you would do nothing toward right-sizing that government if you were to add to it the part of the GDP that is composed of health care in this country.

It will inexorably rise, and rise to a level that I think is almost incomprehensible, but it will—you know, we talked about banks that were too big to fail.

Mr. ROY. Right.

Mr. BURGESS. We have got an agency over there that is too big to work.

Mr. ROY. Right.

Mr. BURGESS. How—you know, this should be devolved to the states. We should look at ways to help our states put together the programs, and let it work on a more local level, rather than all over the Hubert Humphrey building, or some place up in Bethesda.

Mr. ROY. And finally, would you agree that—and I have had a number of people talk about “the wild, wild west of health care” prior to Obamacare. Would you agree that in 2008, prior to the implementation of Obamacare, that we had an overwhelmingly regulated health care market from UMRA, HIPAA and EMTALA and, you know, all of the additional regulations that have been put in place from Washington, D.C., such that you didn’t have a functioning market to drive costs down in 2008, and that that has been made inextricably worse by Obamacare?

And so that anything going towards Medicare for all will make it even further—more regulated, and increase costs to the taxpayers. That is my last question.

Thank you, Doctor.

Mr. BURGESS. Throughout my professional and political lifetime, health care has been one of the most intensely regulated aspects of any type of business in this country.

Chairman YARMUTH. All right, the gentleman’s time has expired.

Anyone else?

[No response.]

Chairman YARMUTH. Thank you very much. I now recognize the gentleman from Massachusetts, Mr. McGovern, for 5 minutes.

STATEMENT OF HON. JAMES P. MCGOVERN, A REPRESENTATIVE IN CONGRESS FROM THE COMMONWEALTH OF MASSACHUSETTS

Mr. MCGOVERN. And I want to thank you and Ranking Member Womack and other members of this committee for holding today’s hearing and extending the opportunity for members to testify on our legislative priorities, the things that we think are important.

As many of you know, I have spent a great deal of my time in Congress focused on the issue of hunger, nutrition, and food insecurity. And my priorities this year will come as little surprise. Today I am here to advocate for federal nutrition programs that help our most vulnerable constituents, and to highlight why these programs continue to need our unwavering protection and attention, as this committee works to craft a budget resolution for fiscal year 2020.

I will start by highlighting why nutrition programs are important. There is a need in this country. We live in the richest country in the history of the world, and we have tens of millions of people who are food-insecure or hungry. As Members of Congress, we should be ashamed of that. We should be demanding that that reality change.

In 2018, a monthly average of 40.3 million people participated in the SNAP program. That is one in eight Americans. More than 68 percent are families with children, 33 percent are the elderly or have disabilities, and over 1.3 million are veterans.

The average participant is provided with a modest benefit. I also serve on the Agriculture Committee and I asked some of my colleagues, “Does anybody know what the average SNAP benefit is?” And I had answers range from “enough” to “adequate” to “gen-

erous.” Well, the reality is the average SNAP benefit is \$1.40 per person per meal. You can’t even buy a cup of coffee for that, but that is what it is.

SNAP stands—you all know SNAP stands for the Supplemental Nutrition Assistance Program. In most homes SNAP assistance only covers a fraction of a low-income family’s food budget, and the average time that families participate in SNAP, contrary to what some have suggested, is less than a year.

Since the President assumed power in 2017, nutrition programs have been under constant attack. These attacks are often framed as “cost savings,” and ultimately create more problems than they solve.

On December 20, 2018, the Trump Administration proposed a rule that was specifically rejected for inclusion in the Farm Bill reauthorization bill that was passed in a bipartisan way and was signed into law last year. The rule that the Administration proposes threatens the eligibility of SNAP participants who are considered able-bodied adults without dependents. They call it ABAWDs.

In an effort to, ironically, “restore self-sufficiency through the dignity of work,” their rule stigmatizes SNAP participants and limits a state’s ability to waive 20-hour work requirements. Now, ABAWDs are a very complex group. Many of them are veterans, returning veterans who are having difficulty reintegrating into our communities after serving in war situations. Many of them are young adults who have aged out of foster care. Some of them are ex-felons who were products of mass incarceration.

And some of them are workers who aren’t given 20 hours of work per week, or they live in areas where there is no jobs, or they can’t get access to a job training program. Seventy-five percent of SNAP participants do work. They do work. But often they work in jobs that are either unstable or they don’t pay enough to prevent food insecurity. So it is not that the—that ABAWDs are jobless by choice. Many are jobless because they lack privilege and are trying to get on their feet.

As if the proposed rule wasn’t enough, the Administration also appears to be manipulating the Republican majority in the Senate to starve the American citizens of Puerto Rico. By refusing to take up the supplemental appropriations bill we sent them during the shutdown in January, Leader McConnell, unfortunately, is failing to provide disaster relief funding for Puerto Rico’s nutrition assistance program.

In the coming months, the Trump Administration also announced their intention to propose changes to “categorical eligibility.” Categorical eligibility, or Cat-el, was actually a Republican idea. It is criteria used to determine whether a family is automatically eligible for SNAP because they already qualify for certain other low-income programs. Cat-el is fine as it is, because it eliminates redundancy, and it minimizes hurdles that low-income families must overcome, just to keep up with their basic needs. While the President has yet to announce forthcoming changes, given the tone of recent attacks, I don’t have a lot of optimism.

So, look, last week in a House Committee on Agriculture meeting I asked Secretary Perdue for specific data that was used to justify some of these new proposed rules changes. I am still looking for-

ward to their response, because in all my years I have never seen data provided that would justify some of the changes that they are making.

Let me just say, Mr. Chairman and members of the committee, there are those who assert that SNAP and other social safety net programs are too expensive to maintain. I would say that tolerating hunger and food insecurity in this country is too expensive. Kids who go to school hungry don't learn. Workers who are food-insecure are less productive in the workplace. There is a link between food insecurity and health care costs.

We just heard this conversation about health care. One of the big, driving elements in terms of high cost in health care is food insecurity and lack of access to good nutrition. I think that we need to figure out a way to not only protect these programs, but also have a discussion on how we strengthen our social safety nets.

So that is why this year and for the rest of the 116th Congress I request your assistance in both prioritizing funding for nutrition assistance programs and using this—and in using committee instructions to stop any effort by this Administration or anybody else to undo the work that Congress has done in the Farm Bill. We bear responsibility in working to end hunger, and I will continue to advocate fiercely for our most vulnerable communities.

And I thank you all for your attention and all your patience, because you are going to be hearing from a lot of members today. Thank you.

[The prepared statement of James P. McGovern follows:]

Written Statement of Representative James P. McGovern (MA-02)

Testimony before the House Budget Committee: FY2020 Members' Day

March 6, 2019

Chairman Yarmuth, Ranking Member Womack, and members of the House Committee on the Budget, I thank you for holding today's hearing and for extending the opportunity to testify on my legislative priorities for the upcoming year.

Given my history of work on anti-hunger policy, my priorities this year will come as little surprise—today I am here today to advocate for federal nutrition programs that help our most vulnerable constituents, and to highlight why these programs continue to need our unwavering protection and attention as this Committee works to craft a Budget Resolution for Fiscal Year 2020.

I'll start by highlighting why nutrition programs are important: In 2018, a monthly average of 40.3 million people participated in SNAP. That's 1 in 8 Americans. More than **68%** are families with children, **33%** are elderly or have disabilities, and over 1.3 million are veterans. The average participant is provided with less than \$1.40 per meal.

SNAP stands for Supplemental Nutrition Assistance Program—and the term “supplemental” is not just a coincidence. In most homes, SNAP assistance only covers a fraction of a low-income family's food budget, and the average time that families participate in SNAP is less than a year.

Since the President assumed power in 2017, nutrition programs have been under constant attack. These attacks are often framed as “cost savings” and ultimately create more problems than they solve.

On December 20, 2018, the Trump Administration proposed a rule that was specifically rejected for inclusion in the Farm Bill Reauthorization that was signed into law last year. This rule threatens the eligibility of SNAP participants who are considered able-bodied adults without dependents (ABAWDs). In an effort to—ironically—“restore self-sufficiency through the dignity of work” their rule stigmatizes SNAP participants and limits a state's ability waive 20-hour work requirements. ABAWDs are a complex group, many of which are veterans, young adults who have aged out of the foster care system, ex-felons who were products of mass incarceration, and workers who aren't given 20-hours of work per week. 75% of SNAP participants do work, but often in jobs that are either unstable or that don't pay enough to prevent food insecurity. It's not that ABAWDs are jobless by choice—many are jobless because they lack privilege and are trying to get on their feet.

As if the proposed rule wasn't enough, the President's Administration also appears to be manipulating the Republican majority in the Senate to starve the *American citizens* of Puerto Rico. By refusing to take up the Supplemental Appropriations bill we sent them during the shutdown in January, Leader McConnell is doing the President's dirty work by failing to provide disaster relief funds for Puerto Rico's Nutrition Assistance Program.

In the coming months, the Trump Administration has also announced their intention to propose changes to “categorical eligibility.” Categorical Eligibility—or Cat-el—is language that is used to determine whether a family is automatically eligible for SNAP if they already qualify for certain low-income programs. Cat-El is fine as it is because it eliminates redundancy and minimizes hurdles that low-income families must overcome just to keep-up with their basic needs. While the President has yet to announce forthcoming changes, given the tone of recent attacks, I don’t have much optimism.

The Trump Administration is trying to “solve” problems that don’t exist.

Last week in a House Committee on Agriculture hearing, I asked Secretary Perdue for the specific data that was used to justify some of Trump’s policies. I’m looking forward to receiving their response because in all my years, I have never seen data that spins taking away food assistance as something positive.

The President and his Administration have no regard for low-income, working class families. The funds we allocate to help American families out of hard times are the last line of defense and they continue to need our support.

As you know, Mr. Chairman, there are those who assert that SNAP and other social safety net programs are too expensive to maintain. I suggest that the Committee consider options like reducing funds for things like low-yield nuclear weapons, or close corporate tax loopholes, to balance the budget to cover the costs of anti-hunger and safety net programs. Your work and oversight are vital to the health of American families.

That is why this year and for the rest of the 116th Congress, I request your assistance in both prioritizing funding for nutrition assistance programs and in using Committee instructions to stop the President from overruling the will of Congress on targeted work requirements. We all bear the responsibility in working to end hunger, and I will continue to advocate fiercely for our most vulnerable communities.

Chairman YARMUTH. I thank the gentleman. Are there any questions for the witness?

Hearing none, thank you once again.

I now recognize the gentlelady from New Mexico, Ms. Haaland.

STATEMENT OF HON. DEBRA A. HAALAND, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF NEW MEXICO

Ms. HAALAND. Thank you so much, Chairman, members of the committee. I am honored to be here. Thank you for this opportunity to share New Mexico's key priorities in the fiscal year 2020 federal budget. It is a great honor to speak before you today, and I appreciate the hard work your committee does.

Mr. Chairman, my district encompasses Albuquerque and surrounding areas, is blessed with natural beauty, over 300 days of sunshine every year, and abundant wind resources that can drive a vibrant, renewable energy economy that will create thousands of jobs in my district and millions nation-wide.

It would also reduce our greenhouse gas emissions, which is extremely important to fight climate change. I urge the committee to develop a budget that robustly supports our commitment to efficient, renewable energy and investments in job training for a green economy.

I encourage you to include sufficient funding to increase the maximum Pell grant, provide universal pre-K, improve teacher effectiveness, support low-performing schools, and focus on proven methods to improve student achievement.

As chairwoman of the Subcommittee on National Parks, Forests, and Public Lands, I recognize the role of the federal government in preserving our natural places for future generations. Our budget should fully fund the Land and Water Conservation Fund to maximize habitat protection, public access, public recreation, and historic preservation.

My district is home to many rural communities. The budget should live up to the promises our nation has made to them. I urge you to fully fund the Payment in Lieu of Taxes program and the Secure Rural Schools program and allow for a permanent SRS solution that will ensure forest counties receive stable, long-term payments.

I take my role on the House Armed Services Committee very seriously. Last month, military families living in privatized housing in Albuquerque shared troubling news. We have a military housing crisis on our hands, not just in my district, but nationwide, and we need to fix it. That is why I am asking for this committee to adequately fund the Family Housing Improvement Fund and the Family Housing Operation and Maintenance fund to provide quality housing for military families.

My state is home to the national labs and military bases that are vital to our national security, including Sandia National Labs and Kirtland Air Force Base, which are both in my district. I urge you to provide funding to allow work to expand Sandia and Kirtland to increase our national security and develop innovative technologies to address the many challenges we face, including climate change, through the Departments of Defense and Energy.

The Air Force must have the resources it needs to clean up the fuel spill at Kirtland, and PFAS contaminates in the areas surrounding bases in New Mexico and nationwide. It is a safety and public hazard, and it is also wreaking havoc on—economically, on citizens who live near these spills. It is threatening New Mexicans, and similarly-situated Americans around the country.

As one of the first two Native American women elected to Congress and co-chair of the Native American Caucus, I urge you to address the serious problems Indian tribes face. Today, Native Americans face unique challenges and harsh living conditions resulting from the many years of federal government's forced removal of tribes to reservation lands, and their assimilation to urban areas.

Many residing in Indian country still lack access to clean drinking water, to adequate law enforcement, indoor plumbing, electricity, structurally sound buildings, and drivable roads. The government-to-government relationship between tribal nations with the United States is based on commitments made by the federal government in exchange for the surrender and reduction of their homelands. That is called the federal trust responsibility to tribes.

Congress's failure to adequately fund Indian country is a fundamental violation of this trust responsibility and basic civil rights of Native Americans. I urge you to develop a budget in which equitable and non-discretionary federal funding is made available directly to tribes, and increased to remedy the many decades of under-funding.

Last but certainly not least, Mr. Chairman, it is essential that we have a successful 2020 census to ensure both proper representation in this body, and the proper distribution of federal funding and resources to all of our communities.

A budget is a statement of priorities. It is our priority to invest in education, health care, innovation, and competitiveness. We must reaffirm those commitments in the fiscal year 2020 budget resolution.

And I thank you for the opportunity to be here today. Thank you.
[The prepared statement of Debra A. Haaland follows:]

House Budget Committee Statement
The Honorable Deb Haaland
Members' Day Hearing
March 6, 2019

Chairman Yarmuth, Ranking Member Womack, and Members of the House Budget Committee, thank you for this opportunity to share New Mexico's key priorities in the Fiscal Year 2020 federal budget. It is a great honor to speak before you today, and I appreciate the hard work your committee does.

