

**AMENDMENT IN THE NATURE OF A SUBSTITUTE
TO THE VIEWS AND ESTIMATES LETTER
TO THE COMMITTEE ON THE BUDGET
OFFERED BY MR. SMITH OF MISSOURI**

Strike all and insert the following:

February 28, 2023

The Honorable Jodey Arrington
Chairman
Committee on the Budget
204 Cannon House Office Building
Washington, DC 20515

Dear Chairman Arrington,

As required by Section 301(d) of the *Congressional Budget Act of 1974 (P.L. 93-344)* and in response to your letter dated February 10, 2023, this letter transmits the Views and Estimates of the Committee on Ways and Means on those aspects of the Federal budget for Fiscal Year 2024 that fall within the Committee's jurisdiction.

After the enactment of the *Tax Cuts and Jobs Act (Public Law 115-97)*, economic growth projections were continually revised upward, unemployment reached 50-year-lows, wage growth far outpaced inflation, and income inequality decreased. Pro-growth tax reform also provided a strong foundation that led to record-level federal tax revenues of \$4.9 trillion last year – \$1 trillion more than the Congressional Budget Office (CBO) projected for 2022 when the 2017 tax reform passed, and \$1.6 trillion higher than at the time the bill became law. Building on the success of tax reform and other Republican economic policies, the Committee will continue to focus on helping workers, families, farmers, and small businesses succeed. As laid out below, these policies include promoting job readiness and improving welfare programs to help more families escape poverty and achieve financial security through work; bending the cost curve in health care; protecting and strengthening vital programs such as Medicare and Social Security; continuing to improve the tax system to create more job opportunities and strengthen our economy; ensuring accountability for the Internal Revenue Service; using trade policy to re-shore and strengthen our supply chains; and reducing the national debt.

February 26, 2023 (7:01 p.m.)

I. Legislative Issues with Budgetary Impact

- A. Work and Welfare – The Committee will work to improve welfare programs under the Committee’s jurisdiction to better assist low-income families in building financial security and escaping poverty. As part of this effort, the Committee will work to reauthorize the Temporary Assistance for Needy Families program to improve accountability and strengthen work requirements. The Committee will provide oversight and investigation of unemployment fraud and review the operation of the unemployment insurance program, including opportunities to enhance program integrity and accelerate returns to work.

The Committee will work to reauthorize child welfare services funding provided under Title IV-B of the Social Security Act to address the needs of vulnerable children in foster care. The Committee will oversee implementation of the bipartisan Jackie Walorski Maternal and Child Home Visiting Reauthorization Act to support expectant and new parents in communities that are at risk for poor maternal and child health outcomes. The Committee will also focus on opportunities to reduce duplication, overlap, and fragmentation in our social safety net to improve the overall effectiveness of federal efforts to reduce poverty.

- B. Health – The Committee will work to advance policies to improve health outcomes and access to better care. In particular, we will seek out solutions to make health care more affordable for Americans through transparency, increased choices, and meaningful competition while modernizing and personalizing health care delivery. The Committee will examine policies targeted at improving rural health outcomes and reducing access disparities. The Committee will monitor administrative action to implement the *Inflation Reduction Act* — given its threats to patient access to innovative medications and treatments — and the surprise medical billing ban in the *Consolidated Appropriations Act of 2021*. In addition, the Committee will continue to make clear that any actions regarding Medicare will be to secure and strengthen it for today’s seniors and future retirees. The Committee also will examine policies that reduce the cost of health insurance, increase health care quality and improve outcomes, protect access to innovation, and eliminate waste, fraud, and abuse.
- C. Social Security – The Committee will work to save and strengthen Social Security for today’s and tomorrow’s workers and beneficiaries by examining the future trajectory of the Social Security programs. It will reject proposals to deny benefits to individuals who meet the eligibility criteria in the law and policies that would improperly extend benefits to those who do not. The Committee will continue to pursue options to better protect Americans from identity theft related to the proliferation of use, misuse, and improper disclosure of Social Security numbers. In addition, the Committee will examine the agency’s deployment of tight resources to serve taxpayers and provide the American public with transparency and accountability for the Administration’s management, performance, program stewardship, and long-range strategic planning related to the Social Security programs.

