

Remarks on the Passage of Public Debt Limit and Federal Budget Legislation
June 2, 2023

My fellow Americans, when I ran for President, I was told the days of bipartisanship were over and that Democrats and Republicans could no longer work together. But I refused to believe that, because America can never give into that way of thinking.

Look, the only way American democracy can function is through compromise and consensus, and that's what I worked to do as your President, you know, to forge a bipartisan agreement where it's possible and where it's needed.

I've signed more than 350 bipartisan laws thus far in almost 2½ years, including a historic law that—rebuilding America so that we can rank number one in the world in infrastructure instead of where we're ranked now, number thirteen in the world.

Another historic law, rebuilding our manufacturing base so that we'll lead the world once again in making semiconductor chips so much more—and so many more and so many sophisticated ones.

And now, a bipartisan budget agreement. This is vital because—it's because it's essential to the progress we've made over the last few years—is keeping full faith and credit of the United States of America and passing a budget that continues to grow our economy and reflects our values as a nation.

That's why I'm speaking to you tonight: to report on the crisis averted and what we're doing to protect America's future. Passing this budget agreement was critical. The stakes could not have been higher.

If we had failed to reach an agreement on the budget, there were extreme voices threatening to take America, for the first time in our 247-year history, into default on our national debt. Nothing—nothing—would have been more irresponsible. Nothing would have been more catastrophic.

Our economy would have been thrown into recession. Retirement accounts for millions of Americans would have been decimated. Eight million Americans would have lost their jobs.

Default would have been—have destroyed our Nation's credit rating, which would have made everything from mortgages to car loans to funding for the Government much more expensive. And it would have taken years to climb out of that hole. And America's standing as the most trusted, reliable financial partner in the world would have been shattered.

So it was critical to reach an agreement. And it's very good news for the American people.

No one got everything they wanted, but the American people got what they needed. We averted an economic crisis, an economic collapse. We're cutting spending and bringing the deficits down at the same time. We're protecting important priorities, from Social Security, to Medicare, to Medicaid, to veterans, to our transformational investments in infrastructure and clean energy.

I want to commend Senator—Speaker McCarthy. You know, he and I, we—and our teams—we were able to get along and get things done. We were straightforward with one another, completely honest with one another, and respectful with one another. Both sides operated in good faith. Both sides kept their word.

And I also want to commend other congressional leaders: House Minority Leader Jeffries, Senate Majority Leader Schumer, Senate Minority Leader McConnell. They acted responsibly and put the good of the country ahead of politics.

The final vote in both Chambers was overwhelming, far more bipartisan than anyone thought was possible. So I want to thank the Members of Congress who voted to pass this agreement, which I'm going to sign tomorrow and become the law.

So here's what the deal does. First, it cuts spending. And over the next 10 years, the deficit will be cut by more than \$1 trillion. And that will be on top of the record 1.7 trillion—\$1.7 trillion—I already cut the deficit in my first 2 years in office.

And it's clear: We're all on a much more fiscally responsible course than the one I inherited when I took office 4 years ago. When I came to office, the deficit had increased every year the previous 4 years. And nearly \$8 trillion was added to the national debt in the last administration.

And now we're turning things around, and that's good for America.

You know, my dad used to have an expression. He said: "Joey, don't tell me what you value. Show me your budget; I'll tell you what you value." And that's at the heart of this debate: What do we value?

Protecting seniors. You may remember, during my State of the Union Address there were a spirited—there was a spirited exchange between me and a few Republicans spontaneously occurring on the floor of the House of Representatives. I was pointing out that, for years, some of them were putting forward proposals to cut Social Security and Medicare.

And some of them that night took exception, and they said very loudly that that wasn't true.

So I asked them on the House that night. I said—asked them a simple question: Will you agree not to cut Social Security and not to cut Medicare? Would they agree to protect these essential programs that are a lifeline for millions of Americans? Programs that these Americans have been paying into every single pay check they've earned since they started working and that provide so much peace of mind.

With the bright lights and cameras on, those few Republicans who were protesting, they agreed. They said they wouldn't cut it. That's how we protected Social Security and Medicare from the beginning and from it being cut, period.

Health care was another priority for me—a top priority. I made it clear from the outset I would not agree to any cuts in Medicaid, another essential lifeline for millions of Americans, including children in poverty, the elderly in nursing homes, and Americans living with disabilities.

The House—the original House Republican proposal would have cut health care for up to 21 million Americans on Medicaid, and I said no. And Medicare [Medicaid; White House correction] was protected and so were millions of people most in need.

Look, I've long believed that the only one truly sacred obligation that the Government has is to prepare those we send into harm's way and care for them and their families when they come home and when they don't come home.

