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Congress of the United States

H.S. House of Representatives

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JANICE MAYS, MINORITY CHIEF COUNSEL

March 25, 2014

The Honorable Paul Ryan Chairman Committee on the Budget 207 Cannon House Office Building Washington, DC 20515

Dear Mr. Chairman:

As required by Section 301(d) of the Congressional Budget Act of 1974 (P.L. 93-344) and in response to your letter of January 28, 2014, this letter transmits the Views and Estimates of the Committee on Ways and Means on those aspects of the Federal budget for the Fiscal Year 2015 that fall within the Committee's jurisdiction.

The current pace of the economic recovery is insufficient and far too many Americans remain unemployed. As such, the Committee will continue to focus on promoting policies that spur private sector job creation and economic growth. These policies include reforming the tax code to make American employers and workers more competitive, expanding trade by providing new opportunities to grow exports of American made goods and services and by reducing the burden placed on American employers by the rapid growth in the national debt, and eliminating or reforming inefficient and counter-productive government programs and regulations.

I. <u>Legislative Issues with Budgetary Impact</u>

A. <u>Human Resources</u> – The Committee will work to promote reemployment Insurance unemployed Americans by reviewing the operation of the Unemployment Insurance program, including the implementation of reforms contained in Public Law 112-96, *The Middle Class Tax Relief and Job Creation Act of 2012*, and developing improvements as needed. The Committee will continue its effort to facilitate the exchange of program data to improve administrative efficiency and reduce waste, fraud, and abuse. The Committee will also review the effectiveness of the Temporary Assistance for Needy Families and Child Support Enforcement programs to ensure they target those most in need and promote economic mobility through employment. The Committee is also focused on improving the lives of youth in foster care by increasing efforts to protect them from harm, continuing to support adoption, and ensuring these youth have more opportunities to become successful adults. The

Committee will also continue its general oversight over the Human Resources programs under its jurisdiction, including reviewing program interactions and eligibility standards. The Committee will also review and act, as appropriate, on proposals in the President's Fiscal Year 2015 Budget.

- B. Medicare and Other Health Care Issues The Committee will closely oversee the continued implementation and operation of the health care overhaul and its impact on federal spending, the economy, those who already have insurance, employers, Medicare beneficiaries, and health care providers. In addition, the Committee will look for ways to reform the Medicare program to ensure its sustainability for current and future beneficiaries. The Committee will also examine policies that reduce the cost of health insurance, increase health care quality and improve outcomes, protect access to care, encourage transparency, and eliminate waste, fraud, and abuse.
- C. <u>Social Security</u> –The Committee will work to strengthen Social Security programs though examining the financing challenges facing Social Security's retirement, survivors and disability programs. Efforts will particularly focus on the Disability Insurance program, as revenues will cover only 80 percent of benefits beginning in 2016 unless Congress acts. Following hearings on conspiracy fraud schemes in Puerto Rico and New York costing taxpayers millions, the Committee intends to advance legislation to prevent disability fraud, along with continuing their oversight of the Social Security Administration's plans to prevent conspiracy fraud. The Committee also intends to better protect individuals, including children, from identity theft of all kinds related to the proliferation of use and misuse of Social Security numbers.
- D. <u>Tax</u> The Committee recognizes that a complex, burdensome, anti-growth tax code remains a significant obstacle to economic recovery and job creation. Accordingly, the Committee anticipates continuing its extensive efforts to simplify and reform the tax code for individuals, families, and employers, to spur the robust job creation and economic growth necessary to reduce the Nation's persistently high unemployment rate and increase wages for hard-working Americans. In so doing, the Committee will solicit feedback on the comprehensive reform discussion draft released by the Committee. In addition, the Committee will build on its record from the past three years, which has featured (1) more than thirty hearings devoted to tax reform at the Full Committee, the Select Revenue Measures Subcommittee, and the Oversight Subcommittee – including three joint hearings with the Senate Finance Committee – (2) the creation of eleven bipartisan Tax Reform Working Groups and the release, on May 6, 2013, of a formal report on present law and suggestions for reform submitted to the Working Groups, and (3) the formal release, on February 26, 2014, of a comprehensive discussion draft of the "Tax Reform Act of 2014." In addition to its ongoing pursuit of a simpler, fairer, flatter tax code and a healthier economy through tax reform, the Committee will continue to review other tax matters and will closely scrutinize the revenue recommendations contained in the President's Fiscal Year 2015 Budget.

E. Trade – The Committee seeks to increase economic opportunities for American workers and businesses through the expansion of trade opportunities, adherence to trade agreements and rules by our trading partners and by the United States, and the elimination of foreign trade barriers to our goods and services by opening new markets and by enforcing U.S. rights. The Committee intends to consider H.R. 3830. bipartisan and bicameral legislation to empower Congress with respect to trade negotiations by establishing detailed negotiating objectives and rigorous mechanisms for consultation with Congress while preserving for Congress the final determination as to whether to implement a trade agreement. The Committee will continue its oversight over the Trans-Pacific Partnership negotiations, the Transatlantic Trade and Investment Partnership negotiations with the European Union, the Trade in Services Agreement, and bilateral investment treaty negotiations. In addition, the Committee will continue its oversight responsibilities with respect to the World Trade Organization, including U.S. goals, dispute settlement, implementation of the Trade Facilitation Agreement, expansion of the Information Technology Agreement, and WTO accessions. The Committee intends to continue work begun in the 112th Congress to pass the Miscellaneous Tariff Bill, a package of noncontroversial bills to eliminate or reduce duties on products not made in the United States, in accordance with bipartisan transparency guidelines. In addition, the Committee will continue work it began in the 112th Congress to consider legislation concerning the budgets and activities of agencies within its jurisdiction, particularly authorization of Customs and Border Protection, together with improvements to streamline and facilitate legitimate and compliant trade at the border, automate CBP processes, and improve enforcement. The Committee will continue its oversight of emerging markets, in particular systemic problems in U.S.-China trade relations, challenges and opportunities presented by India, and the myriad forms of forced localization barriers worldwide. The Committee expects to address the expiration of key aspects of U.S. trade preference programs and will continue its oversight over the operation of these programs and the Trade Adjustment Assistance programs.

II. The Fiscal Year 2015 Budget

The Committee will continue to review the President's Fiscal Year 2015 Budget, which will provide the Committee the opportunity to assess the 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

The current statutory public debt limit already is now greater than the gross domestic product of the United States. While the Committee recognizes its responsibility to ensure that the United States meets all its obligations, the current growth of the national debt is not sustainable. Current debt levels are already a threat to economic growth and unless action is taken, the projected increase in the national debt will threaten the economic foundation of the country. Thus the Committee intends to pursue policies to slow and

ultimately reverse the growth in the national debt and prevent 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.

DAVE CAMP

Chairman