FISCAL SANITY to SAVE AMERICA

Republican Study Committee FY 2025 Budget Proposal

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March 20, 2024

Fellow Americans,

Our nation's fiscal house is in ruin, the President of the United States cognitive decline is on full display on the world stage, and Congress has long abdicated its power over the purse. President Biden's budget was released 35 days late and fails to address the economic and fiscal crisis that has been worsened by his policies. Congress has not successfully finished the budget and appropriations process on time since 1996. In the last 10 years, Congress has enacted 40 continuing resolutions and eight omnibus spending bills. Meanwhile, over 1,100 unauthorized programs still receive federal funding as of the beginning of last year.

When Congress and the President fail to even attempt to do their jobs on time, it should not be a surprise that the national debt now exceeds $34 trillion, and Americans are still dealing with the lingering effects of high prices driven by runaway spending. To change course and save America from a worse fiscal crisis, it is not enough to produce a plan that takes on the hard discussions to restore fiscal sanity; Congress must also meet the statutory and moral obligations of producing a budget and restoring the appropriations process.

This is why for the first time, the Republican Study Committee (RSC) has not only produced a budget that would balance in seven years and preserve the solvency of America's trust funds, but it has also done so before the April 15 statutory deadline for Congress's own budget. The RSC Budget and Spending Taskforce believes that Congress needs to reject the status quo, stop making excuses, and seek to restore the process for budget and appropriations that is outlined in the Budget Control Act.

As Biden White House Press Secretary Karine Jeane-Pierre said of RSC's previous budget, "it threatens all the economic progress the President has made over the last two and a half years." If economic progress is considered $34 trillion in debt, rising inflation, and high gasoline prices, then, yes, consider the RSC Budget a threat.

The RSC budget for Fiscal Year (FY) 25 does not shy away from the severity of the challenges America faces. As any family knows, attempting to live within your means when you are in debt is challenging. The RSC budget provides a sober pathway to balance the budget, reduce prices, preserve the programs Americans have paid into, and create economic growth and opportunity. As in previous years, the RSC budget also celebrates the work of House conservatives who have fought for legislation that preserves American values, combats Biden's woke and weaponized government, and protects the freedoms that should be enjoyed by every American.

Rep. Kevin Hern (R-OK)
Chairman, Republican Study Committee

Rep. Ben Cline (R-VA)
Chairman, Budget & Spending Task Force

Rep. Beth Van Duyne (TX-24)

Rep. Pat Fallon (TX-04)

Rep. Rich McCormick, MD, MBA (GA-06)

Rep. Eric Burlison (MO-07)

Rep. Bob Good (VA-05)

Rep. Josh Brecheen (OK-02)

Rep. August Pfluger (TX-11)

Rep. Michael Cloud (TX-27)

Rep. Harriet M. Hageman (WY-AL)

Rep. Erin Houchin (IN-09)

ENSURING LIBERTY THROUGH DEREGULATION

Over the past several decades, the size and scope of the federal government has grown exponentially. This is due in part to Congress surrendering its Constitutional lawmaking authority to the Executive Branch. With this abdication, the American people have suffered under overregulation, bearing the costs through reduced wages, higher prices, and scarcity of goods. In short, the expanding regulatory state has diminished the American Dream.

The cost of federal regulations in 2022 was estimated to be $1.939 trillion—amounting to 7.4 percent of GDP.[1] To contextualize, the total amount of individual income tax revenues for 2022 was $2.263 trillion.[2] Despite the high fiscal toll on the American people, the Biden administration has continued to push for regulation after regulation.

The RSC Budget would take bold and necessary action to rein in the Biden Administration's dangerous regulatory regime, returning to the example set by former President Donald Trump. President Trump helped drive one of the most economically prosperous periods in American history by rolling back Obama-era regulations and placing guardrails on new regulations. For instance, the Trump administration issued rules that would reduce the number of federal advisory committees,[3] require agencies to implement administrative PAY-GO,[4] and strengthen reporting and transparency requirements for issuing major regulations[5]—among many other deregulatory proposals.

President Biden rescinded all these regulations once he assumed office[6] and has implemented a radical and far-reaching regulatory agenda. According to the American Action Forum, "At its halfway point, the Biden Administration's regulatory burden totals vastly exceed those of its two immediate predecessors and have done so across a markedly lower volume of rules, with $318 billion in total costs and more than 218 million hours of paperwork."[7]

Among many new regulations, the Biden administration has championed the following:

[1] Crews, Clyde. Ten Thousand Commandments. Competitive Enterprise Institute. https://cei.org/wp-content/uploads/2023/11/10K_Commandments.pdf
[2] Ibid
[3] U.S. Federal Register, "Evaluating and Improving the Utility of Federal Advisory Committees," June 19, 2019, https://www.federalregister.gov/documents/2019/06/19/2019-13175/evaluating-and-improving-the-utility-of-federal-advisory-committees
[4] U.S. Federal Register, "Increasing Government Accountability for Administrative Actions by Reinvigorating Administrative State Accountability," October 16, 2019, https://www.federalregister.gov/documents/2019/10/16/2019-22749/increasing-government-accountability-for-administrative-actions-by-reinvigorating-administrative
[5] U.S. Federal Register, "Promoting the Rule of Law Through Transparency and Fairness in Civil Administrative Enforcement and Adjudication," October 15, 2019, https://www.federalregister.gov/documents/2019/10/15/2019-22624/promoting-the-rule-of-law-through-transparency-and-fairness-in-civil-administrative-enforcement-and
[6] The White House, "Executive Order on Revocation of Certain Executive Orders Concerning Federal Regulation," January 20, 2021, https://www.whitehouse.gov/briefing-room/presidential-actions/2021/01/20/executive-order-revocation-of-certain-executive-orders-concerning-federal-regulation/
[7] Dan Goldbeck, "Tracking the Regulatory Record of Recent Administrations at the Halfway Point," American Action Forum, February 7, 2023, https://www.americanactionforum.org/insight/tracking-the-regulatory-record-of-recent-administrations-at-the-halfway-point/

- A disastrous Obama-era Waters of the United States (WOTUS) rule that will harm landowners and family farms;[8]
- A Green New Deal emissions proposal that will make vehicles significantly more expensive;[9] [10]
- Disclosure requirements on businesses, forcing them to calculate their greenhouse gas emissions as a way to appease radical climate special interests;[11]
- Regulations permitting abortion at VA facilities[12] and stipends for travel to receive an abortion,[13] despite the Hyde Amendment's prohibition on federal funds going to abortion;
- Numerous regulations hampering the ability of DHS to secure our border, leading to record illegal border crossings.[14]
- A Title IX update forcing schools to support radical SOGI ideology[15] or otherwise, lose access to federal funding;[16] and
- Restrictions on the Second Amendment, such as registering firearm accessories, building a federal firearms registry,[17] and implementing a "zero-tolerance" policy to shut down gun stores.[18]

For regulations like WOTUS, conservatives can take comfort in knowing that our judicial system blocked these short-sighted and dangerous rules.[19] However, that will not stop this administration from trying to expand the federal bureaucracy. Conservatives must push for reforms to the federal rulemaking process to ensure unelected bureaucrats cannot grow government through regulation.

