



CHAIR JODEY ARRINGTON

# HOUSE BUDGET COMMITTEE

## Chairman Arrington Delivers Opening Remarks at Markup of Bills H.R. 5779, H.R. 6957, and H.R. 6952

WASHINGTON, D.C. – Today, House Budget Committee Chairman Jodey Arrington (R-TX) delivered the following opening remarks at the Committee’s Markup on bills H.R. 5779, the Fiscal Commission Act of 2023, H.R. 6957, the Debt to GDP Transparency and Stabilization Act, and H.R. 6952, the Fiscal State of the Nation Act.



Click [HERE](#) to watch the Chairman's statement as delivered



## **Chairman Arrington's Remarks as Prepared for Delivery**

“We started our journey as a team of Budget Committee Members for the US House of Representatives by looking at the “Fiscal State of the Nation.”

We looked at the federal government's balance sheet, our revenues and expenditures, and unfunded liabilities out 30 years – where we add \$120 trillion to the debt and increase our debt-to-GDP from 125% to over 200%.

We reviewed CBO's projections over the ten-year horizon and noted our great concern that our annual deficits will double and our interest payments will triple.

This was BEFORE the Fitch credit rating downgrade.

This was BEFORE Moody's outlook downgrade.

This was BEFORE the Treasury bond market showed signs of softening.

This was BEFORE Treasury announced it would need to borrow \$1.5 trillion in just the last quarter of 2023 and the first quarter of 2024.

And this was BEFORE CBO admitted it was off on projecting the deficit for 2023 by \$1 trillion – eight straight quarters of missing GDP growth, inflation, interest rates, and the \$600 billion in executive actions by this Administration.

At the time of our first hearing, all of us in this room agreed – our unsustainable national debt is the greatest challenge of the 21<sup>st</sup> century. A sovereign debt crisis would jeopardize not only our economy, but our national security, America's leadership in the world, and our very way of life.

And, we all agreed that no leader worth their salt could look at our balance sheet and our fiscal outlook and not feel an overwhelming sense of urgency to reverse course.

Let me be clear: both parties have contributed to the fiscal mess we find ourselves in. No one gets a pass.

While the Democrats' insatiable desire to grow the government and increase spending is, no doubt, the main driver of our deteriorating fiscal condition, Republicans must also take responsibility. We have waived budget caps, irresponsibly funded unauthorized programs, repeatedly circumvented regular order, failed to enforce budgetary constraints, used budget gimmicks as offsets, and avoided making necessary reforms to mandatory spending.

In addition, our budget process is broken.



We rarely pass budgets and appropriations.

If we do, we almost never fully enforce them.

We use gimmicks to pay for them.

We fund almost half of the government without authorizing.

We have a \$2 trillion+ improper payment problem, with some programs losing 30 cents on the dollar to waste, fraud, and abuse.

And finally, we hyper-focus on one-third of every year instead of the two-thirds over multiple years.

It's no surprise that Fitch said our budget process is overly complicated, that our political culture is hyper-politicized, and that as a result, we have no consensus medium or long-term plan that people have any confidence that will be implemented.

The fiscal commission we will be discussing today is an acknowledgement that we must come together to acknowledge our problem, address the urgent need for a solution, and work together – Republicans and Democrats – to devise a plan.

H.R. 5779, The Fiscal Commission Act of 2024, authored by

- Bill Huizenga of Michigan
- Scott Peters of California.
- They are joined by some of our other Committee Members, Jack Bergman, Blake Moore, Jimmy Panetta and Lloyd Smucker, who are original cosponsors of H.R. 5779.

H.R. 5779 creates a bipartisan debt commission consisting of 16 members appointed by the Speaker of the House, the House Minority Leader, the Senate Majority Leader, and the Senate Minority Leader.

The Commission will include Members of Congress and well-respected leaders from the private sector. The panel will identify policies to improve our fiscal health and address the solvency of our trust funds and propose recommendations to close the widening gap of deficits and bring down our debt-to-GDP.

We have collaborated on this measure in depth with our colleagues in the House, the Senate, and a host of outside stakeholders.

We held two important public hearings on these ideas in the Budget Committee over the past few months.



These sessions, as well as our other discussions, have led to some improvements which we have incorporated in a manager's amendment that I will discuss in more detail later, but the principal features are:

- **Creating a public education campaign** about the size and scope of our fiscal crisis.
- **Clarifying that while the private sector members of the Commission should engage fully in providing ideas and expertise...only the elected Members of the panel are authorized to vote on the final product.**
- **Defining the mission** of this Commission as addressing the long-term unfunded liabilities, deal with the insolvency of trust funds, and educate the American people on how bad the problem is, how much worse it's going to get, and how catastrophic it would be if we fail to fix it.
- **Ensuring expedited consideration** with the simple majority.

A Commission is not a panacea to fix all our financial problems. But, it can offer a productive, de-politicized forum for educating the public and identifying consensus solutions for addressing our growing deficits and long-term unfunded liabilities.

The other two measures we will consider today highlight the importance of public education to sound the alarm about our unsustainable fiscal path.

H.R. 6957, The Debt-to-GDP Transparency and Stabilization Act,

- Lloyd Smucker from Pennsylvania and
- Jared Golden from Maine

This legislation requires current and projected debt-to-GDP ratios to be included in both the president's budget and in any congressional budget resolution.

Debt-to-GDP is widely accepted as the most economically relevant measurement of indebtedness. By comparing what a country owes with what it produces, the debt-to-GDP ratio reliably indicates a country's ability to service and repay its debts and allows us to measure our debt against different points in our history and other countries' indebtedness. It allows us to have discussions and debates about economic policies, which play a vital role in reducing our indebtedness but are often overlooked.

The final bipartisan bill we will consider today is H.R. 6952, The Fiscal State of the Nation Act,

- Blake Moore of Utah
- Scott Peters and Jimmy Panetta of California



- Andy Barr from Kentucky.

This bill will also help us sound the alarm about our current fiscal path by requiring an annual joint meeting of the Congress to hear a report from the Controller General of the United States outlining the fiscal state of the nation and providing recommendations for reform.

If we want the American people to support our solutions, it is our responsibility to ensure they appreciate the magnitude of the problem.

With that, I will conclude and yield to my friend and colleague from Pennsylvania, Brendan Boyle for an opening statement.]

Before I do, I want to thank him in advance for his cooperation and the cooperation of his staff in working through the many details of this markup up so that it will proceed in an efficient and civil manner.

This Committee has maintained an environment of civility and mutual respect even during times we haven't agreed – and I know that will continue today and as we mark up more of these budget process reform bills in the weeks ahead.

I now yield 5 minutes to my friend, the gentleman from Pennsylvania, Mr. Boyle.”

Click [HERE](#) to watch the markup.

Click [HERE](#) to watch the last fiscal commission hearing.

Click [HERE](#) to see previous work on a fiscal commission.