Mr. Chairman, my district encompasses Albuquerque and surrounding areas, is blessed with natural beauty, over 300 days of sunshine each year, and abundant wind resources that can drive a vibrant, renewable energy economy that will create millions of high-wage jobs **and** reduce our greenhouse gas emissions. I urge the committee to develop a budget that robustly supports our commitment to efficient, renewable energy and investing in job training in a green economy.

I encourage you to include sufficient funding to increase the maximum Pell grant, provide universal Pre-K, improve teacher effectiveness, support low-performing schools, and focus on proven methods to improve student achievement.

As Chairwoman of the Subcommittee on National Parks, Forests, and Public Lands, I recognize the role of the federal government in preserving the natural places for future generations. Our budget should fully fund the Land and Water Conservation Fund (LWCF) to maximize habitat protection, public access, public recreation, and historic preservation.

My district is home to many rural communities -- the budget should live up to the promises our nation has made to them. I urge you to fully fund the Payment in Lieu of Taxes (PILT) program and the Secure Rural Schools (SRS) program and allow for a permanent SRS solution that will ensure forest counties receive stable, long-term payments.

I take my role on the House Armed Services Committee very seriously. Last month, military families living in privatized housing in Albuquerque shared troubling news.

We have a military housing crisis on our hands and we need to fix it. That's why I am calling on this committee to adequately fund the Family Housing Improvement Fund (FHIF) and the Family Housing Operation & Maintenance fund to provide quality housing for military families.

My state is home to national labs and military bases that are vital to our national security, including Sandia National Laboratory and Kirtland Air Force Base in my district. I urge you to provide funding to allow work to expand Sandia and Kirtland to increase our national security and develop innovative technologies to address the many challenges we face, including climate change through the DoD and Department of Energy.

**House Budget Committee Statement
The Honorable Deb Haaland
Members' Day Hearing
March 6, 2019**

The Air Force must have the resources it needs to clean up the fuel spill at Kirtland and PFAS contaminates in the areas surrounding bases in New Mexico and nationwide. It is safety and public health hazards that is threatening New Mexicans, and similarly situated Americans around the country.

As one of the first two native American women elected to Congress and Co-Chair of the Native American Caucus, I urge you to address the serious problems indigenous peoples face.

Today, Native Americans face unique challenges and harsh living conditions resulting from the federal government's forced removal of Tribes to reservation lands. As a result, many residing on the reservation still lack access to clean drinking water, adequate law enforcement personnel, indoor plumbing, structurally sound buildings, and safe roads.

The government-to-government relationship between Tribal Nations with and the United States is based on commitments made by the federal government in exchange for the surrender and reduction of their homelands. Congress' failure to adequately fund Indian Country is a fundamental violation of the trust responsibility and basic civil rights of Native Americans. I urge you to develop a budget in which equitable and non-discretionary federal funding is made available *directly* to Tribal Nations.

Last but certainly not least, Mr. Chairman, it is essential that we have a successful 2020 Census to ensure both proper representation in this body and the proper distribution of federal funding and resources to our communities.

A budget is a statement of priorities. It's our priority to invest in education, health care, innovation and competitiveness. We must reaffirm those commitments in the FY 2020 budget resolution. Thank you for the opportunity to testify on these priorities

Chairman YARMUTH. I thank the gentlelady. Are there any questions for her?

Thank you very much.

Ms. HAALAND. Thank you.

Chairman YARMUTH. Now my privilege to introduce the Majority Leader of the House, the gentleman from Maryland, Mr. Hoyer.

**STATEMENT OF HON. STENY H. HOYER, A REPRESENTATIVE
IN CONGRESS FROM THE STATE OF MARYLAND**

Mr. HOYER. Thank you very much, Mr. Chairman. Is this on? Now it is on.

Thank you very much for allowing me to spend some time with you.

The budget process is broken. That is not good for the Congress, it is not good for the American people. I testified before Mr. Womack's committee that tried—to try to bring some rationality to our process, and effectiveness to our process. Unfortunately, we didn't succeed. We got—made some progress, but didn't succeed.

You have heard and will be hearing from a lot of members today about priorities affecting individual districts. I, however, want to speak to you about what ought to be an overarching budget priority for our country. Those of you who have heard me testify here in the past know that I have consistently advocated for making the difficult decisions necessary not only to stop adding to the deficit, but to reverse the long-term fiscal trends that threaten our future economic prosperity.

Over the next several weeks this committee has an opportunity to start off the budget process for 2020 on the right foot and allow appropriators to get to work on funding government on time.

One of the most important functions of the budget resolution, of course, is to set the 302(a) allocation, giving the Appropriations Committee a top-line budget for all 12 of its funding bills. That process has been somewhat hijacked in recent years by statutory spending caps for defense and non-defense appropriations put in place by the Budget Control Act in 2011, with frequent delays in the appropriations process as we negotiate deals to adjust the caps to meet our national needs.

The bottom line is the majority of the Congress does not believe we can live within the sequester caps. That is why we have repeatedly made two-year deals to suspend those caps. I believe it is critical that we achieve a bipartisan agreement on how to replace sequester-level spending caps for both defense and non-defense appropriations for the coming fiscal year as soon as possible.

It seems to me that no members more than the Budget Committee would want to see that done. Essentially, the sequester substitutes itself for the rational judgements of the Budget Committee, based upon the information that you receive.

It would be not only deeply unfortunate, in my view, if we missed an opportunity to do the job we were sent here to do, but it would increase the chance that our country could be headed for another disastrous government shutdown. This Committee can and should set the tone for that agreement as you consider the budget resolution and the appropriations 302(a).

If done quickly, a new BCA caps deal can accelerate the work of passing appropriation bills on time, conferencing them with the Senate—not just four people, all of them, members of the Appropriations Committee and the Congress—and the President signing them into law. No more shutdowns, missed paychecks, or endless continuing resolutions leading to economic uncertainty for our markets and financial insecurity for our people. CRs are a evidence of failure. Necessary, but evidence of failure.

I was disappointed to learn that the Trump Administration intends to send us a budget next week that rejects the existing bipartisan consensus enshrined in the last three BCA caps. Mr. Ryan and Ms. Murray were part of that process by using the so-called overseas contingency accounts. That is a fraud. It means we will not pay the bill. It means my children and grandchildren will pay the bill for the defense and security that we want to buy today.

I cannot use as a backdoor by exempting nearly \$200 billion in additional defense spending from its BCA cap, while slashing non-defense spending well below the sequester level in the name of fiscal austerity.

The debt and deficits that we incur are not labeled defense and non-defense. Nor even are they labeled entitlements. They are just the deficit that all of our kids are going to have to pay. I am not going to be paying it, but our kids are going to pay it. That is either gross malpractice, which does a disservice to the budget process and virtually assures another budget standoff—i.e. failure of the Congress to do its job—at the end of the year, or a dangerous short-changing of our military's capacity to exchange in long-term national security planning.

Because, of course, the sequester says if we have not passed a legislative amendment to sequester 15 days after we adjourn this session of the Congress of the United States, we will slash defense and non-defense, alike. Irrationally, some magic process that we thought was going to contain the deficit. In fact, the deficit has exploded, in my view, in large part because the tax bill—I know we have differences on that, but we will see whether or not that tax bill pays for itself. I am convinced it will not.

This Committee has the best platform, Mr. Chairman and Ranking Member Womack, best platform to reject such an approach, and work toward consensus on a budget that reflects adjusting the BCA caps. And I will tell you I have talked to the leaders of the Senate, Republican and Democrat. They all believe we ought to come to a budget cap agreement—obviously, that involves the Administration—to accommodate our priorities on both the defense and non-defense sides of the ledger, while maintaining the principle of parity.

I urge the Committee to serve as an example to the rest of us on how to work together, with the precedent of a three—of the three prior BCA cap agreements as your guide. Again, Chairman Ryan got one of them. As a matter of fact, he was involved in two of them.

To reject—to the kind of budget gimmickry—reject the kind of budget gimmickry and fiscal brinksmanship that led to the longest shutdown in our nation's history.

I want to thank the Chairman and the Ranking Member, both of whom are good friends of mine, and both sides of the aisle. We only have one side of the aisle, plus the Chairman here. It is a shame. And I am not talking about anything in my district, or anything that—I have got a lot of priorities, just like all of you do.

But gentlemen—there are no ladies here, but to the ladies on the staff, we have a responsibility to future generations, and we all talk about balancing the budget, and we all talk about fiscal responsibility, and none of us practice it. I am very upset that the Administration, Mr. Mulvaney—who, by the way, as a Member of Congress, not only voted to shut down the government, but voted to keep it shut down—we are not following fiscally-prudent practices that will benefit future generations and the strength of our country.

If you talk to all the four-stars on the Joint Chiefs of Staff, they will say one of the biggest security threats confronting our country is the debt and deficit. They are worried—operational—personnel costs, of course, but operations and deployments and acquisitions are all going to be adversely affected if we don't get a handle on this budget deficit.

And the first step is getting to an agreement on the caps, so that you can then pass legislation within the context of those caps, which will give us a road map onto how we ought to fund our government.

I have gone three minutes and 58 cents—58 minutes over time (sic). I apologize for that. But I will—ladies and gentlemen, we need to lead on this issue, and we need to urge the Administration not to play games with the budget cap, not to try to use it as a leverage, but we ought to get to that and get about the appropriation process.

I have reserved all of June to pass every appropriation bill by June 30th. I have told all the authorizing committees we are going to pass appropriation bills. I am not going to put any other bill—if it undermines that objective, so that we can give the Senate time to do it, and we can do our work by September 30th. There is no reason we can't do it, except for political gamesmanship and procrastination.

Thank you, Mr. Chairman.

[The prepared statement of Steny H. Hoyer follows:]

Prepared Testimony: Budget Committee Member Hearing

Steny H. Hoyer, House Majority Leader

March 6, 2019

Thank you, Chairman Yarmuth and Ranking Member Womack. You have heard – and will be hearing – from a lot of Members today about priorities affecting individual districts. I want to speak to you about what ought to be an overarching budget priority for our country.

Those of you who have heard me testify here in the past know that I have consistently advocated for making the difficult decisions necessary not only to stop adding to the deficit, but to reverse the long-term fiscal trends that threaten our future economic prosperity.

Over the next several weeks, this Committee has an opportunity to start off the budget process for FY2020 on the right foot and allow appropriators to get to work on funding government on time. One of the most important functions of the budget resolution is the 302(a) allocation, giving the Appropriations Committee a topline budget for all twelve of its funding bills. That process has been somewhat hijacked in recent years by statutory spending caps for defense and nondefense appropriations put in place by the Budget Control Act in 2011, with frequent delays in the appropriations process as we negotiate deals to adjust the caps to meet our national needs. I believe it is critical that we achieve a bipartisan agreement on how to replace sequester-level spending caps for both defense and nondefense appropriations for the coming fiscal year as soon as possible.

It would be not only deeply unfortunate, in my view, if we missed an opportunity to do the job we were sent here to do, but it would increase the chance that our country could be headed for another disastrous government shutdown. This Committee can – and should – set the tone for that agreement as you consider the budget resolution and the appropriations 302(a). If done quickly, a new BCA caps deal can accelerate the work of passing appropriations bills on time, conferencing them with the Senate, and the President signing them into law. No more shutdowns, missed paychecks, or endless continuing resolutions leading to economic uncertainty for our markets and financial insecurity for our people.

I was disappointed to learn that the Trump Administration intends to send us a budget next week that rejects the existing bipartisan consensus, enshrined in the last three BCA cap agreements, by using the so-called “Overseas Contingency Operations” account as a backdoor for exempting nearly \$200 billion in additional defense spending from its BCA cap – while slashing nondefense spending well below the sequester level in the name of fiscal austerity. That is either gross malpractice, which does a disservice to the budget process and virtually assures another budget standoff at the end of the year, or a dangerous shortchanging of our military’s capacity to engage in long-term national security planning.

This Committee has the best platform to reject such an approach and work toward consensus on a budget that reflects adjusting the BCA caps to levels that accommodate our priorities on both the defense and non-defense sides of the ledger –while maintaining the principle of parity. I urge the Committee to serve as an example to the rest of us on how to work together, with the precedent of three prior BCA cap agreements as your guide, to reject to the kind of budget gimmickry and fiscal brinkmanship that led to the longest shutdown in our nation’s history earlier this year.

I want to thank the Chairman, Ranking Member, and Members of this Committee on both sides for their work as this process moves forward. And I look forward to working with all of you to ensure that, together, we fulfill our collective constitutional responsibility to exercise the power of the purse.

Chairman YARMUTH. I thank the Majority Leader.
Ranking Member?

Mr. WOMACK. I thank the gentleman, distinguished leader, for his comments, and a lot of which I agree with. And we may disagree on some things—they would be minor, in comparison to the bigger issues facing our country right now.

The leader referenced the Joint Select Committee on Budget Process Reform. And, just for the record, you are looking at two people who voted for the limited amount of work that the Joint Select Committee was able to do. It was a baby step, but a step, nonetheless, toward regular order that the gentleman references.

So I do appreciate the fact that he recognizes that budget process reform is—has to be a long-term goal of the Congress, because we are not being served very well right now by the process that we are currently going through.

I would ask the gentleman this question, and that is to give us, from his perspective as the Majority Leader, kind of a vision, short-term vision, into the rest of this year, as we approach October 1st. Because there are a couple of hurdles in this process that could, indeed, force differing viewpoints to end up with a shutdown that none of us would like. But we got a debt ceiling issue in the month—in this month, but with extraordinary measures can be put off indefinitely, or at least for a certain amount of time. And then we have the caps deal that he has referenced.

So when we get to the point of marking up appropriations bills, to what levels are we going to be looking at in this regard?

Mr. HOYER. Congressman, there are—first of all, let me speak to the debt limit. I think the debt limit is a totally phony issue, absolutely dead flat phony. I think it is a political issue only.

The way I explain it to my constituents is you go into Macy's and you buy \$200 worth of goods. You give them your credit card, and you take the goods home. And you are sitting around the kitchen table a week later, and you say, "Boy, we are in debt too far." And so husband and wife agree we are going to have a debt limit, \$100.

Macy's sends you a bill for \$200, and you send them a \$100 check back and with a letter to say we have a debt limit of \$100, and so we can't pay the rest of the money. So Macy's says—writes you back and says, "We are very sorry, but we are going to sue you." That is what the debt limit is.

Every time we appropriate money we affect the debt limit. Every time we pass a tax bill we affect the debt limit. Every time we authorize money to be spent, and it is then spent, we affect the debt limit. That is when the debt limit—the debt limit decisions are made when you decide to spend money for whatever object you do. The debt limit is a phony political issue that we get wrapped around the axle. And if we ever failed to extend the debt limit to accommodate what America owes its own employees, its operational costs, or, frankly, foreign creditors—or domestic creditors, for that matter—we will have defaulted. And the global economy will be adversely affected.