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[8] House Committee on Transportation and Infrastructure, "House Votes to Overturn Flawed, Overreaching Biden WOTUS Rule," March 9, 2023, https://transportation.house.gov/news/documentsingle.aspx?DocumentID=406191

[9] U.S. Environmental Protection Agency, "Proposed Rule: Multi-Pollutant Emissions Standards for Model Years 2027 and Later Light-Duty and Medium-Duty Vehicles," https://www.epa.gov/regulations-emissions-vehicles-and-engines/proposed-rule-multi-pollutant-emissions-standards-model

[10] U.S. Environmental Protection Agency, "Proposed Rule: Greenhouse Gas Emissions Standards for Heavy- Duty Vehicles," https://www.epa.gov/regulations-emissions-vehicles-and-engines/proposed-rule-greenhouse-gas-emissions-standards-heavy.

[11] U.S. Securities and Exchange Commission, "SEC Proposes Rules to Enhance and Standardize Climate-Related Disclosures for Investors," March 21, 2022, https://www.sec.gov/news/press-release/2022-46

[12] Congressional Research Service, "Department of Veterans Affairs: Abortion Policy," March 20, 2023, https://crsreports.congress.gov/product/pdf/R/R47191

[13] Congressional Research Service, "FY 2023 NDAA: Military Abortion Policies," March 21, 2023, https://crsreports.congress.gov/product/pdf/IN/IN11960

[14] Southwest Land Border Encounters | U.S. Customs and Border Protection (cbp.gov)

[15] U.S. Customs and Border Protection, "Southwest Land Border Encounters," https://www.federalregister.gov/documents/2022/07/12/2022-13734/nondiscrimination-on-the-basis-of-sex-in-education-programs-or-activities-receiving-federal

[16] U.S. Department of Agriculture, "USDA Announces Updates to Civil Rights Policy, Expands Protections," May 5, 2022, https://www.fns.usda.gov/news-item/usda-0100.22#:~:text=WASHINGTON%2C%20May%205%2C%202022%20%E2%80%93%20The%20U.S.%20Department,discrimination%20based%20on%20sexual%20orientation%20and%20gender%20identit

[17] Gun Owners of America, "ATF's Illegal Gun Registry 101," https://forms.gunowners.org/form/atf-s-illegal-gun-registry

[18] Houston Keene, "Second Amendment group files lawsuit against ATF over 'zero tolerance' policy for closing gun stores," Fox News, July 11, 2023, https://www.foxnews.com/politics/second-amendment-group-files-lawsuit-against-atf-over-zero-tolerance-policy-closing-gun-stores

[19] Thomas Catenacci, "Supreme Court delivers blow to key Biden environmental policy," Fox News, May 25, 2023, https://www.foxnews.com/politics/supreme-court-delivers-blow-key-biden-environmental-policy

Additionally, the Biden administration openly disregarded several laws regarding the regulatory process, of which include the Administrative Procedure Act, Congressional Review Act, and Anti-Deficiency Act. One example is a Treasury Department Interim Final Rule, issued in November of 2023, that would allow state and local governments to spend money from the Coronavirus State and Local Fiscal Recovery Fund (SLFRF) past the December 31, 2024, statutory deadline. Though this rule would cost over $100 billion and would set a dangerous precedent on future appropriations law, the Treasury Department decided it did not need to allow for public comment before finalizing the rule. RSC Chairman Kevin Hern (R-OK) and RSC Budget & Spending Task Force Chairman Ben Cline (R-VA) authored a letter rebuking this rule and questioning the Treasury Department's authority to flout existing law.[20]

Congressional Deregulation Proposals

The RSC Budget adopts regulatory reforms that build off proposals included in the RSC Government Efficiency Accountability and Reform (GEAR) Task Force's report: "Power, Practices, Personnel: 100+ Commonsense Solutions to A Better Government."[21] That task force was led by former Rep. Greg Gianforte (R-MT), who now serves as Governor of the State of Montana. The RSC Budget supports the following legislation to restore the appropriate balance of power:

Transparency

- Rep. Blaine Luetkemeyer's (R-MO) Providing Accountability Through Transparency Act, which would require each agency to include a 100-word, plain-language summary of a proposed rule in a notice of rulemaking.
- Rep. James Comer's (R-KY) Guidance Out of Darkness (GOOD) Act, which would set transparency requirements on regulatory dark matter, a term that refers to the countless agency actions, such as guidance, memoranda, and bulletins, that receive little to no public scrutiny in their development yet often hold the weight of law.
- Rep. Bob Good's (R-VA) Alert Act, which would require monthly disclosures from agencies about the rules they expect to finalize or propose in a given year.
- Similar to Rep. Victoria Spartz' (R-IN) Sunshine for Regulatory Decrees and Settlements Act, Congress should increase transparency of sue-and-settle proceedings and prevent the creation of de facto regulations emerging through this process. These settlements are often negotiated behind closed doors. The results of these proceedings often have the same effect as creating a new regulation but without public participation.[22]

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[20] Congressman Ben Cline, Kevin Hern, et al. "RE: Comment on RIN 1505-AC83, 'Coronavirus State and Local Fiscal Recovery Funds," December 18, 2023, final_hern_cline_letter_to_sec._yellen_re_treasury_hoarding_rule_.pdf (house.gov)

[21] "Power, Practices, Personnel: 100+ Commonsense Solutions to a Better Government." Republican Study Committee, https://rsc-hern.house.gov/sites/evo-subsites/republicanstudycommittee.house.gov/files/GEAR%20Report_Single%20Spread%20FINAL.pdf

[22] Andrew M. Grossman, "Oversight of Litigation at EPA and FWS: Impacts on the U.S. Economy, States, Local Communities and the Environment," CATO Institute, August 3, 2015, https://www.cato.org/publications/testimony/oversight-litigation-epa-fws-impacts-us-economy-states-local-communities

Rep. Bob Good's (R-VA) Health Agency Checkup Act, which would examine reporting and regulatory practices at the Centers for Disease Control (CDC), National Institutes of Health (NIH) and the Food and Drug Administration (FDA). The bill would call for recommendations to eliminate administrative burdens and reduce politically driven decision making at these agencies, which unfortunately has become a very common practice during the COVID-19 era.