That's why my last budget provided VA hospitals with additional funding for more doctors, nurses, and equipment to accommodate the needs of veterans and more appointments. The House Republican plan would have meant 30 fewer million VA health care visits for our veterans. But we didn't let that happen.

In addition, this bill fully funds the bipartisan PACT Act, the most significant law in decades for veterans exposed to toxic burn pits and for their families. It expands access to those veterans and their families to health care and to disability benefits.

Look, we're investing in America and in our people and in our future. We've created over 13 million new jobs, nearly 800,000 manufacturing jobs. Where is it written that America can't lead the world again in manufacturing? Unemployment is at 3.7 percent. More Americans are working today than ever in the history of this country. And inflation has dropped 10 straight months in a row.

In this debate, I refused to put what was responsible for all this economic progress on the chopping block. This bipartisan agreement protects the law that will help us build the best infrastructure in the world.

It fully protects the CHIPS and Science Act, which is going to bring key parts of our supply chain to America so we don't have to rely on others—like semiconductors, those tiny computer chips smaller than the tip of your finger that affect nearly everything we rely on, from cell phones to having—building automobiles, to the most sophisticated weapons systems, and so much more.

We protected another law that I passed and signed last year that finally beat Big Pharma, which I've been trying to do for over 30 years. It finally gives Medicare the power to negotiate lower drug prices, just like the VA has been able to do for veterans. This law has already dramatically cut the cost of insulin for seniors from as much as \$400 a month to just \$35 a month for insulin.

Negotiating lower drug prices not only saves seniors a lot of money, it saves the country a lot of money, \$160 billion that is not having to be paid out, because we have drug prices that are more rational. We pay the highest drug prices of any industrial nation in the world.

And it's just the beginning. You know, we also protected the most significant breakthrough ever—ever—in dealing with the existential threat of climate change.

Today, new wind and solar power is cheaper than fossil fuel. Since I've been in office, clean energy and advanced manufacturing have brought in \$470 billion in private investments. That's going to create thousands of jobs—good-paying jobs—all across this country and help the environment at the same time.

And remember, at the beginning of this debate, some of my Republican colleagues were determined to gut the clean energy investments. And I said no, and we kept them all.

And there's one—and there's so much more to do. We're going to do even more to reduce the deficit. We need to control spending if we're going to do that. But we also have to raise revenue and go after tax cheats and make sure everybody is paying their fair share.

No one—I promise no one—making less than \$400,000 a year will pay a penny more in Federal taxes. But like most of you at home, I know the Federal tax system isn't fair. That's why I kept my commitment, again, that no one earning less than \$400,000 a year will pay a penny more in Federal taxes.

That's why last year I secured more funding to go—more IRS funding to go after wealthy tax cheats. The nonpartisan Congressional Budget Office—and it is nonpartisan—says that this bill will bring in \$150 billion, and other outside experts expect that it would save as much as \$400 billion, because it's forcing people to pay their fair share. Republicans may not like it, but I'm going to make sure the wealthy pay their fair share.

I'm also—proposed closing over a dozen special interest tax loopholes for Big Oil, crypto traders, hedge fund billionaires—saving taxpayers billions of dollars. Republicans—

Republicans—defended every single one of these special interest loopholes. Every single one. But I'm going to be coming back. And with your help, I'm going to win.

Right now—catch this: Right now the average billionaire in America pays just 8 percent in Federal taxes. Eight percent. Teachers and firefighters pay more than that. That's why I proposed a minimum tax for billionaires. Republicans are against it, but I'm going to keep fighting for it. No billionaire should pay less in Federal taxes than a teacher or firefighter.

Look, let me close with this. I know bipartisanship is hard and unity is hard, but we can never stop trying, because in moments like this one—the ones we just faced, where the American economy and the world economy is at risk of collapsing—there is no other way.

No matter how tough our politics gets, we need to see each other as—not as adversaries, but as fellow Americans. Treat each other with dignity and respect. To join forces as Americans to stop shouting, lower the temperature, and work together to pursue progress, secure prosperity, and keep the promise of America for everybody.

As I've said in my Inaugural Address, without unity there is no peace, only bitterness and fury. And we can never become that country.

I can honestly say—I can honestly say to you tonight—that I've never been more optimistic about America's future. We just need to remember who we are. We are the United States of America, and there's nothing—nothing—we can't do when we do it together.

So thank you all for listening, taking the time tonight to listen to me.

May God bless you all, and may God protect our troops. Thank you.

NOTE: The President spoke at 7:01 p.m. in the Oval Office at the White House. In his remarks, he referred to H.R. 3746.

Categories: Addresses and Remarks : Public debt limit and Federal budget legislation.

Locations: Washington, DC.

Names: Jefferies, Hakeem S.; McCarthy, Kevin O.; McConnell, A. Mitchell; Schumer, Charles E.

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