Every administration says that is not a viable option. I have told Secretary Mnuchin that I am for a clean debt limit extension, and I will vote for it, and urge my members to vote for it.

And we play political games with one another. If a Republican President—we weren't—we would play games with the debt limit, and vice versa. If we had a Democratic President, Republicans would play the games with. We know now to do that.

So, from the debt limit standpoint, I think it ought not to be used, as I think this Administration is contemplating using it, as a leverage. It was used as a leverage in 2013, as well, January 2013, and, very frankly, had an impact on the sequester, none of which, I think, were good policies.

On the budget caps, my contention is—and I have been working this for two months now, two-and-a-half months—John and I talked at the very beginning of the year. Steve, I think I talked to you, as well, that we needed to get the budget caps.

Now, we can proceed with the appropriations process in a timely fashion by deeming the numbers. But the problem with deeming the numbers—let's say we agree with the Senate on the deeming numbers. Let's say we pass bills on the deeming numbers, and let's say we send them down to the President. The President doesn't agree, and he vetoes them, and we can't pass them. Then the bills are not going into effect.

But even if he passes it, even if he signs the bills, unless we amend the BCA, the sequester will take effect 15 days after we adjourn this session of the Congress of the United States, which would be a very substantial cut in both military and defense.

Now, the Administration has suggested we use OCO, \$200 billion worth of OCO. Free money. Doesn't count. It goes on somebody's tab, and somebody is going to have to pay it some time. I think that is not honest budgeting, not only for this generation, but for generations to come. And I think we ought to get over that.

So, I am urging that we adopt the BCA as quickly as we can. And if the President doesn't agree, we ought to send legislation down there, an agreement between the Senate and the House, of what those numbers ought to be. The 302(a) is—essentially, is what the BCA deals with. But for both domestic and non—and—defense and non-defense domestic discretionary spending. That would be my hope, that is what I am working towards.

I am not encouraged by the White House's position.

Chairman YARMUTH. I thank the Majority Leader for his time.

Oh, I am sorry—oh, oh, Mr. Flores.

Mr. FLORES. Thank you, Mr. Chairman.

Mr. Leader, thank you for being here. And I am pleased to say that there are several areas that—where I agree with you. One is I agree that debts and the deficit are harmful to future generations of America. I also agree that the sequester harms our national security and makes it less safe for American families.

I applaud your move to get all the appropriations bills done by June the 30th, and I am hopeful that you will be successful in that regard. I also agree that we need a caps deal.

So my question is what do you think the caps deal looks like? I know that, you know, you said it has to be everybody, all Senate and all House. I agree with that. I just wonder what your thought is. If you could just kind of—

Mr. HOYER. Well, I don't know if it needs to be everybody, but it needs to be at least 60 in the Senate and 218 on our side, or whatever—many people are voting.

Mr. FLORES. Right.

Mr. HOYER. What I think it would look like is something like Ryan-Murray. I mean it is going to be a deal as to how much we think we can afford and/or spend on defense, and how much we need or can afford on domestic. And that is a somewhat subjective judgement, obviously. There is no magic figure out there, it is as subjective judgement.

My view would be, obviously, we control the House now. That is a difference in the political. So it will not be surprising that we will ask for a number closer to defense than we had last time. But I don't think there is any magic number.

And frankly, I think getting to a number that allows for inflation on both sides is something that, you know, I would be—would urge.

Obviously, on defense, the Administration talked about three numbers, essentially. I think we have \$716 this year, they have talked about \$733, and they have talked about \$750. I don't know what that—you know, where they really are. But they haven't talked about—they have talked about sequester for the non-defense, plus a percentage. I don't know that we would agree to that.

But surely we ought to be able to come to agreement, given the fact that we control the House, you guys control the Senate, and you control the presidency. So there has to be an agreement, or we are going to be in a position where we have gridlock again, and the possibility of either sequester taking place, or shutting down the government, or both.

Mr. FLORES. The—continuing, when you look at the components of the federal budget, discretionary—I am going to compare it to the last time your party was in power to this time.

The discretionary spending is down, just a little over one percent, from where it was in fiscal 2010. The interest on debt is up 94 percent. Mandatory spending is up 33.5 percent. And revenues are up 62.5 percent. So that would suggest that revenues are not necessarily the issue, but then we got this big, hairy line on the budget called mandatory spending that presents the challenge.

If we both agree that debt and deficits are bad, what is—what should we do, in terms of looking at that section of the budget that has shown the greatest growth?

Mr. HOYER. Hold hands.

Mr. FLORES. And jump?

Mr. HOYER. No, if you do not hold hands, neither party will do it.

Mr. FLORES. Right.

Mr. HOYER. Because they are tough decisions that have to be made.

Mr. FLORES. Right.

Mr. HOYER. And the other party, whoever the other party is, will demagogue the other if you try to take decisions alone.

The reason Tip O'Neill and Ronald Reagan were able to do something which funded Social Security and made it stable for a lot of years was because they held hands. They did it together, and they said this has got to be done. I think—

Mr. FLORES. Are you all willing to do that in this Congress?

Mr. HOYER. You know, I don't know the answer to that question, honestly. But you asked me what my view was of how you do that.

You will not get a handle on the—meeting the needs both of national security and of domestic security without really fiscal confrontations unless we agree together, unless Mr. Yarmuth and Mr. Womack and the committee get together and say, “Look, this is what we ought to do for our country.”

Mr. FLORES. Okay, I—

Mr. HOYER. This is what is responsible.

Mr. FLORES. I appreciate the comment. I agree with you, we are going to have to hold hands and not demagogue each other as we tackle these thorny issues—

Mr. HOYER. Right.

Mr. FLORES.—because as we set—in one area I agree is that debt and deficits are bad for the future of our American families.

I would note for the record that, in terms of interest in this conversation today, that there are three times as many Republicans here as Democrats.

So I yield back.

Mr. HOYER. Maybe that is a comment on me, not—

Chairman YARMUTH. Mr. Roy is recognized.

And I will remind the members we have 10 witnesses left. And if we take this much time with all 10 of them, we will be here until well past votes. I just want to remind—

Mr. WOMACK. Mr. Chairman, may I?

Chairman YARMUTH. Yes, sir. Yes, the Ranking Member is recognized.

Mr. WOMACK. I would like to move that, because of the time, and because of the number of witnesses left, I know I would be willing to agree to limit the Q&A following any of the remaining speakers, to include this particular witness, to a couple of minutes, if that would be in order.

Chairman YARMUTH. I certainly would respect that. Okay, without objection, so ordered.

Mr. Roy?

Mr. ROY. Thank you, Mr. Chairman.

Thank you, Mr. Leader, thank you for your time, for joining us here today. A couple of quick questions, as a freshman coming into this process. I don't bring with it the experience or the baggage of having gone through the caps process, or the previous year's debates. But I did want to just kind of understand some of the facts.

If I understand correctly, you know, in the last year we busted the caps, so to speak, to use that phrase that we use around here, by \$153 billion, of which about \$80-odd billion, \$85 billion, I think, was defense. And \$60-odd billion was non-defense discretionary and busting the caps. Does that sound right to you, in terms of how much we busted the caps last year?

Mr. HOYER. Yes.

Mr. ROY. And so I guess my question is—

Mr. HOYER. I don't know, you know, precisely, but—

Mr. ROY. Ball-parking.

Mr. HOYER. Ball park.

Mr. ROY. Yes, sir. If—my question is, when we are talking about the sequesters kicking in, right—law this year means they will kick in again, as you pointed out. How much will we have as a deficit this year, even if we allow the sequesters to kick in? Do you know that number?

Mr. HOYER. I do not know the specific number. It is over a trillion.

Mr. ROY. Yes. Basically, we will be spending \$1 trillion more than we take in, even if we allow sequesters to kick in.

But what I hear from both sides of the aisle—let me just be 100 percent clear, non-partisan observation, critique, as a freshman coming in—is that I don't see or hear any plan whatsoever on what to do about that particular problem.

In other words, we are talking about—all I am hearing is that we need to bust the caps even further in order to have non-defense discretionary go up and defense go up. So hawks get what they want, in terms of spending increases. Those who want to see non-defense discretionary go up, have that go up, just as we did last year—with a chart that I have used in the Budget Committee before with these big red lines really busting the caps, so that the American people set out—to use your analogy about how people balance their budgets at home, how do—nobody at home says, “Well, gee, I really want a brand-new loaded Suburban, so I am just going to bust my budgetary caps this year by 25 percent.” Like, who does that?

And I am just trying to figure out what on earth we are going to ever do to solve this problem.

Mr. HOYER. Well, if you look at the amount of consumer debt, you may reflect upon that answer.

[Laughter.]

Mr. ROY. Well, I understand that. But they still have to pay their interest. They still have to pay their monthly payments. And—at least those who are following the law.

Chairman YARMUTH. The gentleman's time has expired. We are going to try to move this along.

Does anyone else have any questions?

Thank you. I thank the Majority Leader.

Mr. HOYER. Thank you very much.

Chairman YARMUTH. The order, as I have it, for those who are here—

Mr. HOYER. By the way, I really like the way you have done your room. I told Mr.—

Chairman YARMUTH. Actually, I give Mr. Womack credit for that.

Mr. WOMACK. We did it before we handed it over to the Democrats.

[Laughter.]

Mr. HOYER. Thank you very much on both counts.

Chairman YARMUTH. Thank you.

Let's see, is Mr. Cline here? Okay. So the order that I have here is Mr. Cline, Mr. Marshall, Mr. Fitzpatrick, and Ms. Slotkin. Oh, Ms. Houlahan is here, and—oh, Mr. McAdams. Mr. McAdams has been sitting here, so let me recognize him now.

Mr. McAdams, you are recognized for 5 minutes.

**STATEMENT OF HON. BEN MCADAMS, A REPRESENTATIVE IN
CONGRESS FROM THE STATE OF UTAH**

Mr. MCADAMS. Thank you, Mr. Chair, and thank you Ranking Member Womack and members of the Budget Committee. I appreciate the opportunity to testify before you today.

Before I was elected to Congress I was a mayor who had to balance a budget every year, in a bipartisan fashion. And I was then, as I am now, accountable to taxpayers for every dollar spent, and nothing was more important to me than to be a good steward of the hard-earned tax dollars that we received.

I believe that our \$22 trillion debt is a bipartisan problem. Both parties are responsible for getting us into this mess. In 2017 we saw Republicans in the House jam through an irresponsible tax cut for the wealthy and the well connected that added almost \$2 trillion to our national debt total. They sold that tax to the public by saying, in part, that it would pay for itself. But most economists say that that is a myth. That additional \$2 trillion simply piled on to the enormous economic burden we have created for future generations, rather than achieve needed tax reform.

Both Democrats and Republicans have acted in a way that suggests that debt doesn't matter. But I am here to say that I believe the debt does matter.

Unfortunately, the interest on our national debt is now the fastest-growing part of the federal budget. Next year we will spend more on interest than on all—than all the federal funding for our kids. And by the year 2025, six years from now, our interest payments will exceed the cost of our defense budget. Growing interest payments will crowd out other investments that would move our country forward, such as education or housing or infrastructure.

And not only is that fiscally irresponsible, I believe it is morally reprehensible to saddle generations yet unborn with those bills. And some day those bills will come due.

As has been said before, but it still holds true today, the first rule, when you find yourself in a deep hole, is to stop digging. And that is why it was so critical in our first votes in the House on the rules package that we kept pay-as-you-go requirements. Every Utah family understands that when you decide to make a purchase, you must first show how you will pay for it. Either you find additional revenue, or you cut back on spending elsewhere so that you continue to live within your budget.

When I was mayor I constantly faced tradeoffs. But you set your priorities and you make choices. And sometimes those are very difficult choices. Again, this is what hard-working Utah families in my district do every day when they sit at the kitchen table and balance their checkbooks. And Congress must do the same.

As one of the co-chairs of the Blue Dog Task Force on Fiscal Responsibility and Government Reform, I will be working with my colleagues and my fellow co-chair, Representative Ed Case, to pursue smart, strategic policies to rein in the federal government's persistent annual deficits and unsustainable debt. We will be responsible for crafting policies that increase transparency, hold Congress accountable to the taxpayers, and ensure that money is wisely spent.

Another tool in our toolbox, I believe, must be a Balanced Budget Amendment, and I hope to introduce legislation on this soon. The Blue Dog Coalition has championed this issue in the past, and I will work with members to advance the issue again in Congress.

By generally prohibiting the federal government from spending more than it receives in a fiscal year, I think we can start to turn the Titanic of debt around. Lawmakers in both parties must take a hard look at both the revenue and the spending side of the ledger, while also protecting the Social Security and Medicare benefits that seniors have earned.

The measure that I plan to introduce will have reasonable exceptions for things like times of war or a severe economic down turn.

I also support my fellow Representative Jim Cooper's "No Budget, No Pay" legislation. Everyone in this country understands that if you don't do your job on time, you won't get paid. The same rules should apply to Congress. If we don't pass a budget and the funding bills by October 1st, Congress shouldn't get paid.

I also support taking a hard look at the return we have received from government programs to determine if we are getting good outcomes, or just perpetuating spending with little or no results. We can do this by building a results-driven policy agenda and ensuring that scarce federal resources are invested in what works. They are invested more wisely using tax dollars and improving outcomes for young people, for their families, and for their communities.

During my time as mayor, we launched several evidence-based programs to track and measure what outcomes the public received in return for spending their precious tax dollars. We evaluated programs, and we improved, and we have reallocated dollars as appropriate.

Now, national headlines say that no one in either political party is talking about the debt. We must have that conversation, and we must work until we find solutions to the harm that is caused by the debt. It is clear that our country is on a dangerous and unsustainable course. And it is past time for both parties to stop digging. The decisions, they won't be easy, but our children and our grandchildren are counting on us to make this right.

Thank you for allowing me to testify.

[The prepared statement of Ben McAdams follows:]

"Fiscal Year 2020 Budget: Members' Day" – Hearing before the House Budget Committee**Wednesday, March 6, 2019**

Testimony as prepared for delivery – Representative Ben McAdams (UT-04)

Thank you Chairman Yarmuth, Ranking Member Womack and Members of the Budget Committee. I appreciate the opportunity to testify today.

I appear before you today as a proud member of the Blue Dog Coalition – a group of Democrats with a legacy of producing policy that addresses our nation's ballooning debt. Before I was elected to Congress, I was a mayor who had to balance a budget every year, in bipartisan fashion. I was then, as I am now, accountable to taxpayers for every dollar spent and nothing was more important than to be a good steward of hard-earned tax dollars.