Containing and Measuring Regulatory Costs

- Rep. Ashley Hinson's (R-IA) Red Tape Reduction Act, which would reinstitute President Trump's deregulatory executive orders.[23]
- The Lessening Regulatory Costs and Establishing a Federal Regulatory Budget Act, which would also build off President Trump's deregulatory legacy to require the elimination of two regulations for every new regulation. It would ensure that the total cost of regulations does not increase by requiring agencies to appoint a Regulatory Reform Officer to oversee regulatory reform initiatives and establish a Regulatory Reform Task Force to review the agency's regulations.
- Rep. Bob Good's (R-VA) Article I Regulatory Budget Act, which would create a regulatory budget, similar to a fiscal budget. Congress would establish annual caps on the costs executive branch agencies could impose on the economy through new regulations.
- Rep. Beth Van Duyne's (R-TX) Regulatory Accountability Act, which would require agencies to choose the least costly method of regulation available to them.
- Rep. Byron Donalds' (R-FL) Unnecessary Agency Reductions Act, which would empower Congress to review outdated and duplicative regulations for consolidation or repeal.
- RSC Budget and Spending Task Force Chairman Ben Cline's (R-VA) Small Business Regulatory Flexibility Improvements Act, which would expand the Regulatory Flexibility Act (RFA) to strengthen requirements that agencies account for the impact on small businesses in their rulemaking.
- Oversight and Accountability Committee Chairman James Comer's (R-KY) Fair and Open Competition Act (FOCA) Act, which prohibits federal construction contracts from requiring union favoritism through Project Labor Agreements (PLAs).
- Rep. Stephanie Bice's (R-OK) Regulation Reduction Act, which would require an agency to repeal three or more rules before issuing a new major rule that imposes a cost or responsibility on a nongovernmental person, or a state or local government.
- Rep. Ralph Norman's (R-SC) Fair-Value Accounting and Budget Act, which aims to take the real cost of federal loan and loan guarantee programs to taxpayers into consideration by providing Congress with more oversight and information to account for market risk in federal lending policies.
- Rep. Paul Gosar's (R-AZ) National Expenditure Reporting Transparency Act, which would require OMB to publicly post information pertaining to the amount of budget authority provided pursuant to a national emergency declaration. Information must include details on

[23] The White House, "Executive Order on Revocation of Certain Executive Orders Concerning Federal Regulation," January 20, 2021, https://www.whitehouse.gov/briefing-room/presidential-actions/2021/01/20/executive-order-revocation-of-certain-executive-orders-concerning-federal-regulation/

the amount of funds, obligated and unobligated, as well as each program activity which is provided funding.

- Rep. Blake Moore's (R-UT) Preventing Improper Payments Act, which would designate any program or activity making more than $100 million in payments in a fiscal year as susceptible to significant improper payments. This reform would subject these agencies to additional assessments and reporting requirements that focus on administrative controls they are implementing, as well as methods they are adopting to identify risks and vulnerabilities to fraud.
- Rep. Jay Obernolte's (R-CA) Finding Federal Savings Committee Resolution, which would create a temporary committee in the House charged with studying federal programs and determining which ones are underperforming or nonessential.
- Rep. Randy Feenstra's (R-IA) Dollar-for-Dollar Deficit Reduction Act, which would require any formal presidential request to raise the debt limit be accompanied by a proposal to reduce spending by the same amount, over a 10-year period, as the numerical increase in the debt ceiling.
- Conference Chairwoman Elise Stefanik's (R-NY) REIN IN Act, which would require the Office of Management and Budget (OMB) and the Council of Economic Advisers (CEA) to include an inflation estimate in any major executive order. This bill passed the House on March 1, 2023.[24]

Checking Executive Authority

- Rep. Kat Cammack's (R-FL) Regulations from the Executive in Need of Scrutiny Act (REINS Act), which would require Congress to approve any regulations that have an annual economic impact of $100 million or more. This bill passed the House with unanimous Republican support on June 14, 2023.[25]
- Rep. Scott Fitzgerald (R-WI) Separation of Powers Restoration Act, which would scale back "Chevron deference" to federal agencies by requiring de novo review of agency actions for all relevant questions of law, including constitutional and statutory interpretation. This bill passed the House on June 15, 2023.[26]
- Rep. Bill Posey's (R-FL) Article I Restoration Act, which would sunset all regulations after 3 years.
- Rep. Michael Cloud's (R-TX) Federal Agency Sunset Commission Act, which would create a commission to review the role and operations of every federal agency and report to Congress on recommendations for merging, reorganizing, or abolishing such agencies. Congress would then have the responsibility to act on these recommendations.
- Rep. Michael Cloud's (R-TX) legislation to prohibit a major disaster, or public health emergency, declaration from being able to be used to impose gun or ammunition controls.

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[24] United States House of Representatives, "Roll Call Vote 131: Reduce Exacerbated Inflation Negatively Impacting the Nation Act," Office of the Clerk, March 1, 2023, https://clerk.house.gov/evs/2023/roll131.xml
[25] United States House of Representatives "Roll Call Vote 265: REINS Act," Office of the Clerk, June 14, 2023, https://clerk.house.gov/Votes/2023265
[26] United States House of Representatives "Roll Call Vote 271: Separation of Powers Restoration Act," Office of the Clerk, June 2015, 2023, https://clerk.house.gov/evs/2023/roll271.xml

It would prohibit such an emergency or disaster from being able to be used to restrict the sale or transfer of firearms or ammunition.

