

**Opening Statement of Chairman Whitehouse
Senate Committee on the Budget
The President's Fiscal Year 2025 Budget Proposal
March 12, 2024**

Good morning to our Committee members, and a special welcome to our witness, Shalanda Young, Director of the Office of Management and Budget. Director Young, it's always a pleasure to have you here before our Committee. There is simply no better communicator of complicated budget arcana than you, and President Biden is lucky to have you in this important position.

As the President is fond of saying, a budget is a statement of values. That message is especially salient this year, as President Biden and MAGA Republicans offer starkly different visions for our country's future.

On the one hand, President Biden released a fiscally responsible budget that puts the middle class first, cuts the deficit by \$3 trillion, and paves the way for a stronger, safer, and more prosperous America.

On the other hand, MAGA House Republicans voted to undo pro-growth investments that are creating jobs, driving a clean energy boom, and lowering costs for households across the country. All while calling to make the Trump tax cuts for the wealthy permanent.

Today, we'll hear about the values represented by the Biden Budget, like fighting for the middle class, lowering costs for families, and investing in communities.

For example, President Biden's budget guarantees 12 weeks of family and medical leave. It would bring back the expanded Child Tax Credit, which cut the child poverty rate nearly in half. And it would increase funding for Pell grants to make higher education more accessible and affordable to all students.

The Biden Budget lowers health care and prescription drug costs for tens of millions of Americans. For example, it would build on Medicare's authority to negotiate the prices of prescription drugs—a history-making initiative in the Inflation Reduction Act—so Medicare could negotiate the prices of at least 50 drugs a year, reducing the cost of medicines and saving Medicare \$200 billion over 10 years.

The Biden Budget reflects the President's continued commitment to fighting climate change, a danger too many Republicans pretend does not exist, ending unfair fossil fuel tax breaks and requiring highflying owners of private jets to pay fairly for the damages they cause. As we have heard in this Committee, the International Monetary Fund estimates fossil fuel subsidies at over \$600 billion per year.

By contrast, what do House Republicans value? They value a tax code in which billionaires, Big Oil, and Big Pharma keep getting massive handouts, while the middle class foots the bill. In which corporations' contribution to America's fiscal health continues to dwindle.

They value defunding the tax police so that billionaire tax cheats can keep cheating with impunity.

And they want secrecy—they will not come clean with the American people about which vital and popular services they would actually cut to help the billionaire elite. That should tell you something.

One thing we've learned: when Republicans say "deficit reduction," it's not going to come out of the pockets of billionaires. It's going to come out of yours.

They admit to wanting to extend the Trump tax cuts, skewed towards the wealthy and corporations, at a \$3.5 trillion cost. They rely on economic fairy dust and fantastical growth numbers to claim the corporate giveaways will pay for themselves, a magical tale rebutted in this committee by Republican and Democratic witnesses alike. Tax cuts unequivocally do not pay for themselves.

President Biden's budget would reduce the deficit by ensuring that big corporations can't get away with paying nothing, and that billionaires don't pay lower rates than teachers and firefighters. It would end write-offs for corporations that offer exorbitant compensation to their executives, and close loopholes for big corporations that outsource jobs and shift profits offshore.

And it would make sure the IRS can see to it that the wealthy and well-connected pay what they owe. As we heard in testimony before this committee, those investments save money and have a fiscal return as high as \$12-to-\$1. Unlike tax handouts, tax enforcement does pay for itself.

Fixing our corrupted, billionaire-coddling tax code is good for its own sake. But the revenue also can support investments in the American people and reduce the deficit. When the wealthy contribute a little bit more to Medicare, we can extend its solvency indefinitely, as achieved by my Medicare and Social Security Fair Share Act.

Lifting the cap so the wealthy pay their fair share will protect Social Security. My bill does just that—extending Social Security solvency indefinitely—and I look forward to working on it with the Administration.

Republicans claim they no longer want to cut benefits. If that's true, the only other way to ensure long-term solvency is making the wealthy chip in more.

The Biden Budget is a proposal for how to reduce deficits—by investing in our families and communities, by demanding that the tax system be fair, and by actually enforcing our tax laws on the wealthy.

Deficit reduction the Biden way leads to a declining debt-to-GDP ratio, a sound marker of a responsible fiscal path.

Creating a safe, prosperous, and fair nation. Those are our values. House Republicans would rather gut essential programs and services, to help their rich donors get even richer.

Which path we take is the choice that's before us today. I look forward to today's conversation on the President's Budget.