- D. Tax Policy – The Committee will prioritize tax policies that benefit American workers, families, farmers, and small businesses. The Committee recognizes that hardworking families are facing higher costs for food, fuel, housing, health care, and education, and that the tax code impacts their ability to build a more prosperous future and combat the current cost of living crisis. The Committee will examine policies that expand economic opportunity for all and grow America’s middle class. These worker-focused policies will include re-shoring investment and jobs, strengthening our supply chains, growing retirement savings, developing workforce skills and experience, and encouraging small business growth. The Committee will closely review full and fair administration of the tax laws by the Internal Revenue Service as well as revenue provisions included in the President’s Fiscal Year 2024 Budget Request.
- E. Trade – The Committee seeks to protect and increase economic opportunities for American workers, farmers, and small businesses by improving the effectiveness of U.S. trade laws that address unfair trade practices, strengthening the resilience of key supply chains, opening new markets to U.S. goods, especially U.S. agriculture, eliminating unfair foreign trade barriers to our goods and services, and enforcing U.S. rights under trade agreements. With respect to trade negotiations, the Committee intends to vigorously oversee trade initiatives including the Indo-Pacific Economic Framework for Prosperity, the Americas Partnership for Economic Prosperity, the United States-Taiwan Initiative on 21st Century Trade, and the U.S.-Kenya Strategic Trade and Investment Partnership. The Committee will continue its oversight related to enforcement of trade agreements, including the United States-Mexico-Canada Agreement, other bilateral and regional free trade agreements, and the World Trade Organization (WTO) Agreements, to hold trading partners accountable and render commitments secured from trading partners meaningful. The Committee intends to closely scrutinize implementation of the Uyghur Forced Labor Prevention Act to ensure products manufactured wholly or in part by forced labor in the Xinjiang Uyghur Autonomous Region of the People’s Republic of China do not enter the United States. Given concerns over China’s disrespect for American intellectual property protections and otherwise aggressive posture, the Committee will need to monitor such activities to protect America’s interests and vital supply chains. In addition, the Committee will continue its oversight over ongoing trade negotiations under the auspices of the WTO, other plurilateral efforts, and bilateral investment treaties, as well as the U.S. role in the WTO, including U.S. goals, negotiations, dispute settlement, and accessions. The Committee will continue oversight and consider legislation regarding the operation of U.S. preference programs for developing countries. Finally, the Committee will continue its oversight over the budgets and activities of agencies within its jurisdiction, including the Office of the U.S. Trade Representative, U.S. Customs and Border Protection, and the U.S. International Trade Commission.

II. The Fiscal Year 2024 Budget

The Committee will review the President's Fiscal Year 2024 Budget. This review will provide the Committee the opportunity to assess the effectiveness or lack of effectiveness of the President's budget in promoting job creation and economic growth, reducing budget deficits and debt, and ensuring the long-term sustainability of programs within the Committee's jurisdiction.

III. Public Debt Limit

On December 16, 2021, the statutory public debt limit was increased by a historically high \$2.5 trillion which was reached in just over one calendar year. The Committee has a responsibility to ensure that the United States meets its obligations, but that responsibility goes beyond just raising the debt limit. We must also ensure that the growth of our national debt does not spiral out of control and make us more dependent on financing from foreign nations as more and more of our own domestic budget is consumed by debt interest payments. Current debt levels are already a threat to economic growth and, unless action is taken, the projected increase in the national debt is a threat to the economic foundation of the country. Thus, the Committee intends to pursue policies to address the growth in the national debt and reduce the need for future increases in the statutory debt limit.

The Committee on Ways and Means looks forward to working with the Committee on the Budget as we promote prosperity, opportunity, security, and fiscal prudence.

Sincerely,

Jason Smith
Chairman, Committee on Ways and Means