Regulatory Process Reforms

- Rep. Kelly Armstrong's (R-ND) Federal Permitting Reform and Jobs Act, which would reduce the burdens of NEPA and would produce firm timelines for agency action on permit applications.
- Rep. Tom McClintock's (R-CA) Endangered Species Transparency and Reasonableness Act, which would require regular use of best science to delist and list animals under the Endangered Species Act (ESA).
- Speaker Mike Johnson's (R-LA) Critical Habitat Improvement Act, which would require scientific grounding for the listing of a habitat under ESA.
- Senator Dan Sullivan's (R-AK) Require Evaluation before Implementing Executive Wishlists Act (REVIEW) Act, which would require a federal agency to postpone the effective start date of any high-impact rule for either 60 days or the period delineated by the authorizing statute pending judicial review.
- Rep. Virginia Foxx's (R-VA) Unfunded Mandates Information and Transparency Act, which would provide greater transparency regarding the costs of federal mandates by closing statutory loopholes in the Unfunded Mandates Reform Act framework. It would require CBO to score unfunded mandates proposed by independent agencies and ensure that all rules with potentially major mandates are subject to UMRA, not just those with a general notice of proposed rulemaking.

The RSC Budget also supports several other common-sense, conservative reforms needed to restore the appropriate balance of power, including the following:

- RSC Budget and Spending Task Force Chairman Ben Cline's (R-VA) Ensuring Accountability in Agency Rulemaking Act, which would require rules be signed and issued by an individual appointed by the President and confirmed by the Senate, rather than anonymous and unaccountable bureaucrats. This bill passed the House on December 12, 2023, with unanimous Republican support.[27]
- Rep. Scott Fitzgerald's (R-WI) Separation of Powers Restoration Act, which would rein in the executive branch by scaling back Chevron deference and place judicial review back in the hands of the judiciary through making clear the lines between judicial interpretation of law and executive enforcement of the law.
- Rep. Gary Palmer's (R-AL) Agency Accountability Act, which would require agencies that receive a fee, fine, penalty, or proceeds from a settlement to deposit funds in the Treasury's General Fund.
- Ensure that the creation of all federal rules utilize empirical evidence-based and scientific-based data to draw conclusions in a transparent process instead of leaning on the ideological bias of regulators.

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[27] United States House of Representatives, "Roll Call Vote 717: Ensuring Accountability in Agency Rulemaking Act," Office of the Clerk, accessed December 12, 2023, https://clerk.house.gov/evs/2023/roll717.xml

- Require all regulatory submissions to be made through OMB's Office of Information on Regulatory Affairs.
- Clarify, standardize, and synchronize the definitions of different types of rules (i.e., significant, major, economically significant across all regulatory regimes).
- Require judicial review of regulatory impact analysis data.
- Place limitations on federal injunctive authority, ensuring that a regional federal court could not arbitrarily implement a nation-wide injunction.
- Reform the Congressional Review Act (CRA) to ensure that it can be used to nullify regulatory dark matter and rules that were improperly produced.[28]
- Continue to implement federal efficiency proposals from OMB's "Delivering Government Solutions in the 21st Century: Reform Plan and Reorganization Recommendations," issued June 21, 2018.[29]
- Require the federal government to have a "yellow pages test." If a good or service can be found in the "yellow pages," government should not be doing it.[30] This reform is included in Rep. Aaron Bean's (R-FL) Freedom from Government Competition Act.
- Rep. Dusty Johnson's (R-SD) H.J.Res. 8, which would oppose efforts by Democrats and President Biden to pack the court by amending the Constitution to maintain the current Court's size of nine justices.
- The Fifth Amendment provides that "Private property [shall not] be taken for public use, without just compensation." However, the Supreme Court put this important guarantee of private property rights in jeopardy in Kelo v. City of New London. That ruling determined local governments may use eminent domain to seize private property and then sell it for development purposes. To prevent this type of government abuse, federal economic development funding to local governments should be dependent on states' restraint from using eminent domain for private economic development.

Oppose Socialistic Overregulation Related to the COVID-19 Pandemic

COVID-19 is now considered endemic. Mortality rates from the disease are significantly smaller from the first form of the virus detected in the United States.[31] Though the COVID public health emergency lapsed on May 11, 2023, Democrats continue to defend failed federal lockdowns that cost millions of jobs and closed 200,000 businesses.[32] Similarly, they refuse to acknowledge the

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[28] Philip A. Wallach and Nicholas W. Zeppos, "How Powerful is the Congressional Review Act?" The Brookings Institute, April 4, 2017, https://www.brookings.edu/research/how-powerful-is-the-congressional-review-act/.

[29] Office of the President of the United States, "Delivering Government Solutions in the 21st Century: Reform Plan and Reorganization Recommendations," Politico, https://www.politico.com/f/?id=00000164-2324-dbdc-a96d-373e4e2a0000.

[30] Republican Study Committee, "RSC Proposal Spurs Introduction of 7 Government Reform Bills," press release, August 17, 2020, https://rsc-banks.house.gov/news/press-releases/rsc-proposal-spurs-introduction-7-government-reform-bills.

[31] Centers for Disease Control and Prevention, "COVID-19 Data Tracker: Trends in Weekly Deaths," Accessed March 10, 2024, https://covid.cdc.gov/covid-data-tracker/#trends_weeklydeaths_select_00

[32] Ryan A. Decker and John Haltiwanger, "Business entry and exit in the COVID-19 pandemic: A preliminary look at official data." FEDS Notes, Federal Reserve, May 6, 2022, https://www.federalreserve.gov/econres/notes/feds-notes/business-entry-and-exit-in-the-covid-19-pandemic-a-preliminary-look-at-official-data-20220506.html

damage done by distance learning schemes that sent National Assessment of Educational Progress reading and math scores to their lowest levels since the early 2000's.[33]

It is past time for Democrats in Washington to admit to the harm caused by COVID policies and lockdowns. The draconian COVID policies implemented at all levels of government increased the scope of government, killed businesses, led to mandates that undermined personal health autonomy, fueled learning loss, and failed to reduce mortality from COVID. It is for this reason that the RSC Budget continues to support efforts to permanently rollback unjustified and unlawful expansions of government and bring back the stolen livelihoods of millions of Americans by embracing this fundamental truth:[34] the pandemic is over, and the government's response was largely a failure.[35] Furthermore, this RSC Budget supports policies that will prevent future lockdowns from taking place. Accordingly, the RSC Budget supports the following sampling of bills and policies to reject the left's approach:

- Rep. Brad Wenstrup's (R-OH) Foreign Adversary Gain-of-Function Research Prevention Act, which would prohibit the use of federal funds to conduct or support gain-of-function research involving a potential pandemic pathogen by a foreign adversary.
- Rep. Guy Reschenthaler's (R-PA) Defund EcoHealth Alliance Act, which would prohibit the award of federal funds to EcoHealth Alliance, Inc. and direct the Government Accountability Office (GAO) to audit federal funds provided to that organization over the past decade. EcoHealth Alliance is the nonprofit research center that partners with the Wuhan Institute of Virology to study coronaviruses and whose research may have been responsible for the outbreak of COVID-19.[36]
- Rep. Chip Roy's (R-TX) ARTICLE ONE Act, which would terminate any national emergency made by the executive branch after 30 days. The emergency declaration could only continue through an affirmative vote of Congress.
- Rep. Brad Wenstrup's (R-OH) Stop Vaccine Mandates Act, which would permanently block President Biden's unlawful COVID-19 vaccine mandate for federal workers.
- Oversight and Accountability Chairman James Comer's (R-KY) Fairness for Federal Contractors Act, which would prevent employees of federal contractors from being forced to receive a COVID-19 vaccine.
- RSC Budget and Spending Task Force Chairman Ben Cline's (R-VA) Stop Arduous Vaccine Enforcement (SAVE Act), which would prohibit organ transplant centers from engaging in the cruel practice of denying unvaccinated Americans access to life-saving organ transplants.

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[33] The Nation's Report Card, "NAEP Long-Term Trend Assessment Results: Reading and Mathematics," Accessed March 10, 2024, https://www.nationsreportcard.gov/ltt/?age=9/

[34] Jonas Herby, Lars Jonung, and Steve H. Hanke, "A Literature Review and Meta-Analysis of the Effects of Lockdowns on COVID-19 Mortality." Johns Hopkins Institute for Applied Economics, Global Health, and the Study of Business Enterprise. January 2022. https://sites.krieger.jhu.edu/iae/files/2022/01/A-Literature-Review-and-Meta-Analysis-of-the-Effects-of-Lockdowns-on-COVID-19-Mortality.pdf

[35] Congressman Jim Banks, H.Res.293, https://www.congress.gov/bill/117th-congress/house-resolution/293?s=3&r=17

[36] Robert E. Moffit, Ph.D. "Why Are Feds Still Funding EcoHealth Alliance When Its COVID-19 Role Remains Unresolved?" The Heritage Foundation, October 27, 2022. https://www.heritage.org/public-health/commentary/why-are-feds-still-funding-ecohealth-alliance-when-its-covid-19-role

- Rep Andy Biggs (R-AZ) No Vaccine Passports Act, which would prohibit federal agencies from issuing vaccine passports to their employees.
- Rep. Doug LaMalfa's (R-CA) Keep Vaccines Voluntary Act, which would require entities receiving COVID-19 relief funds to certify that they will not discriminate or deny access to services to unvaccinated Americans.
- Rep. Andy Biggs (R-AZ) legislation to prohibit entities receiving COVID-19 relief funds from mandating COVID vaccines for their employees.
- Rep. Diana Harshbarger's (R-TN) Natural Immunity is Real Act, which would require federal agencies to include natural immunity acquired from prior COVID-19 infections when issuing rules and regulations surrounding COVID-19.
- Rep. Ronny Jackson's (R-TX) FREEDOM Act, which would require federal agencies to document the consequences of requiring their employees to be vaccinated.
- Rep. Michael Cloud's (R-TX) resolution disapproving of requiring children as young as 11 residing in Washington D.C. to be vaccinated.
- Rep. Ralph Norman's (R-SC) Protecting Religious Students from Vaccine Mandates Act, which would require U.S. colleges and universities receiving federal funds to allow students to apply for religious exemptions from COVID-19 vaccine mandates on campus.
- Rep. Dan Bishop's (R-NC) AMERICANS Act, which would immediately rescind the COVID-19 military vaccine mandate.
- Rep. Ralph Norman's (R-SC) legislation barring the Department of Defense from requiring individuals to wear masks on U.S. military installations.
- Rep. Chip Roy's (R-TX) Coronavirus Regulatory Repeal Act, which would permanently rescind the federal regulations suspended during the pandemic.
- Rep. Claudia Tenney's (R-NY) Transparency in COVID-19 Expenditures Act, which would require the Government Accountability Office (GAO) to audit and report on spending authorized by pandemic related legislation. This would include the more than $100 billion in taxpayer dollars appropriated through COVID relief bills stolen by fraudsters.[37]
- Rep. Chris Stewart's (R-UT) No Mask Mandate for Kids Act, which would prohibit the executive branch from imposing mask requirements in airports, on commercial aircraft, trains, public maritime vessels, intercity bus services, and all forms of public transportation.
- Rep. Claudia Tenney's (R-NY) Ending COVID Vaccine Mandates for Colleges and Universities Act, which would prohibit an institution of higher education (IHE) from receiving federal funds or participating in federal higher education programs if the IHE imposes a COVID-19 vaccine mandate.
- Rep. Chip Roy's (R-TX) HHS COVID-19 Origin Transparency Act, which would require HHS to publish all information pertaining to the origins of COVID-19.
- Rep. Anna Paulina Luna's (R-FL) Terminate CDC Overreach Act, which would amend Title III of the Public Health Service Act to limit the CDC's ability to impose regulations as a means to control infectious diseases. This bill is designed to limit the scope of regulations to

[37] Eamon James and Scott Zamost, "Criminals have stolen nearly $100 billion in Covid relief funds, Secret Service says." CNBC, December 21, 2021. https://www.cnbc.com/2021/12/21/criminals-have-stolen-nearly-100-billion-in-covid-relief-funds-secret-service.html

specific areas of outbreak, not regulating whole industries or activities—similar to the CDC's COVID-19 eviction moratorium.