Our \$22 trillion debt is a bipartisan problem. Both parties are responsible for getting us into this mess. In 2017, we saw Republicans in the House jam through an irresponsible tax cut for the wealthy and well-connected that added almost \$2 trillion dollars to our debt total. They sold that tax cut to the public by saying, in part that it would pay for itself. But most economists say that is a myth. That additional \$2 trillion simply piled on to the enormous burden we've created for future generations, rather than achieve needed tax reform. Both Democrats and Republicans have acted in a way that suggests debt doesn't matter. But I am here to say - the debt does matter. The numbers are so large that it can be hard to wrap your head around them but presently every man, woman and child in America owes \$67,000 – enough to send a child to college, or start a small business, or to make a substantial down payment on a home. Any Utah small business would be out of business if that is how it maintained its books.

Unfortunately, the interest on our debt is now the fastest growing part of the federal budget. Next year we will spend more on interest than all the federal funding for our kids. By the year 2025 –six years from now—our interest payments will **exceed the cost of our defense budget**. Growing interest payments will crowd out other investment that would move our country forward, such as education, or housing, or infrastructure. Not only is that fiscally irresponsible, it is morally reprehensible to saddle generations yet unborn with those bills. And someday, those bills will come due.

As has been said before –but it still holds true today--“the first rule, when you find yourself in a deep hole, is to stop digging.” That's why it was so critical—in our first votes in the House on the rules package—that we kept pay-as-you-go requirements. Every Utah family understands that when you decide to make a purchase, you must first show how you'll pay for it. Either you find additional revenue, or you cut back on spending elsewhere so that you continue to live within your budget. As mayor, I constantly faced tradeoffs. But you set your priorities and you make choices – sometimes difficult choices. Again, this is what hard-working Utah families do

every day when they sit at the kitchen table and balance their checkbooks and we must do the same.

As one of the co-chairs of the Blue Dog Task Force on Fiscal Responsibility and Government Reform, I'll be working with my colleagues and my fellow co-chair Rep. Ed Case to pursue smart, strategic policies to rein in the federal government's persistent annual deficits and unsustainable debt. We will be responsible for crafting policies that increase transparency, hold Congress accountable to the taxpayers and ensure that money is spent wisely.

Another tool in our toolbox must be a Balanced Budget Amendment and I hope to introduce legislation on this soon. The Blue Dog Coalition has championed this issue in the past and I will work with members to advance the issue again this Congress. By generally prohibiting the federal government from spending more than it receives in a fiscal year, we can start to turn the Titanic of debt around. Lawmakers in both parties must take a hard look at both the revenue and the spending side of the ledger, while also protecting the Social Security and Medicare benefits that seniors have earned. The measure I plan to introduce will have reasonable exceptions for times of war or a severe economic down turn.

I also support my fellow Representative Jim Cooper's "No Budget, No Pay" legislation. Everyone in this country understands that if you don't do your job on time, you won't get paid. The same rules should apply to Congress. If we don't pass a budget and the funding bills by October 1, Congress doesn't deserve to get paid.

I also support taking a hard look at the return we receive from government programs to determine if we're getting good outcomes, or just perpetuating spending with little or no results. We can do this by building a results-driven policy agenda and ensuring scarce federal resources are invested in what works; more wisely using tax dollars and improving outcomes for young people, their families, and communities. During my time as mayor, we launched several evidence-based programs to track and measure what outcomes the public received in return for spending precious tax dollars.

National headlines say that no one in either political party is talking about the debt. We must have that conversation and work until we find solutions to the harm caused by the debt. It is clear our country is on a dangerous and unsustainable course. It is past time for both parties to stop digging. The decisions won't be easy, but our children and our grandchildren are counting on us to make this right.

Thank you again for allowing me to testify.

Chairman YARMUTH. I thank the gentleman for his testimony. The Ranking Member is recognized.

Mr. WOMACK. All right, Mayor. You have got a \$4.5 trillion budget. You have got \$3.5 trillion worth of revenue. So you have got a \$1 trillion delta in here. So if your balanced budget amendment—and, look, I agree that the only way to really ever force the hand of Congress is to enshrine it into the Constitution, because that is what we pledge to uphold when we take our oath of office—where would you begin, and how would you do it?

Because I think we get universal support, the heads nod yes when we talk about a spending problem, or spending more, you know. Arkansans, just like Utahans, agree that we ought to be able to balance our books like our states do. But we have some incredible, incredibly difficult choices to make. So how do you do that?

Mr. MCADAMS. Well, thank you, Ranking Member. And this is—you know, coming back to my experience as mayor—and granted, it is a different—we had a \$1.3 billion budget, which is different than a \$4 trillion budget, to be sure, but there is no program that doesn't have a constituency and people who support that program. But I think that is why I support a balanced budget amendment, because I think you have got to start with the premise of requirement to balance the budget.

And there are tough choices. There is—it is not a simple matter of funding the good programs and not funding the bad ones. But we have to make qualitative assessments of what each dollar is doing, and what return on investment each dollar is giving to the taxpayer.

So I—my proposal would be to start with a balanced budget requirement. Probably with the state we are in right now it is not going to—we would have to phase it in over a period of time. But if you set that expectation, first and foremost, then we have to do the qualitative evaluation on every dollar that is spent, and we are going to have to make some really hard choice to get there.

What I found, working as mayor, they are tough decisions. And they can become partisan. But we know, at the end of the day, we have to balance that budget. And so there is a give and a take. And we may see programs that we like—but the return, the human return, or the fiscal return on that investment may be X, and another investment is 2X. And so we have to make tough choices like that.

We also look at, you know, where we can have public-private partnerships, or other partnerships that might help us to stretch those dollars further to maximize the bang for the buck, so—

Mr. WOMACK. As a former mayor—with my time expired now—as a former mayor, I look forward to working with you under kind of that mayor's mentality—

Mr. MCADAMS. Yes.

Mr. WOMACK.—to try to get to the right answer.

Mr. MCADAMS. Thank you, Mayor.

Chairman YARMUTH. I thank the Ranking Member and the witness.

Anybody else?

Thank you. Thank you very much, once again.

And I now recognize Mr. Cline for 5 minutes.

**STATEMENT OF HON. BEN CLINE, A REPRESENTATIVE IN
CONGRESS FROM THE COMMONWEALTH OF VIRGINIA**

Mr. CLINE. Thank you, Mr. Chairman. And I have enjoyed Congressman McAdams's remarks. My predecessor, Congressman Goodlatte, was the sponsor of the Balanced Budget Amendment for many years, and I hope to work with him on that, and I think that would be—go a long way toward addressing many of the issues that we are facing.

Mr. Chairman, members of the committee, our continued failure to control federal spending and address our mounting debt truly is the greatest threat to this nation.

When I ran for office last fall, I promised the citizens of Virginia's 6th congressional district that I would reintroduce four words to Washington: We can't afford it. These are four words that should have been repeated endlessly over the last 22 years since the last time a federal budget with a surplus was signed into law in 1997.

In Virginia, where I served in the House of Delegates for 16 years, we are required to balance our budget every year. And because we have placed a priority on fiscal responsibility, Virginia is frequently listed among the best states in which to do business. And all too often, throughout my tenure in the House of Delegates, we were required to tell people we can't afford it.

In contrast, the federal government has an outstanding public debt of more than \$22 trillion. Every year, since 1997, Congress has failed to maintain a fiscally responsible budget and, instead, has relied too much on raising the debt ceiling.

Because of this practice, back in 2011 the credit rating of the U.S. was reduced from AAA to AA+, and it has remained at that level since. Virginia has maintained its AAA bond rating, making it one of only a few states to have that honor.

Not only is the current practice of not passing a balanced budget fiscally irresponsible, it poses a threat to our national security. And I see Congressman Biggs here, who led the effort to highlight that fact, and President Trump has also highlighted the need to reduce the national debt through fiscal responsibility. In September 2011, former Chairman of the Joint Chiefs Mullin warned that the biggest threat to our national security is debt. And since that statement our national debt has increased by 50 percent.

As Members of Congress we must understand that the national debt is indeed a threat to our national security, that deficits are unsustainable, irresponsible, and dangerous. Committing Congress to restoring regular order in the appropriations process, and addressing the fiscal crisis faced by the United States is no longer just an option, it is a necessity. And the future of our great republic and future generations depend on it.

Thank you, Mr. Chairman.

[The prepared statement of Ben Cline follows:]

Rep. Ben Cline (VA-06)
Budget Committee Members' Day Testimony
March 6, 2019

Our continued failure to control federal spending and address our mounting debt truly is the greatest threat to this nation. When I ran for office last fall, I promised the citizens of Virginia's Sixth Congressional District that I would reintroduce four words to Washington – 'we can't afford it.'

These are four words that should have been endlessly repeated over the last 22 years since the last time a Federal budget with a surplus was signed into law was in 1997. Unfortunately, all we hear is silence.

In Virginia, where I served in the House of Delegates for 16 years, we are required to balance our budget each year. And because we have placed a priority on fiscal responsibility, Virginia is frequently listed among the best states in which to do business.

In contrast, the Federal government has an outstanding public debt of more than \$22 trillion. Every year, since 1997, Congress has failed to maintain a fiscally responsible budget and, instead, has relied too much on raising the debt ceiling.

Because of this practice, on August 5, 2011, the credit rating of the United States was reduced by Standard and Poor's from AAA to AA+ and has remained at that level since. Virginia, through its fiscal responsibility, has maintained its AAA bond rating, making it one of only a few states to have that honor.

Not only is the current practice of not passing a balanced budget fiscally irresponsible, it poses a threat to our national security. As part of his National Security Strategy, President Trump has highlighted the need to reduce the national debt through fiscal responsibility, and I commend him for it.

In September 2011, former Chairman of the Joint Chiefs of Staff Michael Mullen warned: “I believe the single, biggest threat to our national security is debt.” At that time, our national debt was close to \$15 trillion. Now, almost ten years later, our national debt has increased by \$7 trillion, a 46% increase.

As Members of Congress, we must understand that the national debt is indeed a threat to the national security of the United States, that deficits are unsustainable, irresponsible, and dangerous. Committing Congress to restoring regular order in the appropriations process and addressing the fiscal crisis faced by the United States is no longer just an option, it’s a necessity. The future of our great republic depends on it.

Chairman YARMUTH. I thank the gentleman. Anyone have a question for the witness?

I now recognize Ms. Houlahan from Pennsylvania for 5 minutes.

STATEMENT OF HON. CRISSY HOULAHAN, A REPRESENTATIVE IN CONGRESS FROM THE COMMONWEALTH OF PENNSYLVANIA

Ms. HOULAHAN. Thank you, gentlemen. And I would like to kind of work off of Representative Cline and Representative McAdams talking to us about the responsibility we have as Members of Congress to be responsible to the people we serve.

And I am a first-time, first-term representative from Pennsylvania, and I, among several—a lot of people in the 1980s (sic), nearly a quarter of the Congress came to Washington to rebuild trust in our government, to rebuild the democratic process, and to fix what largely people perceive on the outside of this bubble to be a very broken Congress.

And unfortunately, when I and my classmates entered office, we were already in the midst of what would then become the largest and longest government shutdown in our country's history. And this, frankly, was unacceptable to me and to many of my colleagues on both sides of the aisle, and, most importantly, to the American people that we were brought here to serve.

I watched as constituents at home went without pay, and people were used as pawns in political negotiations. And now that the government is open again, we seem to be quickly forgetting the pain that we inflicted on the people of our communities.

And so I come here in full appreciation of the work that the Budget Committee does to come to bipartisan budget resolutions that allow the appropriations process to move forward in a timely manner. But I also am coming here to hopefully re-elevate the importance of something called the shutdown to end all shutdowns bill.

Each year we must work together to draft an appropriations package to fund our government. Debate is to be expected. But what we should never tolerate is federal workers and contractors being forced to work without pay because we in the executive and legislative branches have failed to perform our very basic duties as elected officials.

And this is why I first introduced H.R. 834, the Shutdown to End All Shutdowns Act, which was cosponsored by close to two dozen of my freshmen classmates. This bill was designed to disincentivize shutdowns as a negotiating tool, by transferring the financial hardship of the shutdown to the very people who caused it: the executive branch and the Members of Congress, rather than the people that we serve.

We really need to move on from the politics of partisan gridlock. We really need to move on from continuing resolutions and government shutdowns. And we absolutely have to come together to pass a spending bill every year that serves our constituents and upholds our values. We need to return to regular budget order, and not budget by crisis.

Thank you so much for your attention, and I will definitely take any questions you have with the remainder of my time.

[The prepared statement of Chrissy Houlahan follows:]

Statement from Rep. Chrissy Houlahan

March 6, 2019

Thank you for welcoming me today.

I am a first term Representative from Pennsylvania and was sent to Washington in part to rebuild trust in our democratic processes and fix our broken government.

Unfortunately, when I entered office, we were already in the midst of what would become the longest government shutdown in our country's history. This is not acceptable to me, to many of my colleagues on both sides of the aisle, and most importantly, to the American people. I watched as constituents went without pay and were used as pawns in political negotiations.

I appreciate the work the budget committee has done to come to a bipartisan budget resolution that allows the appropriations process to move forward in a timely matter.

Each year, we must work together to draft an appropriations package to fund our government. Debate is to be expected. But what should never be tolerated is federal workers and contractors being forced to work without pay because we in the Executive and Legislative branches have failed to perform our duties as elected officials.

This is why the first bill I introduced was HR 834, the Shutdown to End All Shutdowns Act.

This bill would disincentive shutdown as a negotiating tool by transferring the financial hardship of shutdowns to the Executive Branch and Members of Congress rather than on the people who we serve.

We need to move on from the politics of partisan gridlock.

We need to move on from continuing resolutions and government shutdowns and come together to pass a spending bill that serves our constituents and upholds our values.

We need to return to regular budget order and not budget by crisis.

Thank you for your attention and I will take any questions you may have with the remainder of my time.

Chairman YARMUTH. Okay, thank you for your testimony. Anything?

Ms. HOULAHAN. Thank you, gentlemen.

Chairman YARMUTH. Thank you very much.

I now recognize Mr. Biggs of Arizona for 5 minutes.

**STATEMENT OF HON. ANDY BIGGS, A REPRESENTATIVE IN
CONGRESS FROM THE STATE OF ARIZONA**

Mr. BIGGS. Thank you. Thank you, Mr. Chairman and Ranking Member Womack. I appreciate the opportunity to testify before this committee today.

A few weeks ago our national debt surpassed \$22 trillion. That is not news to you. But it is roughly equivalent of \$68,000 per person in the United States. And since 2017, the national debt has grown by nearly—over \$2 trillion.

