



U.S. House of Representatives

Washington, DC 20515

COMMITTEE ON THE BUDGET

January 4, 2021

The Honorable Nancy Pelosi
Speaker
U.S. House of Representatives
Washington, D.C. 20515

Dear Madam Speaker:

I am extremely disappointed that the first legislative measure to be considered in the 117th Congress shirks budget transparency and responsibilities the House of Representatives has to the American people. Proposals in the recently unveiled rules package signal the Democratic Majority's intent to continue misleading the American people on federal budget plans in order to push through a progressive, wish-list agenda—an agenda with enormous costs that will undoubtedly hit American taxpayers the hardest, and one which has already been rejected by voters.

I am particularly concerned about the proposed changes made to budget-related provisions in “Adopting the Rules of the House of Representatives for the One Hundred Seventeenth Congress, and for other purposes” including the following:

- continued use of a deeming resolution for Fiscal Year 2021 instead of a budget resolution;
- a new broad budgetary exemption, which exempts legislation with massive budget effects from budgetary enforcement, including the House PAYGO rule; and
- removal of the rule prohibiting an increase in net direct spending in reconciliation instructions included in the budget resolution.

The Democratic Majority failed to show the American people a fiscal blueprint for the federal government by neglecting to write and adopt an annual budget resolution for two consecutive years. Instead of writing a budget resolution for Fiscal Year 2021, House Democrats implemented a budget deeming resolution. The rules package continues this budget deeming resolution from the 116th Congress, which assumes current law and does not budget for any new policies or programs. The American people deserve to know how the Democratic Majority plans to spend taxpayer dollars and raise taxes to fund their priorities—they deserve a budget resolution.

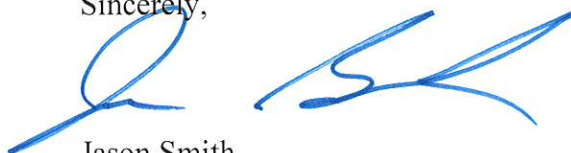
The rules package includes new, extremely broad exemptions for “measures to prevent, prepare for, or respond to economic, environmental, or public health consequences resulting from climate change” and measures that address the COVID-19 pandemic. The broad scope of these proposals essentially exempts legislation with massive budget effects from budgetary enforcement, including the House PAYGO rule.

These changes clearly are not transparent in their application as there are no guidelines or parameters established for these exemptions. Arguably, many Democratic policies and priorities could fall under these exemptions and as a result, the Democrats’ legislative agenda would effectively be unchecked from a budgetary and procedural standpoint. Once again, this change is an obvious attempt to weaken budgetary tools in an overall effort to advance the Democrats’ wish list of progressive policies, such as the Green New Deal and government-run health care, both of which come with trillion-dollar price tags that will ultimately become the burden of hardworking, taxpaying Americans.

The rules package also strikes a House rule that requires reconciliation instructions in a budget resolution to not “cause a net increase in direct spending” over the budget window. By removing this rule, House Democrats are signaling they will use the budget reconciliation process to push through their expensive, progressive agenda.

These changes to the House rules diminish budget transparency and our responsibilities as elected officials. The ones who will suffer are the American people. It is imperative that the Nation is made aware of these key changes as they will serve as means to execute an agenda that the voters have already rejected.

Sincerely,



Jason Smith
Ranking Member
Committee on the Budget

cc: The Honorable John Yarmuth
The Honorable James P. McGovern