Finally, the RSC Budget supports two bills from Oversight and Accountability Committee Chairman James Comer (R-KY) that would roll back executive authority abused during the COVID-19 pandemic. First, the Stopping Home Office Work's Unproductive Problems (SHOW UP) Act would require each executive agency to reinstate the telework policies that were in place on December 31, 2019. Under the bill, agencies would be prohibited from implementing expanded telework policies unless the Office of Personnel Management certifies that such policies, among other requirements, will have a positive effect on the agency's mission and operational costs. Second, the Protecting Speech from Government Interference Act, which would prohibit federal employees from censoring speech in their official capacity. Employees would be subject to disciplinary action and/or civil penalties for censorship. The Missouri v. Biden case exposed how the Biden administration used agencies, such as the CDC, FBI, and CISA, to collaborate with social media companies and censor opinions on COVID-19 that differed from the administration's preferred stance.[38] Chairman Comer's bill would prevent federal officials from engaging in censorship in the future.

Unleashing North American Energy Production

On his first day in office, President Biden started his war on American energy, best symbolized by the cancellation of the Keystone XL Pipeline[39] and rejoining the Paris Climate Agreement.[40] Since then, the Biden administration has taken dozens of actions to limit energy production, many of which are detailed in a 2022 memo published by RSC.[41] These include energy production moratoriums on certain tracts of land, requiring businesses to disclose their greenhouse gas emissions, and establishing a social cost of carbon metric.[42] These actions have caused gas prices to rise in the United States from an average of $2.72/gallon to $3.52/gallon in 2023.[43] Meanwhile, Biden has tried—without evidence—to blame oil and gas companies for the high gas prices caused by his assault on American energy.[44]

At the beginning of 2023, RSC took over the House Energy Action Team (HEAT). In conjunction with the work of RSC, the House of Representatives recently passed H.R. 1, the Lower Energy Costs Act

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[38] Rachel Schilke, "Appeals court upholds ruling prohibiting government officials from communication with social media companies," Washington Examiner, September 8, 2023, https://www.washingtonexaminer.com/news/2446694/appeals-court-upholds-ruling-prohibiting-government-officials-from-communicating-with-social-media-companies/

[39]Rob Gillies, "Keystone pipeline halted as Biden revokes permit," The Associated Press, January 20, 2021, https://apnews.com/general-news-2fbcce48372f5c29c3ae6f6f93907a6d

[40] Oliver Milman, "Biden returns US to Paris climate accord hours after becoming president," The Guardian, January 20, 2021, https://www.theguardian.com/environment/2021/jan/20/paris-climate-accord-joe-biden-returns-us

[41] Thomas Phippen, "Biden keeping his promise to 'end fossil fuel' increased gas prices, RSC memo shows," Fox Business, March 28, 2022, https://www.foxbusiness.com/politics/biden-fossil-fuel-gas-prices-promise-republican-study-comittee-memo

[42] Ibid

[43] https://www.eia.gov/dnav/pet/pet_pri_gnd_a_epmr_pte_dpgal_a.htm

[44] NAM News Room, "Oil and Gas Companies Aren't to Blame for Pump Prices." National Association of Manufacturers, March 18, 2022. https://www.nam.org/oil-and-gas-companies-arent-to-blame-for-pump-prices-17098/

introduced by Majority Leader, and former RSC Chairman, Steve Scalise (R-LA). This legislation included many important reforms, such as RSC HEAT Chairman Rep. August Pfluger's bill to repeal Biden's natural gas tax. The actions of RSC and House Republicans stand in stark contrast to Democrats, who continue to double down on their Green New Deal agenda which spurred gas prices to rise to their current staggering levels. Additionally, the RSC Budget commends the inclusion of a slightly modified version of Rep. Garret Graves' (R-LA) BUILDER Act in the Fiscal Responsibility Act (FRA), which passed the House this May.[45] The provisions included in the FRA would limit environmental review of proposed major federal actions under the National Environmental Policy Act of 1969 (NEPA) and establish deadlines and other requirements to expedite the environmental review of such actions. The RSC Budget would expand on the reforms included in the FRA, including by limiting judicial review in the NEPA process.

The RSC knows that our nation should be exploring and unleashing our vast reserves of energy and mineral resources. Tapping our domestic energy resources will reduce inflation, promote job creation, and decrease dependence on foreign oil, both at home and for our allies around the world. The RSC Budget applauds the House Republican Conference for passing the Lower Energy Costs Act,[46] bipartisan legislation that will increase American energy production, streamline permitting for energy projects, and repeal America-last energy policies implemented by the Biden Administration. The RSC Budget would adopt all the provisions of H.R 1 and calls on the Senate to immediately take up this bipartisan bill, which will create 667,000 new jobs, lower energy costs by $795 per household, raise wages by 1 percent, increase per-household income by $2,890 and reduce 10-year deficits by $369 billion.[47] Additionally, the RSC Budget supports the following policies:

Rolling Back Regulatory Red Tape

- The Energy Permitting Certainty Act, which would require DOI to process Applications for Permits to Drill (APDs) under a valid existing lease regardless of any unrelated civil action.
- Rep. Blake Moore's (R-UT) Promoting Energy Independence and Transparency Act, which would require any pending permits for which required views have been completed be issued within 30 days of enactment.
- Majority Leader Steve Scalise's (R-LA) American Energy First Act, which would reform the onshore and offshore energy leasing and permitting processes for conventional and renewable energy development to reduce uncertainty, avoid unnecessary delays, and prevent large unilateral land grabs by the Biden Administration.
- Energy and Commerce Committee Chairwoman Cathy McMorris Rodgers' (R-WA) Hydropower Clean Energy Future Act, which would expedite the hydropower licensing process and reduce regulatory burdens for small hydropower projects.

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[45] United States House of Representatives, "Roll Call 243 | Bill Number: H. R. 3746," Office of the Clerk, May 31, 2023. https://clerk.house.gov/Votes/2023243
[46] United States House of Representatives, "Roll Call 182 | Bill Number: H.R. 1," Office of the Clerk, March 30, 2023, https://clerk.house.gov/Votes/2023182
[47] Parker Sheppard, Richard Stern and Kevin Dayaratna, "Policies in the Lower Energy Costs Act Will Lower Energy Costs and Increase GDP." The Heritage Foundation, March 30, 2023. https://www.heritage.org/energy-economics/report/policies-the-lower-energy-costs-act-will-lower-energy-costs-and-increase

- RSC HEAT Chairman August Pfluger's (R-TX) Unlocking Our Domestic LNG Potential Act would expedite and increase American natural gas exports by removing duplicative approval requirements.
- Rep. Richard Hudson's (R-NC) Advanced Nuclear Deployment Act would remove regulatory barriers for the deployment of Small Modular Nuclear Reactors and Microreactors.