Democrats and Republicans are both at fault in the current fiscal state of our country. We both—all of us are concerned. Both sides of the aisle are concerned, as well, and we have talked about regular order.

Both parties need to look at reforming Social Security and Medicare to ensure these programs remain sustainable. Social Security and Medicare make up the majority of our federal budget. And CBO has forecast that Medicare will run out of money in 2026, and Social Security in 2034.

And many of my colleagues and I have promised to cut spending and enact substantial budget reforms, but have been unable to keep our commitments because it has been tough to have a true regular-order process in this Congress.

In fact, our inefficiency has seemed—and caused the United States' credit rating from Standard and Poor's to fall from AAA to AA+. And without a targeted effort to balance our budget, our credit rating will surely continue to fall.

President Trump's National Security Strategy highlights the need to reduce the national debt through fiscal responsibility, and President Trump is not alone in recognizing the national debt as a threat to national security.

A bipartisan group of national security leaders like former Chairman of the Joint Chiefs of Staff Michael Mullen, Secretaries of Defense James Mattis, Leon Panetta, Director of National Intelligence Dan Coats, and others have warned that our continued increase in our national debt will eventually hinder our ability to sustain our national security.

To address this issue, I introduced a resolution recognizing the national debt as a threat to America's national security. And I am happy to report that many of our own colleagues—some who serve on this committee—in fact, more than 50—have signed onto this resolution. But it will take more than just promises and sound bites. We have a lot of work to do.

And I wanted to report on something that happened for me. The lights went out as I testified, as it just—this happens to me.

Chairman YARMUTH. We apologize.

[Laughter.]

Mr. BIGGS. It is all right.

Chairman YARMUTH. It was not an editorial comment.

Mr. BIGGS. Yes, I appreciate that.

I served on the Arizona appropriations committee for 14 years. The last six years I served in the Arizona Legislature I effectively wrote the state budget with my colleagues. When I took over that duty, we had—we lost—we had lost 34 percent of our state revenue in a nine-month period. We were considered to be the per capita hardest hit at the end of the 2008—at the beginning of the 2008 recession.

We managed to restore the glide path by creating a glide path so we could meet our obligations, provide the services that we felt were the most necessary. And the result is that I report to you today that Arizona has a \$1 billion structural surplus, which is, contrary to the multi-billion-dollar negative situation we were in just a few short years ago.

I am convinced we can do this. It will take bipartisan sacrifice, bipartisan cooperation. And part of the way we do this is to continue to talk about this, elevate it, make it a real priority. Quite frankly, I feel like sometimes we spend so much time on so many other things that we fail to recognize how important what you do in this committee and what we do with our spending really is. I think it is the most important thing we do in Congress.

And with that, Mr. Chairman, I yield back.

[The prepared statement of Andy Biggs follows:]

**Statement by the Honorable Andy Biggs
U.S. Representative, Arizona's 5th District**

before the

United States House Budget Committee

March 6, 2019

Thank you, Chairman Yarmuth and Ranking Member Womack, for allowing me to testify before the House Budget Committee.

A few weeks ago, our national debt surpassed \$22 trillion. That's roughly \$68,000 owed per person in the United States.

Since 2017, the national debt grew by almost \$2 trillion; yet, only a few in Congress recognize this issue for what it is – a threat to our national security.

Democrats and Republicans are both at fault for the current fiscal state of our country. Both parties have failed to restore regular order in the appropriations process and have become accustomed to passing irresponsible continuing resolutions and omnibus spending bills. And both parties have failed to reform Social Security and Medicare to ensure these programs remain sustainable. Social Security and Medicare make up the majority of our federal budget.

Many of my colleagues and I have promised to cut spending and enact substantial budget reforms but have been unable to keep our commitments because of the current warped process that the Legislative Branch currently operates. As long as we have this distorted and irregular budget process, we will persist on our reckless course.

In fact, the inefficiencies in Congress have caused the United States' credit rating from Standard and Poor's to fall from AAA to AA+, and without a targeted effort to balance our budget our credit rating will surely continue to fall.

President Trump's National Security Strategy highlights the need to reduce the national debt through fiscal responsibility, and President Trump is not alone in recognizing the national debt as a threat to national security.

A bipartisan group of national security leaders like former Chairman of the Joint Chiefs of Staff Michael Mullen, former Secretaries of Defense James Mattis and Leon Panetta, Director of

National Intelligence Dan Coats, and others have warned that continued increase in our national debt will eventually hinder our ability to sustain our national security.

To address this issue, I introduced a resolution recognizing the national debt as a threat to America's national security. And I am honored that it is supported by many of our colleagues who serve on this Committee. This resolution calls on Congress to restore regular order to the appropriations process and address our nation's fiscal crisis.

It will take more than campaign promises, soundbites, and tweets to bring our federal budget back to normalcy. We have an overspending problem in our federal government and until both political parties realize the urgent need to cut our spending and balance our budget, our nation's finances will continue to spiral out of control. Unfortunately, we are currently taking few measures to save ourselves from the fall and ruinous fate once we go over the edge.

Chairman Yarmuth, Ranking Member Womack, Members of the Committee: I ask that you join me in heeding the warnings of our national security leaders and act. Let's do it not for us, but for future generations, so that they may live out the American Dream free from fiscal catastrophes.

Chairman YARMUTH. I thank the gentleman.

Questions?

Thank you very much. I now recognize Mr. Cloud from Texas for 5 minutes.

**STATEMENT OF HON. MICHAEL CLOUD, A REPRESENTATIVE
IN CONGRESS FROM THE STATE OF TEXAS**

Mr. CLOUD. Thank you, Chairman, Ranking Member, and committee. It is a pleasure to be here today. And I thank you for having this time for us to come here and share our thoughts.

I hail from the 27th congressional district of the great state of Texas, and the debt and deficit are two major concerns for residents in our district. I have come here today to address the cost of servicing our debt.

As you know, the Congressional Budget Office and the Joint Committee on Taxation, among other services, provides estimates to Congress to show how a given piece of legislation will affect spending and revenues over the next five to 10 years. This resource has become an integral part of Congress, and it has been used to inform members and their staffs of the budgetary impacts of legislation.

The CBO and JCT cost estimates, while useful, do not provide a complete view of the cost of legislation. Both the CBO and JCT scores, unfortunately, do not include the cost of servicing the debt. As Maya MacGuineas of the Committee for a Responsible Federal Budget explains, if interest on the debt is not counted, the official scores of legislation can be deceptively low, especially when offsets would occur years in the future.

American taxpayers and future generations deserve honest accounting, not more gimmicks that attempt to paper over our huge and unsustainable deficits. The folks back home understand this. If they were budgeting for monthly car payments and only considered the list price of the car itself, and didn't factor in the cost of extra interest payments, they would—might discover later that the actual total cost was more than they could afford.

In essence, Congress has been doing this same thing by not considering the comprehensive budgetary impacts of spending and taxing proposals. This distorts congressional decision-making in favor of more spending and debt accumulation than might otherwise be the case.

Take for example a scenario that played out in 2009:

The American Recovery and Reinvestment Act of 2009 was estimated to increase deficits by \$787 billion, according to the CBO. However, then CBO Director Doug Elmendorf testified to then Representative Paul Ryan that, due to interest payments, the cost would be higher over the budget window, pushing the cost of the bill to over \$1 trillion.

Let me conclude with this. While the CBO occasionally provides insights to interest payments through updates to Congress, legislatures—legislators are not regularly given this information to consider. As a result, Members of Congress have an incomplete view of the long-term impact of the votes that we are taking.

Servicing the national debt is becoming a substantial part of federal spending. Within a few years, our national spending on inter-

est will be more than the entire Department of Defense budget. By 2029 the Congressional Budget Office estimates that net interest payments will have climbed to \$928 billion. This will increasingly crowd out other spending priorities.

And this is a bipartisan concern. In a recent article Democratic Representatives Correa, Murphy, O'Halleran, and Brindisi wrote, "Our growing debt poses a threat to the U.S. economy and the quality of life of every American, not to mention our national security and our ability to respond to unexpected challenges."

I have introduced a bill, H.R. 638, the Cost Estimates Improvement Act, which would, among other things, require the CBO and JCT to include debt servicing costs in their estimates. I would hope that the fiscal year 2020 budget resolution would adopt this bill or similar policies, so that the American public has a clearer view of how much congressional spending costs.

Thank you very much.

[The prepared statement of Michael Cloud follows:]

Congressman Michael Cloud (TX-27)
Testimony Before House Budget Committee: Members' Day
Including Servicing the Debt in Cost Estimates Provided to Congress
March 6, 2019

Good Afternoon, Chairman Yarmuth, Ranking Member Womack and members of the committee, thank you for having us here this afternoon.

I hail from the 27th Congressional District of the great state of Texas, and the debt and deficit are two major concerns of the residents in our district.

I've come here today to address the cost of servicing our debt.

As you know, the Congressional Budget Office (CBO) and the Joint Committee on Taxation (JCT), among other services, provide estimates to Congress to show how a given piece of legislation would affect spending or revenues over the next five or 10 years.

This resource has become an integral part of Congress and has been used to inform members and their staffs of the budgetary impacts of legislation.

The CBO and JCT cost estimates, while useful, do not provide a complete view of the cost of the legislation.

Both CBO and JCT scores unfortunately do not include the cost of servicing the debt.

As Maya MacGuineas of the Committee for a Responsible Federal Budget explains:

If interest on the debt is not counted, the official scores of legislation can be deceptively low, especially when offsets would occur years in the future. American taxpayers and future generations deserve honest accounting, not more gimmicks that attempt to paper over our huge and unsustainable deficits.

The folks back home understand this:

If they were budgeting for monthly car payments and only considered the list price of the car itself—and didn't factor in the extra cost of interest payments—they might discover later that the actual total cost was more than they could afford.

In essence, Congress does the same thing by not considering the comprehensive budgetary impact of spending and taxing proposals. This distorts congressional decision-making in favor of more spending and debt accumulation than might otherwise be the case.

Take for example a scenario that played out in 2009:

The American Recovery and Reinvestment Act (ARRA) of 2009 was estimated to increase deficits by \$787 billion, according to the CBO.

However, then CBO Director Doug Elmendorf testified to then Representative Paul Ryan that due to interest payments, the cost

would be higher over the budget window, pushing the cost of the bill over \$1 trillion.

Let me conclude with this.

While CBO occasionally provides insight to interest payments through updates to Congress, legislators are not regularly given this information to consider.

As a result, Members of Congress have an incomplete view of the long-term impact of the votes they take.

Servicing the national debt is becoming a substantial part of federal spending. Within a few years, our nation will be spending more on interest payments than on the entire Department of Defense. By 2029, the Congressional Budget Office estimates that net interest payments will have climbed to \$928 billion. This will increasingly crowd out other spending priorities.

And this is a bipartisan concern. In a recent article, Democratic Representatives Correa, Murphy, O'Halleran, and Brindisi wrote:

Our growing debt poses a threat to the US economy and the quality of life of every American -- not to mention our national security and our ability to respond to unexpected challenges.

I have introduced a bill, H.R. 638, the Cost Estimates Improvement Act, which would, among other things, require the CBO and JCT to include debt servicing costs in their estimates.

I hope the FY 2020 Budget Resolution would adopt this bill or similar policies, so the American public has a clearer view of how much congressional spending costs.

Again, thank you for this opportunity to appear here today.

Chairman YARMUTH. I thank the gentleman.

Ranking Member?

Mr. WOMACK. Thank you.

To Andy, Mike, and to Jodey, who will speak here in a minute, thank you guys for coming in here. We have 26 members out of 435—a little less than 435, we got a couple of vacancies—but we have 26 members representing far less than 10 percent, maybe 5 percent of our caucus, or our whole Congress that is in here testifying on matters of budget. But everyone would say that when they go home people are talking about deficits and debt, which is kind of the purview of this committee.

So, Mike, because you were testifying, let me just throw this question out. Let's say we have a \$1 trillion deficit this year, and we are going to try to address that \$1 trillion deficit. Let's say we were going to try to take it to zero. About 70 percent of federal spending is on the mandatory side, and we know what those programs are. And about 30 percent is on the discretionary side, give or take a percentage or two.

So is it as simple as saying we are going to look at reforms that would give us savings on a 70/30 kind of basis, mandatory versus discretionary? How would you do that?

Mr. CLOUD. Are you asking me to rewrite the federal budget?

[Laughter.]

Mr. WOMACK. Not in 58 seconds.

Mr. CLOUD. Yes. I have been here for eight months, still working on how to fix everything.

I do know that Congress is broken. I think this proposal that I am proposing is one step to us being able to have the information to make those kind of decisions.

Mr. WOMACK. Is your early understanding of the budget process reform at least flawed, in your position, or in your opinion, if not broken?

Mr. CLOUD. I am sorry?

Mr. WOMACK. Is the current budget process, budgets and appropriations that we do today based on the 1974 budget construct, is it flawed?

Mr. CLOUD. What I know is that every year we spend more money than we take in. Americans, the people who elected me and us, recognize that we—this is unsustainable. It is a huge national security threat, and we have got to find a way to get back to sensible budgeting.

Mr. WOMACK. I know when I go back to my district and my town hall meetings, and people talk about deficits and debt, we are in general agreement that we have a problem. The real challenge for us is when we start discussing what the solutions are. And then you start stepping on toes and people start defending their programs.

Mr. CLOUD. Ultimately, it is going to have to come down to us caring more about the country than we do being here.

Mr. WOMACK. I agree.

Chairman YARMUTH. I thank the gentleman.

Now, maybe last, but not least, the distinguished former member of the Budget Committee, Mr. Arrington from Texas.

Mr. ARRINGTON. You never said “distinguished” when I was here, Mr. Chairman.

[Laughter.]

Mr. ARRINGTON. But I—

Mr. WOMACK. Now, can I add also a distinguished member of the Joint Select Committee on Budget Process Reform?

**STATEMENT OF HON. JODEY C. ARRINGTON, A
REPRESENTATIVE IN CONGRESS FROM THE STATE OF TEXAS**

Mr. ARRINGTON. Thank you, Ranking Member, and I am honored to have served on the committee with you, very proud of the work we did.

You are a gentleman, Mr. Chairman, and I just appreciate the way you do business.

Mr.—former Chairman, but my Chairman during my tenure here, very proud of the product that we put out, a balanced budget over 10 years, reduction in spending, which I think is completely out of control, and the problem 70 percent of which is on the mandatory side, which has been discussed, and that is 90 percent of the growth over the next 10 years. And we reduced it, under your leadership, to a greater extent than has been done in 20 years. Thank you. I am proud to have been a part of that.

