



UNITED STATES SENATE
BUDGET COMMITTEE
RANKING MEMBER CHUCK GRASSLEY

Opening Statement by Senator Chuck Grassley of Iowa
Ranking Member, Senate Budget Committee
“The President’s Fiscal Year 2025 Budget Proposal”
Tuesday, March 12, 2024

Thank you, Mr. Chairman, for holding this hearing, and thank you, Director Young, for coming to give the position of the administration on the budget.

Today’s hearing is doing what the Budget Committee’s supposed to do: budget issues. We’ve spent a great deal of time over the last year on climate, on abortion and a lot of other issues, but this is what this committee should be doing. So, I compliment the chairman for having a day of Budget hearings.

I was cautiously optimistic hearing President Biden’s call for bipartisanship and unity during his inaugural address.

But, boy have I been disappointed. For three years, the president has embarked on a far-left agenda. He’s taken a “my way or the highway” approach to governing, where those who disagree with him are attacked as extremists.

He topped that off last week with the most partisan State of the Union address that I’ve ever heard. And I’ve heard a lot of those presidential State of the Unions.

A partisan president, I find, is so different from the bipartisan Senator Biden I worked with for 28 years in the United States Senate.

Now comes his fourth budget, offering more of the same radical agenda.

At a time when we need real solutions to put our fiscal house in order, this budget offers nothing but false promises and a far-left wish list. You know – we all know – that this would never pass even this Congress.

Just a few years ago, this administration tried to claim blowing up the deficit was the fiscally responsible thing to do. In fact, they said higher interest rates would be a good thing. Now our nation is barreling toward a fiscal crisis. We’re over \$34 trillion in debt and still counting.

Even the president’s media allies can’t stomach his dishonest deficit reduction claims. CNN, for instance, [called the president out](#), noting that his policies, in fact, “have had the overall effect of worsening annual deficits, not reducing them.”

Thanks to irresponsible policies, reckless spending and decades-high interest rates, debt service costs have more than doubled since 2021. According to the Congressional Budget Office, interest on the debt will total \$870 billion this year – exceeding what we’re expected to spend on national defense, the number one responsibility of the federal government.

If that isn’t daunting enough, within ten years the Social Security trust fund is projected to go broke – putting benefits for over 50 million seniors at risk...

If there was ever a time for a president to show leadership with his budget, this is it. Instead, he offers proposals so far out of the mainstream most have already even been rejected by congressional Democrats.

Even if all of the president's fantasy proposals were enacted, the budget still fails to reign in unprecedented debt and deficits.

Under this budget, publicly held debt as a share of the economy would rival the record set at the wake of World War II. Over the [next] ten years, the president's budget racks up a disastrous \$16.3 trillion in cumulative deficits.

And I think, when I go to my 99 counties to have Q&As with constituents, which I do every year, not at every one of them, but at most of them, they yell at the back of the room, "What are you going to do, Grassley, about the \$33 trillion national debt?" Soon, we're going to be asked, "What are we doing with a \$50 trillion national debt?"

That's despite proposing \$5 trillion in new job killing tax hikes. That's in addition to a \$2 trillion tax hike in store for families earning under \$400,000 due to the president shelving the 2017 tax law.

Now, how do you get around the fact that the 2017 tax bill sunsets under budget law – because you can't enact permanent law for more than 10 years – without even a vote of Congress? We're going to have the highest tax increase in the history of the country.

Now, unwittingly, the president's budget shows what anyone who understands our fiscal situation knows – there aren't enough rich people to tax to solve our budget woes.

So I would remind even the chairman that just talked about taxing the rich, that you could confiscate – not tax, but confiscate – all the wealth of the wealthy people in this country, and you'd run the government for just a few weeks or, at most, just a few months...

I think Margaret Thatcher said it best: "The problem with socialism is that you eventually run out of other people's money."

The president's budget is case in point. It includes no serious attempt to address ballooning autopilot spending that is the main driver of our record debt and deficits. Moreover, it piles on another \$2.5 trillion in new mandatory spending – amounting to one of the largest expansions of the federal government in American history.

Now, it's simple math. If you want to implement European-sized government, you'll need to impose European-style taxes on everybody... That means higher taxes and higher prices for Americans of all income levels. And that's what this budget does.

Ironically, President Biden likes to boast that our economy is doing better than Europe's. That's been true nearly my entire lifetime. Our economy does better than Europe's because this country has always rejected the kind of big-government and tax-and-spend policies envisioned by this president.

Fortunately, when it comes to the president's budget, the president proposes and the Congress disposes. And I see Congress wasting no time before disposing of this budget.

If the other side disagrees with me, then I challenge them to set a date to markup this budget. It won't happen, because even most Democrats wouldn't vote for this calamity.

Unfortunately, this budget is another lost opportunity for the president to demonstrate leadership on pressing fiscal challenges. Leadership that's desperately needed if we're ever going to climb out of the fiscal hole that we've dug ourselves into.

Thank you, Mr. Chairman.

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