Promoting Energy Production

- This budget supports the continued operation of the Enbridge Line 5 Pipeline and opposes the efforts of Governor Gretchen Whitmer (D-MI) and her radical environmentalists allies to shut down the pipeline. This budget commends Rep. Tom Tiffany's (R-WI) leadership on this issue.
- Rep. Kelly Armstrong's (R-ND) Keystone XL Pipeline Construction and Jobs Prevention Act, which would authorize construction of the pipeline and maintenance of needed facilities.
- Rep. Mike Carey's (R-OH) Promoting Domestic Energy Production Act, which would allow energy producers to deduct costs, including labor and safety, associated with oil and gas exploration. While tax deductions for energy exploration (known as intangible drilling costs) have long been included in the U.S. tax code, the Inflation Reduction Act limited the ability of energy companies to deduct intangible costs and depreciating assets.
- Oppose the creation of a carbon tax, which would annually cost more than one million jobs and over $1 trillion dollars of lost income by 2030.[48] The burden of these taxes would fall squarely on low-income families and would stifle the innovation that is key to a more efficient future.[49]
- Allow states to develop resources on federal land within their borders and prohibit any federal hydraulic fracturing regulations in a state that has already issued its own regulations.
- Rep. Jeff Duncan's (R-SC) Protecting American Energy Production Act, which would establish a Sense of Congress that the States should maintain primacy for the regulation of hydraulic fracturing on state and private lands.
- Rep. Matt Rosendale's (R-MT) Restore Onshore Energy Production Act would immediately resume oil and gas lease sales on eligible federal lands and require a minimum of four lease sales per year in each state with an oil and gas program.

Placing a Check on the Executive Branch

- RSC HEAT Chairman Rep. August Pfluger's (R-TX)'s Real Emergencies Act, which would prohibit the President from using the three primary statutory authorities available to him (the National Emergencies Act, the Stafford Act, and section 319 of the Public Health Service Act) to declare a national emergency solely based on climate change.
- RSC HEAT Chairman Rep. August Pfluger's (R-TX) Saving America's Energy Future Act, which would prohibit the Department of Agriculture and the Department of the Interior from declaring a moratorium on issuing new oil and gas leases and drill permits on certain federal

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[48] David Kreutzer, "Impacts of Carbon Taxes on the U.S. Economy," The Heritage Foundation, November 17, 2014, https://www.heritage.org/testimony/impacts-carbon-taxes-the-us-economy.
[49] Mike Palicz, "ATR Releases Coalition Letter Opposing Any Carbon Tax," Americans for Tax Reform, March 16, 2021, https://www.atr.org/atr-releases-coalition-letter-opposing-any-carbon-tax

lands. In addition, the bill prohibits the departments from declaring a moratorium on renewals of such permits.

- Rep. Nick Langworthy's (R-NY) Energy Choice Act, which would prohibit States or local governments from prohibiting the connection, reconnection, modification, installation, or expansion of an energy service based on the energy source.
- The RSC Budget supports bills that would roll back the Biden administration's war on appliances. Rep. Kelly Armstrong (R-ND) has introduced the Gas Stove Protection and Freedom Act, which prohibits the Consumer Product Safety Commission from using federal funds to regulate gas stoves as a banned hazardous product or enforce a product safety standard that prohibits the sale of gas stoves or increases the price of the appliance. Additionally, the RSC Budget supports the Save our Stoves Act which was introduced by Rep. Debbie Lesko (R-AZ), which would prohibit DOE from revising its energy conservation standards for ovens unless it determines that the standards will not result in the unavailability of a product based on the type of energy it uses. Both of these bills passed the House in June of 2023.
- Rep. Richard Hudson's (R-NC) Protecting America's Distribution Transformer Supply Chain Act, which would establish a 5-year DOE prohibition on revising its energy conservation standards.
- Rep. Harriet Hageman's (R-WY) POWER Act, which would require the President and federal agencies to get approval from Congress before prohibiting or delaying oil, gas, coal, hard rock, or critical mineral development on federal lands.
- Rep. Lauren Boebert's (R-CO) Protecting American Energy Jobs Act, which would require limits on geothermal leases to receive congressional approval.

Cutting Wasteful, Ineffective Programming

- Repeal the green giveaways in the Inflation Reduction Act that use taxpayer dollars to fund inefficient and unreliable energy sources.
- Reverse President Biden's executive action to halt new oil and gas leasing on federal lands, including the Outer Continental Shelf (OCS) by implementing the American Energy and Security Act, which would require the Biden Administration to immediately resume lease sales and prevent them from canceling a lease sale again without the approval of Congress.
- Rep. Beth Van Duyne's (R-TX) Strategy to Secure Offshore Energy Act would require the publication of the 2022-2027 plan for offshore oil and gas lease sales by the time the current plan expires on June 30, 2022.
- Eliminate the Renewable Fuel Standard (RFS), which is a program that requires fuel sold in the U.S. to contain a minimum volume of renewable fuels. The RFS has caused a dramatic increase in the price of corn, food, and gasoline.[50]

Rolling Back the Biden Administration's Anti-Energy Policies

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[50] Institute for Energy Research, "CBO Analyzes RFS: Expect Higher Gasoline and Diesel Prices," July 2, 2014, http://instituteforenergyresearch.org/analysis/cbo-analyzes-rfs-expect-higher-gasoline-diesel-prices/.