It is mind-boggling for the American people to do the math on \$22 trillion and, in 10 years, \$33 trillion. In the next 10 years we will go from a—close to a trillion deficit spending, annual spending, to over \$10 trillion, 100 percent in 10 years of our entire value of the United States economy, and so on and so forth. And it is just—it is scary, and it is—will have a disastrous effect on our children and grandchildren.

Now, that is what I loved about the Budget Committee. That is why I am here, because I think the greatest threat to the future of this country is this debt path, and the prospects of a sovereign debt crisis. And nobody knows when it is going to happen. But when the dominos start to fall, you won't be able to get it back, we won't be able to get it back, and we will send this economy so far backwards that our kids will be in a very, very abysmal economic condition, and they will not be able to pursue their dreams and have their families and pursue their careers like we have in this great country.

With that backdrop, I am here to talk about the Medicare for all proposal. I don't know how, with \$22 trillion and all the things I just talked about, we can introduce another big-government take-over, essentially, of the health care economy. Now, there is no price tag on what the Democrats have introduced in the way of this Medicare-for-All proposal. But the conservative, most conservative estimates, have it at upwards of \$30 trillion.

Now, to keep up with that, not to mention the trajectory we were on under current policies and associated spending which I just described, drop the weight of \$30 trillion on top of that, I don't know how you can sustain it. I don't know how you don't—how you prevent the triggering of that sovereign debt crisis.

The American people are not going to tolerate doubling their taxes. We just gave them relief, and eight out of 10 Americans are

living paycheck to paycheck, 60 percent have \$1,000 or less in their checking account. And this would be a disaster.

So the problems are cost, but they are also quality of care, in my opinion. Now, it wasn't too long ago that we had the introduction of the Affordable Care Act. And that was ironically titled, because we have seen nothing but costs skyrocketing. We had premiums go from \$2,800 to \$6,000 across the country. We had the reduction of choice—essentially, one provider per county in over half the counties in the country. It did not work out well.

And now we want to double down on that and move to a universal care, single-payer system like the VHA, and that hasn't worked out for veterans. I served on the VA Committee, and I got to tell you, what a disservice to our veterans. I mean they are trapped. Some of them got sick, sicker. Some of them died waiting in line for care. That was the universal health system that I was familiar with in the context of that committee.

Included in this proposal is the Democrats' proposal and idea on how to fix this ever-increasing cost of drugs. We all know that is a problem. But the solution, Mr. Chairman, with all due respect, is not price controls. It is not compulsory licensing, where the government literally comes in and takes somebody's intellectual property because they don't like the way they price it, and then they distribute it the way they want to because government knows best.

I can't even fathom of a situation like that. But that is what is included. And it will destroy any notion of consumers choosing the very best drug therapies for the best quality of life and lifesaving drugs.

I know my time is limited here, but that, to me, the—the answers are, for me, real simple. And I don't mean to be too dogmatic about it, but we need people competing for our business, as consumers, as patients. We need healthy markets, robust markets. We need transparent markets, where consumers can be informed and empowered and make rational decisions. And if we do that, I think everybody will win, and we will get quality care at an affordable price for the whole health care market, not just on the provision of care between doctors and patients, but drugs and every other component.

Mr. ARRINGTON. Thanks for your—for allowing me to testify. I know I went over my time, but some things don't change, Mr. Chairman.

[Laughter.]

Mr. ARRINGTON. I yield back.

[The prepared statement of Jodey C. Arrington follows:]

Fiscal Year 2020 Budget: Members' Day

Testimony to the U.S. House
Committee on the Budget

Representative Jodey Arrington (TX-19)

Thank you Chairman Yarmuth and Ranking Member Womack for providing members the opportunity to share our thoughts on the FY 2020 budget resolution. And I appreciate the important work we did together when I was a member of the Committee.

And as many on this committee know pretty well, I adamantly believe that the biggest threat to our nation's future is a looming sovereign debt crisis.

We don't know when this crisis will occur, but we do know that when that day comes, it will cripple the ability of our children and grandchildren to live out the American dream. And what worries me is that we're not all that far away.

Today our national debt stands at over \$22 trillion, and it's only growing.

In fact, CBO is projecting annual trillion-dollar deficits by 2022.

Last year alone we paid \$325 billion just servicing the interest on the debt.

Think of it, within a decade we could spend more on debt interest payments than we do on national defense.

And we also know that the drivers of our debt are mandatory spending and entitlement programs that, if left unchecked and unreformed, will continue to spiral out of control and put us even further on a path towards Greece.

So in light of all this what are Democrats now proposing?

Something that they have privately wanted for years: a massive new entitlement program and a single-payer, government-run healthcare system in Medicare for All.

And while they haven't bothered to say how much it would cost, let alone how they would pay for it, even conservative estimates show that moving to Medicare for All and single-payer system would cost more than \$32 trillion just in the first 10 years.

Even if we doubled taxes, we still wouldn't be able to afford to pay for Medicare for All!

That's right, imagine hardworking Americans having to pay twice of what they already do to the federal government for something most of them don't even want.

But it isn't just the astronomical sticker cost that's a problem; it's how it moves us further away from patient-centered care and puts government bureaucrats in between patients and their doctor.

The last time Democrats were pushing healthcare reform under Obamacare, the refrain we heard time and again was that "if you like your healthcare plan, you can keep it."

Of course, we all later learned that was a lie.

To their credit, this time around Democrats are making no such pretenses, openly admitting that Medicare for All would completely eliminate the private insurance market and rip away healthcare from the 93% of Americans who have these plans and rely on them.

Three out of four of whom, by the way, say that they like the healthcare they have now.

This proposal also mandates that the government negotiate drug prices, going as far to say that the government can seize a company's intellectual property and patents if they do not agree with the government's price controls.

That's not the right way to go about bringing down the costs of prescription drugs in our country, an area where I believe we can actually find common ground and forge bipartisan solutions.

Lastly, in the latest example of how extreme the Democratic Party has become on the issue of life, the most recent Medicare for All proposal permits taxpayer funding of abortion, something that 68% of Americans, including many Democrats, oppose.

Mister Chairman, we have already tried a system of soviet-styled, centrally-planned, socialized medicine under Obamacare and as we've seen, the results have been disastrous: skyrocketing premiums and deductibles, fewer choices for American families, and diminished quality of care for patients in need.

So the last thing we need is to double down on big government, one-size fits all solutions or centrally planned systems that concentrates even more power in the hands of Washington bureaucrats.

Instead, we need to unleash the free-market forces of competition, innovation and consumer choice that will bring down healthcare costs and improve access to what all Americans want and deserve: high-quality care.

So I encourage some of colleagues on the other side of the aisle to drop unrealistic, unworkable proposals like Medicare for All that are designed more for liberal activists than lawmakers, and to come work with us in a bi-partisan way to keep what works in our healthcare system and find solutions to the areas where it doesn't.

Chairman YARMUTH. I thank the gentleman. The Ranking Member is recognized.

Mr. WOMACK. I have no question, I just wanted to again thank Jodey for serving on the Joint Select Committee on Budget Process Reform. It was an extremely important effort that we—even though we did not get through the tape, we got very close.

Mr. ARRINGTON. Yes, we did.

Mr. WOMACK. But there are three guys sitting right here.

Mr. ARRINGTON. That is right.

Mr. WOMACK. The Chairman and the two of us that were in the yes column on at least taking, if not a baby step, a little more important step forward—

Mr. ARRINGTON. Yes.

Mr. WOMACK.—in trying to fix our broken process.

Mr. ARRINGTON. Thank you. Very meaningful, and thank you, Mr. Chairman, for your leadership, as well.

Chairman YARMUTH. Absolutely. Thank you. Just one comment about prescription drugs, because you said “with all due respect.” I have no proposals in, so I didn’t take offense.

But there are a number of initiatives being discussed now in various committees on how to deal with prescription drug prices, and I hope we can come to a bipartisan agreement on something that will work and solve the problem.

Mr. ARRINGTON. I do, too, Mr. Chairman. As a new member of Ways and Means, I do hold out great hope that we can have a bipartisan solution there. I just don’t want—I think there is some ground in the middle there to work on.

Chairman YARMUTH. I thank you, and I want to thank all the witnesses. Thanks for hanging around. And while we had 26 times as many witnesses, I think the hearing was worth even a greater factor than 26 times.

Mr. WOMACK. I enjoyed the hearing.

Chairman YARMUTH. It was very good. So I thank the Ranking Member and all the members, and—because the testimony here will be important in—as we consider funding and policy priorities for the 2020 budget resolution.

Unless anyone has any further business, without objection this hearing is adjourned.

[Whereupon, at 1:02 p.m., the Committee was adjourned.]

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STATEMENT
MEMBERS' DAY HEARING:
"FISCAL YEAR 2020 BUDGET PRIORITIES"

COMMITTEE ON THE BUDGET
210 CANNON
MARCH 6, 2018
10:00 A.M.

- Thank you Chairman Yarmuth and Ranking Member Womack for convening this Members' Day hearing on Fiscal Year 2020 budget priorities.
- Last year the President submitted a budget that projected FY2019 revenues of \$3.422 trillion and outlays of \$4.407 trillion, leaving a deficit of \$984 billion.
- In reality, however, that was a rosy scenario projection because, aided by the Trump-GOP TaxScam, the FY2019 federal budget deficit for the first quarter turned out to be a staggering \$310 billion, which represents a 77% increase compared to the same period in fiscal year 2018, and puts us on track for a

cumulative budget deficit of more \$1.2 trillion, easily and by far the highest deficit in history.

- Over the next 10 years, the President proposes budgets that will cumulatively increase the national debt by \$7.1 trillion and do not come close to ever balancing.
- It is very clear that the President's priorities are not with the "forgotten Americans" that he claims to represent.
- The President's priorities undermine the very programs relied upon by poor, working, and middle-class families and our nation's most vulnerable citizens: children, senior, the disabled, and the homeless.
- That is why in the midterm election of November 2016, Americans voted by overwhelming and historic margins to entrust control of the House of Representatives, and thus the power of the purse, to a Democratic majority.
- Mr. Chairman, I strongly believe the most pressing priority that needs to be addressed in lifting austerity level caps required by the Budget Control Act of 2011.
- If we do not, we face \$126 billion in cuts to defense and non-defense discretionary next year alone.
- This is not sustainable or responsible.
- We need to raise the caps, for both defense and non-defense spending, to ensure that every American family has the chance to build a better future.
- By the lifting the caps for non-defense discretionary (NDD) spending, the American people will benefit from the additional resources invested in programs that make a real difference in their lives.

- By raising the caps, we could increase, rather than cut, funding for SNAP by \$214 billion or 22 percent.
- By raising the caps, we could invest \$1 trillion in infrastructure to rebuild crumbling roads, bridges, transportation facilities, and extend high-speed internet to every region of the country.
- By raising the caps, we could fully fund programs needed to reform the juvenile justice system.
- By raising the caps, we could make the investments needed to make research breakthroughs for diseases that devastate hundreds of thousands of families annually, including Alzheimers, ALS, MS, and cancer, particularly Triple Negative Breast Cancer; and the lack of sufficient resources dedicated to educating and informing the public on the importance of vaccinations against infectious diseases.
- By raising the caps, we could ensure that FEMA has the resources, the capacity, and the capability to manage both the recovery and resilience missions vested in it under legislation I will soon be introducing.
- Mr. Chairman, as the 2016 presidential election demonstrated, the nation's election machinery and processing are vulnerable to sabotage and manipulation by foreign adversaries like Russian, China, North Korea, and Iran.
- We need to raise the caps to make the investments necessary to protect the integrity of these systems, and thus our democracy.
- The right to vote is inviolate and must be free from interference by external sabotage or internal suppression.

- One way to ensure the right to vote is protected is by lifting the caps and increasing funding for the Civil Rights Division of the Department of Justice.
- Raising the caps will also enable us to provide more funding for the Civil Rights Division to investigate and bring to justice those who commit hate crimes based on racism, anti-Semitism, sexual orientation, religion, or nationality.
- Mr. Chairman, one way to alleviate the humanitarian crisis on the southern border is by lifting the caps and investing more money to hire the necessary number of immigration judges and asylum processing personnel, as well as health care staff at detention facilities.
- As stewards of the environment, we have a moral obligation to future generations to preserve and expand our national parks and historic places and to pass on to them an environment that is clean, safe, and sustainable.
- By lifting the caps, we can invest in programs that recognize that climate is changing and human actions contributing to adverse effects can be ameliorated.
- Finally, Mr. Chairman, by raising the caps, we can ensure that the security and peace and mind that comes from having access to affordable, high-quality health care can be extended to persons living in states that have not expanded their Medicaid program by investing the funds needed to continue and extend waivers requested under Section 1115 of the Social Security Act, which gives the Secretary of Health and Human Services authority to waive provisions of major health and welfare programs authorized under the Act, including certain Medicaid requirements, and to allow a state to use federal Medicaid funds in ways that are not otherwise allowed.

- Mr. Chairman, there is so much that can and must be done to grow our economy and make the investments needed to help American families fulfill their dreams and achieve their goals and to position our nation to compete and win in the global economy of the 21st century.
- But it all begins and depends on the choices we make in this Congress and the first and most important choice we can and must make is to lift the caps contained in the Budget Control Act of 2011.
- Thank you; I yield the remainder of my time.

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Wednesday, March 6, 2019 FY20 Members' Day Hearing
Testimony for the Record
Rep. Paul Mitchell (R-MI) and Rep. Bradley Byrne Testimony**

Opening Statement

Chairman Yarmuth, Ranking Member Womack, and all Members of the House Budget Committee, we appreciate this Members' Day opportunity to submit our testimony to your committee as you craft your FY20 Budget. As you do so, we would like to offer our perspectives on Congress' current budget and appropriations process, offer our views about what can be reformed, and encourage you all to include a call to change our budget and appropriations process in your package.

It is obvious our budget and appropriations process is fundamentally broken. Historically we have had one continuing resolution after another, have resorted to omnibus funding measures instead of individual appropriations bills, and have had multiple government shutdowns. Earlier this year, we saw the longest partial shutdown in our nation's history, which is merely the most recent example of the broken process. With our current budget and appropriations cycle we have seen these failures play out repeatedly.

History shows the budget tools we have do not work, and they never have worked. If anything, matters have gotten worse. This not only is bad procedure; it also creates a climate where we govern from one crisis to the next, and prevents us from other vital authorization, oversight, and spending reform initiatives. It prevents Congress from having the time or will to have any other substantial policy, spending, or debt debates. It's also terrible politics - we rush out products just to keep the lights on, and in election years we hardly budget or appropriate at all.

Thankfully, many Members of Congress and past Budget Committee Chairs have supported process reform. Ranking Member Womack stated such reforms would be a theme of his previous Chairmanship tenure. Last Congress we had the Joint Select Committee on Budget and Appropriations Process Reform, expressly created to find solutions to our budget and appropriation process problems.

We appreciate all those efforts to date, and recognize there have been many others as well. We greatly appreciate today's chance to testify in support of one potential solution: our bill, the Protecting Our Children's Future Act (H.R. ____). As the Budget Committee continues its vital work, we would appreciate your consideration of this landmark legislation.

Current Broken Process

As you all know, in 1974, Congress enacted the Congressional Budget and Impoundment Act. Unfortunately, its reforms have never worked as intended. Forty years later, the government is considerably larger, our debt problems significantly worse, and filibusters are now the norm for appropriations bills.

According to the Congressional Research Service, during the 25-year period covering FY1952-FY1976, when the fiscal year began on July 1, at least one regular appropriations bill was

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enacted after the fiscal year began. Since FY1977 – when the Congressional Budget Act of 1974 was fully implemented and all the appropriations bills were enacted on time – all of the regular appropriations bills were enacted before the beginning of the fiscal year in only three instances (FY1989, FY1995, and FY1997).

Between FY1977 and FY2019 (excluding the four fiscal years in which all appropriations were enacted on time), over half of the regular appropriations bills for a fiscal year were enacted on time in only one instance (FY1978). In all other fiscal years, fewer than six regular appropriations acts were enacted on or before October 1. In addition, in 15 out of the 41 years during this period, none of these regular appropriations bills were enacted prior to the start of the fiscal year. Ten of these fiscal years have occurred in the interval since FY2001.

In the interval since FY1997 – the most recent fiscal year that all regular appropriations bills were completed on time – CRs have been enacted on average almost six times per fiscal year. During this period, CRs provided funding for an average of almost five months each fiscal year.

Even when Congress doesn't resort to CRs, we all too often use Omnibus spending bills as opposed to individual appropriations bills. During the 32-fiscal year period covering FY1986-FY2017, 23 different omnibus measures were enacted for 20 different fiscal years. (Two separate omnibus appropriations acts were enacted for FY2001, FY2009, and FY2012.) As we all know, there have been more since.

Some years even the last-resorts of CRs and Omnibuses have failed, leading to funding lapses and government shutdowns. Since FY1977, there have been 20 funding gaps, including the partial shutdown earlier this year, which was the longest ever. This does not even count the enactment of a CR on the day after the budget authority in the previous CR expired, which has occurred often, including once this fiscal year.

This history confirms what we all know: The time for a new process is now.

The Protecting Our Children's Future Act (H.R. ____) Summary

To meet this charge, we worked together on crafting the Protecting Our Children's Future Act (H.R. ____). Our bill has six main points:

1. Biennial Budgeting and Appropriations
2. Fiscal Year Matches Calendar Year
3. Applies No Budget, No Pay
4. Reconciliation Procedures for Appropriations Bills in the Senate (Majority Vote)
5. Turns Nearly All Mandatory Spending into Discretionary Spending
6. Requires Zero-Based Budgeting for President's Budget

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None of these ideals are new, and in fact, some of them have previously passed the House of Representatives. Our bill represents a culmination of these vital reforms, and is structured in a way that makes adoption easier and comprehensive.

The Protecting Our Children's Future Act (H.R. 5214) Details

What follows is a detailed explanation of what problems our bill fixes, and what solutions we have identified.

Broken Budgeting Process – In 1974, Congress enacted the Congressional Budget and Impoundment Act. Forty-five years later, the government is considerably larger, appropriation bills are rarely finished on time, and filibusters are now the norm for appropriations bills. This legislation makes the following reforms:

- Biennial Budgeting - The bill moves the budgeting and appropriations process to a two-year cycle. A more realistic timeframe for the budgeting and appropriations process will make it easier for Congress to make real and significant changes in spending and exercise more effective control. Congressional committees will spend more time overseeing how effectively money is spent, and a two-year process will also help us get out of the cycle of constant CRs.
- More realistic and appropriate budget time frame, based on the calendar year. – Under current law, a new president is expected to submit a budget for the next fiscal year mere weeks after being inaugurated, and Congress is expected to pass appropriations bills by October 1, just over a month before an election. This timeframe is unhelpful, has led to an increase in CRs, and has further eroded the budget process. For that reason, our legislation adopts a modern timeframe that Congress can stick to:
 - First Session of Congress
 - First Monday in April – President submits a biennial budget, giving additional time for a new administration to get a budget proposal together.
 - June 1 – Both Chambers report a Budget Resolution.
 - June 30 – Both Chambers agree to a Budget Resolution.
 - July, September, October, first half of November - Congress passes biennial Appropriations bills and conferences those bills (and passes a biennial NDAA).
 - November 15 – Congress completes action on appropriations.
 - January 1 – Appropriations from last biennium end and new biennium begins.
 - Second Session of Congress
 - Session focuses on authorizing committees reporting authorizations and oversight.
 - First Monday in April – President submits review of the biennial budget.
 - July 31 – Congress completes action on reconciliation legislation (if not sooner).

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Unenforceable Budget Process – Even though passing a budget is required by federal law, in recent years the House and Senate have often been unable to fulfill this fundamental requirement of governing. Often budget chairs and appropriators have put together their products only to have the membership of the body refuse to cast a tough vote or refuse to come to a consensus with the other chamber. Furthermore, the budget only requires a majority in the Senate but 60 votes to pass appropriations bills. Thus, translating the budget into appropriations can be difficult. This legislation seeks to address these issues in two primary ways:

- **No Budget, No Pay** – If the House and Senate have not conferenced a budget resolution by June 30 of the first session of Congress, the clerk of each chamber is directed to hold the salary of members in escrow until a budget resolution passes both chambers.
- **Reconciliation Procedures for Appropriations Bills that stick to the Budget** – The bill extends the reconciliation procedures of the Budget Act that both chambers have previously agreed upon to appropriations bills if those bills meet their budget allocations. As with reconciliation bills, appropriations bills would be limited to 20 hours of debate in the Senate (or 20 hours per section in an omnibus) with an unlimited amendment process. Once all amendments are exhausted, appropriations bills would pass with a simple majority in the Senate. Authorizing legislation and authorizing language attached to appropriations bills would still require 60 votes in the Senate if a point of order is raised.

Broken Appropriations Process – The last time all twelve appropriations bills were passed individually prior to the start of the fiscal year was in 1994, and the last time we started the fiscal year without at least a partial CR was 1996. In recent history, the House of Representatives has more frequently finished its work, passing full appropriations bills out of our chamber. Unfortunately, the Senate has not gotten our work to the President's desk. More often than not, they haven't even begun to consider appropriations bills on the Senate floor. As a result, the federal government has been forced to rely on one short-term spending bill after another. The bill seeks to address these issues by creating a better way:

- **Workable Procedural System** – As discussed above, the legislation extends the reconciliation procedures already used by the Senate and agreed to by the House to appropriations bills. As with reconciliation, the minority would have an unlimited right to amendments to appropriations bills in the Senate; however, if those bills were in compliance with the budget resolution, the bills could pass with a simple majority support in the Senate.

Out of Control Growth in Spending – Under our Constitution, no money is to be drawn from the treasury except as a consequence of an appropriation of law. Despite this important check on the executive, successive Congresses have written blank checks to the executive to spend future money at ever increasing levels. The CBO baseline includes over 560 mandatory spending accounts. Of course, these accounts represent funds coming out of the federal treasury outside of the appropriations process. Congress should control every federal dollar that leaves the Treasury.

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However, we rarely take a vote on 2/3 of spending every year. This bill seeks to address out of control spending in two ways:

- Moving Most Mandatory Spending to Discretionary Side - The bill moves all mandatory spending other than Social Security Old Age and Survivors benefits, Medicare, TRICARE, and Veterans Programs to the biennial appropriations process. This would represent a move of \$1.2 trillion in FY 2018 to the discretionary side, increasing to \$1.7 trillion by 2027. The bill retains the reconciliation process for controlling the remaining mandatory spending (other than Social Security).
- Zero Based Budgeting – Unfortunately, under our current system, ever increasing federal spending is built into the federal budget baseline. Under this legislation, the President's biennial budget would have to be zero based. Under zero-based budgeting, all programs and expenditures are reviewed at the beginning of each budget cycle and must be justified in order to receive funding. No federal spending is taken for granted.

The reforms in this landmark legislation would fundamentally reform the way the budget and appropriations process works, reassert congressional authority, and set our country on a more stable fiscal path.

How Does a Biennial Budget Look in Practice?

Any substantial changes to the budgeting and appropriations process would have to be carefully thought through to ensure it is functional. Below is a real-world example of how the new timetable would work.

The numbered subheadings would be language put in statute. The subset letters would not be in statute; they are notes how this would look in practice.

The years listed are just exemplary; the Protecting Our Children's Future Act calls for a delayed implementation date so Congress and all government agencies can prepare for the new budget process.

The below all assumes the Calendar Year and Fiscal Year start at the same time, are the same length, and end at the same time – Jan. 1 to Dec. 31, as called for in the Protecting Our Children's Future Act.

Key Dates

November 2018 – Midterm Elections for 116th Congress
 January 2019 – 116th Congress Begins
 November 2020 – Elections for 117th Congress and Next POTUS
 January 2021 – 117th Congress Begins
 January 2021 – Trump First Term Ends
 January 2021 – Next POTUS Term Begins

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Trump Administration Years: 2017, 2018, 2019, 2020
 115th Congress Years: 2017, 2018
 116th Congress Years: 2019, 2020
 117th Congress Years: 2021, 2022
 Election Years: 2018 (Midterms), 2020 (POTUS), 2022 (Midterms)

Revised Timetable

Revises timeline for the Budget Process

1. First Monday in April of the First Session of a Congress – President submits his budget
 - a. This occurs in April 2019, early on in the First Session of the 116th Congress, and in Year 3 of 4 of the Trump Administration. The Budget covers 2020 (Second Session of 116th, 4 of 4 Trump) and 2021 (First Session of 117th, 1 of 4 Next Administration). The next time this step occurs is April 2021 during the First Session of the 117th Congress and First Year of the Next Administration, covering 2022 (Second Session of 117th, 2 of 4 Next Administration) and 2023 (First Session of 118th, 3 of 4 Next Administration). This means each budget plans for 2-and-a-half years out, at its longest point. A result of this is it will occur where a budget covers the first part of a new Congress, and every other Budget the first part of a new Administration. If the current law timeline was actually followed, a similar situation would occur, but the length of time for overlap would differ. The President's Budget will never be submitted during an election year. Having this occur in April gives any new Administrations time to compile a substantial budget as opposed to a Skinny Budget.
2. April 15 – CBO submits report to the Budget Committee
 - a. Same timeline and practical execution as above.
3. Not later than 6 weeks after budget submission – Committees submit views and estimates to the Budget Committees
 - a. Same as above. We are now into mid-May of 2019. Authorizing Committees have had 6 weeks to complete their work, same as current law.
4. June 1 – Budget Committees report concurrent resolution on the biennial budget
 - a. Same as above. It is now mid-year 2019, and we are a quarter of the way through the 116th Congress. We are about to start doing appropriations bills for 2020 (Second Session of 116th, 4 of 4 Trump) and 2021 (First Session of 117th, 1 of 4 Next Administration). Budget Committees have had April and May to complete their work.
5. June 30 – Congress completes action on concurrent resolution on the biennial budget & House may begin consideration of appropriations bills
 - a. Same as above. Congress has had 1 month to review the Budget Committee products.
6. September 15 – House Appropriations Committee reports last biennial appropriation bill

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- a. Same as above. Appropriators have had June, July, August, and half of September to complete their work. Congress has the remainder of the year – up to 6 months – to finish 12 2-year appropriations bills.
- 7. January 1 - Biennium Begins
 - a. We are now into the Second Session of the 116th Congress, calendar year 2020. By this timeline and schedule, Congress has now finished the 12 Appropriation Bills that fund 2020 and 2021. Aside from Reconciliation, there are no Budget or Appropriations Activities in an election year. If POTUS and Congress stick to this timeframe, there will never be Budget or Appropriations bills in Congress in Election Years. In the 2nd Session of any Congress, there will be oversight and authorization activities, as well as potentially any reconciliation bill.
- 8. July 31 (of second session) – Congress completes action on reconciliation legislation
 - a. This happens in July of 2020. Reconciliation always must be done by mid-way through an election year, but there is nothing precluding them from doing it earlier. This structure means each budget has one shot at reconciliation, but given that other parts of the overall bill make many more mandatory programs discretionary, that is a trade-off that makes sense.

Conclusion

We again would like to thank Chairman Yarmuth, Ranking Member Womack, all Members of the House Budget Committee, as well as all the staff that are involved in this effort. Your work is vital in advancing the discussion Congress must have: How do we fix our broken budget and appropriations process?

We firmly believe solving this problem is a prerequisite to solve our deficit and debt issues. Failure is not an option. It is a policy, societal, and moral imperative to come up with a workable and lasting solution. We believe our bill – the Protecting Our Children's Future Act – is one answer to this charge, and encourage the House Budget Committee to give it serious consideration.



House Budget Committee

Fiscal Year 2020 Budget: Members' Day

March 6, 2019

Statement for the Record

Submitted by Representative Jim Banks (IN-03)

Thank you, Chairman Yarmuth and Ranking Member Womack for holding today's Members' Day Hearing. Regardless of party, we must all recognize the crushing burden of debt we are leaving our children and grandchildren. Just this week, it was reported that there was a \$310 billion deficit during the first four months of this fiscal year. That is a 77 percent increase from the same period last year.¹

The main source of this increase was a 9 percent increase in federal spending. Simply put, the federal government is spending well beyond its means. At \$22 trillion,² our national debt is a direct threat to the economic prosperity of current and future generations. Left unchecked, this debt will force growth-killing tax increases, crowd-out private investment and raise interest rates on all Americans. As the father of three young girls, a debt crisis of this magnitude is unacceptable to me.

That is why I was proud to accept the position of Chairman of the Republican Study Committee Budget and Spending Task Force. The Republican Study Committee consistently produces budgets that balance within 10 years that put the country on a trajectory of strong economic growth and limited government. Last year's RSC budget cut \$12.4 trillion over 10 years and achieved balance in eight.³ While the choices have become more difficult since then, that does not relieve us of the responsibility to make the tough decisions necessary to ensure a brighter future. Whether it is the future of the budget caps, reducing out-of-control mandatory

¹ <https://www.bloomberg.com/news/articles/2019-03-05/u-s-budget-deficit-widens-77-percent-as-revenue-declines>

² <https://www.treasurydirect.gov/NP/debt/current>

³ https://rsc-johnson.house.gov/sites/republicanstudycommittee.house.gov/files/wysiwyg_uploaded/RSC%20Budget%20FY2019%20-%20Narrative%20-%20FINAL.PDF

spending or ensuring a strong national defense, the RSC budget will contain bold proposals and realistic solutions to each of these challenges.

The time is now to put forward serious solutions. While some members may be content to impose massive new taxes on the American people and borrow trillions of dollars to fund new socialist schemes, the RSC will continue put forward serious proposals to stop Washington's reckless spending. I look forward to leading that effort.

TESTIMONY OF
U.S. REPRESENTATIVE BRIAN FITZPATRICK. (PA-01)

HOUSE BUDGET COMMITTEE

FISCAL YEAR 2020 BUDGET
PUBLIC WITNESS HEARING
MARCH 6, 2019

Chairman Yarmuth, Ranking Member Womack, members of the committee, thank you for holding this hearing today to listen to the budget priorities of members from across the country. Today, I want to highlight just a few of the priorities I will be working towards this year. For several years, I have been working tirelessly to address the contamination of our drinking water by toxic PFAS chemicals because I believe that these chemicals represent one of the most widespread public health crises we, as a nation, currently face. Nationally, 1.3 percent of our drinking water contains more than the EPA's current Lifetime Health Advisory level of 70 parts per trillion combined PFOA and PFOS. However, a toxicological profile of these chemicals released by the Agency for Toxic Substances and Disease Registry suggests that tens of millions more Americans than we previously thought are drinking water with harmful levels of these chemicals.

An example of how my constituents are impacted by this issue is in West Rockhill Township. In 1986, a team of firefighters from the former Naval Air Station Willow Grove and Naval Air Development Center Warminster used AFFF-spraying trucks to assist in fighting a massive tire fire. AFFF foam is a firefighting foam made from PFAS chemicals and now, the water supply for many households in West Rockhill Township tests at some of the highest levels of PFOA and PFOS in the country. The Pennsylvania Department of Environmental Protection first started sending notices to affected households in 2016. That means for 30 years my constituents were drinking water and bathing their children in water poisoned by these chemicals with no idea of the harm they were being exposed to, through no fault of their own.

This Committee must budget the necessary funds to remediate and clean up contamination from PFAS chemicals which has put Americans across the country at risk.

Last year there were 214 opioid drug deaths right here in Bucks County. There are similar statistics in every community across the country. This epidemic doesn't care what color your

skin is, your ethnicity, age, social status, how much money you make, or where you live. I know you all have seen the pain this epidemic has had caused to the people you represent, just as I have.

Misuse and addiction of prescription pain relievers, heroin, and synthetic opioids has resulted in the destruction of numerous American lives from a various array of backgrounds.

As you know, last year, Congress passed and the President signed into law an array of opioid-related legislation to address the issue. These bills seek to promote prevention education, treatment and recovery support services, and prison support services.

It is critical this Committee budget to implement all the initiatives passed by the last Congress so we can combat an epidemic which has claimed more than 300,000 American lives since 2000.

The research of the National Institutes of Health (NIH), a collection of America's preeminent medical research centers, is a critical part of meeting health care challenges, strengthening our economy, inspiring the next generation of scientists, and maintaining our nation's leadership in innovation.

NIH has provided funding and support for some of the world's best and most important medical research. The NIH has, since its beginning, been the best hope for finding cures, improving treatments, and gaining better understanding of the diseases and conditions that affect millions of Americans.

This funding helps push the boundaries of scientific knowledge, advance promising research and offer hope to millions of Americans suffering from heartbreaking diseases. Federal funding for this life-saving research is also a key economic driver for our nation, supporting more than 400,000 jobs and generating over \$60 billion in new economic activity. It delivers a significant return on our investment today and for generations to come.

I encourage the committee to double the amount of funding for cancer research at the NIH – but to reach a minimum of \$10 billion in FY 2020 for the National Cancer Institute – with a significant percentage of those funds focused on pediatric cancers and specifically to research for an effective treatment and cure for Diffuse Intrinsic Pontine Glioma which is a fatal form of pediatric cancer.

This month is Women's History Month and it is time for Congress to authorize the creation of a National Women's History Museum. Our colleague, Congresswoman Maloney has been working towards this goal for a number of years and I'm proud to join her in this effort. Women's contributions to our development of our nation and society have been overlooked and only five percent of the approximately 2,400 national monuments honor women. As the first museum in the United States dedicated to the full story of women's history, this museum will tell the diverse story of the women who helped shape America. I ask this Committee support creation of the museum with budgeted funds for the planning and design of a Smithsonian Women's History Museum.

Congress must continue to aggressively combat domestic violence, sexual assault, and stalking by swiftly authorizing the bipartisan Violence Against Women Act. VAWA has drastically improved our nation's response to safeguarding women and children from abuse and anguish. It has helped millions of women and families by improving the criminal justice system response to domestic violence and ensuring survivors and their families have access to the services they need to safely rebuild their lives.

The expiration of VAWA's authorization has jeopardized the critical services it provides to women and families in every corner of the district I represent. As this Congress continues to negotiate a bipartisan reauthorization of VAWA, I urge this Committee to budget funds to protect women and children from abuse and to ensure resources are available for survivors.

Thank you for again for holding this hearing, I look forward to working with you to create a responsible budget for the next fiscal year.

**House Budget Committee Testimony
Congressman H. Morgan Griffith (VA-09)
March 06, 2019**

Chairman Yarmuth, Ranking Member Womack, and Members of the Budget Committee, thank you for the opportunity to testify before you today.

One of the concerns I've had during my time in Congress is that we continue to allow the House to be bound by law regarding process enacted decades ago. I believe that by continuing to follow the framework adopted in The Congressional Budget and Impoundment Act of 1974, we allow ourselves to be governed by budget rules that no longer work.

Under language included in the 1974 Act, it is clear that Congress isn't statutorily obligated to follow the process laid out in the Act.

- The Congressional Budget Act of 1974 states: "Sec. 904(2)- with full recognition of the constitutional right of either House to change such rules (so far as relating to such House) at any time, in the same manner, and to the same

extent as in the case of any other rule of such House.”

In fact, based on opinions handed down by the Supreme Court, it would be unconstitutional for one Congress to bind another.

- Court cases on legislative entrenchment
 - In the case of US Congress: *Reichelderfer v. Quinn*, 287 U.S. 315 (1932)
 - In the case of state legislatures: *Manigault v. Springs*, 199 U.S. 473, 487 (1905)

Yet we continue to chain ourselves to the processes of the past through the inclusion of the 1974 Act’s provisions in the adoption of the House Rules each Congress.

- References in the Rules
 - Rule X: Budget Act responsibilities (f)(1)
Each standing committee shall submit to the Committee on the Budget not later than six weeks after the submission of the budget by the President, or at such time

as the Committee on the Budget may request—

- (A) its views and estimates with respect to all matters to be set forth in the concurrent resolution on the budget for the ensuing fiscal year that are within its jurisdiction or functions; and

- (B) an estimate of the total amounts of new budget authority, and budget outlays resulting therefrom, to be provided or authorized in all bills and resolutions within its jurisdiction that it intends to be effective during that fiscal year. (2) The views and estimates submitted by the Committee on Ways and Means under subparagraph (1) shall include a specific recommendation, made after holding public hearings, as to the appropriate level of the public debt

that should be set forth in the
concurrent resolution on the budget.

I would submit that we adopt each Congress a budget process - similar to how we adopt the rules of the House each Congress. This would allow Members to regularly evaluate, amend, and update the Congressional budget rules and procedures.

Additionally, when discussing budget process reform, I believe we should adopt a biennial budget process. Passing a budget resolution every Congressional session and appropriating biennially as well, rather than annually, will bring greater stability to the budget and appropriations process. A biennial process would also provide more opportunity for Congress to review unauthorized and duplicative legislation since less time will be consumed by the budget and appropriations processes, which dominate the congressional agenda.

- The President would submit a two-year budget and Congress would consider a two-year budget resolution and two-year appropriations bills.

- Congress has a constitutional responsibility to oversee government spending. Unfortunately, the current annual process consumes so much time and energy that the authorization system, where most programmatic oversight is conducted, has been neglected.
- Biennial budgeting will enhance oversight of government programs, providing Congress with greater opportunities to scrutinize federal spending and eliminate programs that are wasteful and duplicative.

Again, thank you for the opportunity to testify before you today.

March 6, 2019

WRITTEN TESTIMONY OF CONGRESSWOMAN GWEN MOORE ON THE FY
2020 BUDGET RESOLUTION

Chairman Yarmuth and Ranking Member Womack,

Thank you for the opportunity to provide testimony as you begin to assemble the FY 2020 House Budget Resolution. I urge you to include a provision that I championed with Congressman Paul Ryan when I was a Member of this distinguished committee expressing support for changing federal policy to ensure that 100% of child support payments are passed through to the custodial parent.

I urge the inclusion of the following language in the FY 2020 budget resolution:

**SEC. __. SENSE OF THE HOUSE REGARDING THE IMPORTANCE OF
CHILD SUPPORT ENFORCEMENT.**

It is the sense of the House that--

- (1) additional legislative action is needed to ensure that States have the necessary resources to collect all child support that is owed to families and to allow them to pass 100 percent of support on to families without financial penalty; and
- (2) when 100 percent of child support payments are passed to the child, rather than to administrative expenses, program integrity is improved and child support participation increases.

Child support is an extremely important issue for poor families. For many, payments are essential to help pay for basic necessities -- shelter, food, child care, transportation, and school clothes. This is essential income for poor families. On average, child support payments constitute about 40% of income for those families who receive it. These payments are important for the family and development of the child.

However, under existing law, portions of an individual's child support payments are retained to repay the state and federal government for Temporary Assistance for Needy Families (TANF). Collections on behalf of families receiving cash TANF benefits are used, in part, to reimburse state and federal governments for the TANF

payments made to the family. Unfortunately, this reduces the amount going to the recipient family to provide for the child.

Passing through 100 percent of collected child support would reduce poverty and improve program compliance. Doing so can mean hundreds of millions of dollars in additional support reaching the children the payments were intended to support. It also encourages payment of child support because parents know their money is directly benefiting their children. Without pass-through, non-custodial parents are more likely to fall into arrears, custodial parents are less likely to track down the child support payments, and single-parent families struggling without the financial support of the other parent's earnings will have a harder time reaching the level of economic security necessary to get off welfare. For many years, Wisconsin had special permission from the federal government to pass along all child support payments to custodial parents working their way off welfare. Studies showed that Wisconsin's program was highly successful: the non-custodial parents were more likely to pay child support because they knew the money would be used directly for his or her children, instead of for administrative expenses.

Federal policy needs to support ensuring that every dollar of child support ends up benefitting the child, not the state or federal government. While states may opt to "pass-through" to the family some or all of the state share of the child support, they generally still must pay the federal government its share of child support collected on behalf of TANF families. As of 2016, 27 states did not pursue this option and withheld some portion of child support funding.

According to CRS, the federal Child Support Enforcement program has "evolved over time from a "welfare cost-recovery" program into a "family-first" program that seeks to enhance the well-being of families by securing financial support for children from their noncustodial parent on a consistent and continuing basis, and by helping some families to remain self-sufficient and off public assistance." One of most commonsense ways we can continue to support that shift and self-sufficiency is to ensure that 100% of child support payments end up in the hands of the needy family. I urge the committee to include the above language in its FY 2020 Budget Resolution.

House Budget Committee Members' Day Hearing

Cannon 210

March 6, 2019, at 12:15am

Five Minute Testimony

Congresswoman Maxine Waters

Introduction

Chairman Yarmuth and Ranking Member Womack, thank you for scheduling this hearing and giving me an opportunity to express the needs of California's 43rd Congressional District.

As you prepare allocations of spending authority for the upcoming fiscal year, please remember that investments need to be more than just strategic: they must also provide the pathways by which all Americans have access to the

programs and support they need to provide for themselves and their families.

Financial Services Committee

There are many budget priorities related to programs and agencies over which the Financial Services Committee has jurisdiction, such as funding for Homeless and Rental Assistance Programs and the Consumer Financial Protection Bureau, among many others. As Chairwoman of the Financial Services Committee I have addressed these budget priorities separately, and will instead focus these remarks on other vital programs which provide opportunities to communities in my district.

Education Access

First, we must invest in early childhood education. Studies consistently show that children who participate in early learning and development programs, like Head Start, are more likely to graduate from high school and attend college. Created in 1965, Head Start provides comprehensive early childhood education, health, nutrition, and parent involvement services to low-income children and their families. I understand firsthand just how integral this program is to our nation's youth, having previously served as an assistant Head Start teacher. To account for cost of living adjustments, and ensure the program reaches more children, I urge the Committee to increase funding for Head Start.

I also ask that the Committee not only fully fund Pell Grants, but increase funding so that the maximum per student Pell award also increases. Pell Grants help the approximately 7.5 million recipients afford college, which reduces drop-out rates and increases enrollment. The maximum Pell Grant award per student must be increased to help address the rising costs of living expenses and education.

Veterans

We must also realize that we cannot balance the budget at the expense of America's veterans. The Veterans Health Administration, Veterans Benefits Administration, and programs such as the Individual Un-employability (IU) benefit, which provides financial support to disabled

veterans who cannot maintain gainful employment due to a service-connected disability, must be fully funded in order to help veterans and their families live meaningful and independent lives.

Minority Business Development

I also request that the Budget Committee fully fund the Minority Business Development Agency (MBDA), the sole federal agency dedicated to promoting the growth of minority-owned business. We must sustain our commitment to creating jobs and supporting diverse success over a variety of sectors.

Alzheimer's

As the Co-Chair of the bipartisan Congressional Task Force on Alzheimer's Disease, I am a strong supporter of Alzheimer's research at the National Institutes of Health (NIH). Alzheimer's research received an historic \$2.3 billion in fiscal year 2019, but we must do more to find a cure. I urge the Committee to ensure that the budget provides robust funding for Alzheimer's research.

Minority AIDS Initiative

I am also concerned about HIV/AIDS, which continues to have a disproportionate impact upon racial and ethnic minorities. I request that the Committee provide funding for HIV/AIDS prevention, screening, and treatment programs,

including \$610 million for the Minority AIDS Initiative in FY 2020.

Infrastructure

Finally, transportation and drinking water infrastructure are desperately needed in my district and communities throughout the country. I urge robust funding for the BUILD transportation grant program, which funds competitive grants for innovative highway, bridge and transit projects. I also request full funding for the Drinking Water State Revolving Funds, which help public water systems provide clean drinking water to American families.

Conclusion

Thank you Mr. Chairman, and Ranking Member Womack,
for this opportunity to testify. I yield back the balance of my
time.