- Oppose President Biden's plan to increase Corporate Average Fuel Economy (CAFE) Standards for passenger cars and light trucks in a way that will go beyond the traditional role of CAFE standards. His plan would mandate a level of efficiency that would incur tremendous price increases per vehicle and would have detrimental effects on the economy.[51]
- Energy and Commerce Committee Chairwoman Cathy McMorris-Rodgers' (R-WA) bills that place restrictions on SPR drawdowns, which should be reserved for times of crisis. The Strategic Protection Response Act would require any SPR drawdown to be accompanied by a plan to increase oil and gas production on federal lands. Her second bill, the Protecting America's Strategic Petroleum Reserve from China Act, would prohibit the sale of SPR withdrawals to China. Both bills passed the House in January of 2023.
- Rep. Pete Stauber's (R-MN) Alaska's Right to Produce Act, which would reverse the Biden Department of the Interior (DOI)'s decision to prohibit oil and gas development on 13 million acres within the National Petroleum Reserve-Alaska (NPR-A) and reinstate the lawfully awarded leases that were cancelled within the non-wilderness Coastal Plain of the Artic National Wildlife Refuge (ANWR).
- Rep. Lauren Boebert's (R-CO) Restoring American Energy Dominance Act, which would prohibit implementation of the proposed Bureau of Land Management rule entitled Fluid Mineral Leases and Leasing Process. The rule would increase the capital costs of producing energy on federal lands, which would disincentivize energy producers and ultimately increase consumer energy costs.
- Rep. Chip Roy's (R-TX) No Taxpayer Funding for CZARS Act, which defund the Special Presidential Envoy for Climate, John Kerry.
- Rep. Carol Miller's (R-WV) Protect Our Power Plants Act, which would prohibit the EPA from finalizing/enforcing a proposed rule related to New Source Performance Standards and emissions guidelines for greenhouse gas emissions from certain stationary sources.
- Rep. Lauren Boebert's (R-CO) 30 x 30 Termination Act would nullify Section 216 of Executive Order 14008. That Executive Order seeks to remove 30 percent of federal lands from potential energy development by 2030.
- This budget opposes President Biden's decision to reenter the Paris climate agreement. This misguided decision will reduce economic growth, destroy jobs, and reduce wages. This budget supports Rep. Chip Roy's (R-TX) No Taxpayer Funding for Paris Climate Accord Act, which would ensure that no federal dollars are used to comply with the accords.
- This budget supports Rep. Doug LaMalfa's (R-CA) legislation to prohibit taxpayer funds for Biden's international agreements that pay for "loss and damage" due to climate change.
- Prohibit the use of an emergency disaster or public health emergency declaration from being used to address purported climate change.
- Block President Biden from introducing a rule similar to Obama's Clean Power Plan that would burden our energy sector to promote green socialism.[52]

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[51] CEI, "Free to Prosper, A Pro-Growth Agenda for the 116th Congress: Energy and Environment," March 17, 2021, https://www.cagw.org/reporting/licensing-barriers.
[52] George Lobsenz and Amena Saiyid, "Biden Moves Past Clean Power Plan, With an Eye to a Clean Electricity Standard," IHS Markit, February 18, 2021, https://ihsmarkit.com/research-analysis/biden-moves-past-clean-power-plan-with-an-eye-to-a-clean-elect.html.

- This budget supports Rep. Tom Tiffany's (R-WI) Future Agriculture Retention and Management (FARM) Act, which would protect American farmland by making solar and wind electricity ineligible for renewable energy tax credits if the electricity was generated by facilities that a public utility placed on agricultural land.
- Rep. Michael Burgess (R-TX)'s Congressional Review Act resolution rolling back the Biden administration's Good Neighbor Plan, which burdens states and energy producers with radical national ambient air quality standards (NAAQS).

Vehicle Emissions

- Rep. Troy Nehls' (R-TX) Congressional Review Act resolution that would nullify the EPA's rule on heavy-duty vehicle emissions.[53]
- Rep. Tim Walberg's (R-MI) Choice in Autmobile Retail Sales (CARS) Act, which would prohibit the EPA from finalizing or enforcing a proposed rule on vehicle emissions.[54] This bill passed the House in December of 2023.[55]
- Rep. John Joyce's (R-PA) Preserving Choice in Vehicle Purchases Act, which would modify the waiver process under the Clean Air Act related to state emission control standards for new motor vehicles (or new motor vehicle engines). This bill passed the House in September of 2023.[56]
- Rep. Bob Good's (R-VA) No American Climate Corps Act, which would prohibit federal funds from being used to establish a new "American Climate Corps." Taxpayer dollars should not be expended on wasteful programs designed to carry out a radical climate and land-grabbing agenda.
- Rep. Randy Feenstra's (R-IA) Comparison of Sustainable Transportation Act, which would require the GAO to report on the increased cost to taxpayers from converting light-duty vehicles in the federal fleet to electric vehicles and deploying related EV infrastructure.

Offshore Leasing

- Rep. Garret Graves' (R-LA) Securing American Energy and Investing in Resiliency Act would require DOI to conduct all remaining offshore oil and gas lease sales in the current leasing plan and issue leases won as a result of Lease Sale 257.
- Rep. Garret Graves' (R-LA) RICE's Whale Act, which would protect American energy production in the Gulf of Mexico by preventing the Biden administration from unlawfully issuing new regulations concerning the Rice's whale habitat. While the NMFS determined under the Trump administration that federal agencies could adopt reasonable measures to

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[53] Federal Register, "Control of Air Pollution from New Motor Vehicles: Heavy-Duty Engine and Vehicle Standards," January 24, 2023, https://www.federalregister.gov/documents/2023/01/24/2022-27957/control-of-air-pollution-from-new-motor-vehicles-heavy-duty-engine-and-vehicle-standards

[54] U.S. Environmental Protection Agency, "Proposed Rule: Multi-Pollutant Emissions Standards for Model Years 2027 and Later Light-Duty and Medium-Duty Vehicles," Accessed March 10, 2024, https://www.epa.gov/regulations-emissions-vehicles-and-engines/proposed-rule-multi-pollutant-emissions-standards-model.

[55] United States House of Representatives, "Roll Call 703 | Bill Number: H. R. 4468," Office of the Clerk, December 6, 2023, https://clerk.house.gov/Votes/2023703

[56] United States House of Representatives, "Roll Call 391 | Bill Number: H. R. 1435," Office of the Clerk, September 14, 2023, https://clerk.house.gov/Votes/2023391

mitigate risks to the Rice's whale, the Biden administration capitulated to a lawsuit from radical environmental groups and declared 11 million acres in the Gulf of Mexico off-limits to energy production, without following proper federal procedures.

- Rep. Jerry Carl's (R-AL) Unleashing American Energy Act, which would require a minimum of two oil and gas lease sales to be held annually in available federal waters in the Central and Western Gulf of Mexico Planning Area and in the Alaska Region of the Outer Continental Shelf.
- Rep. Garrett Graves' (R-LA) BRIDGE Protection Act of 2023, which would mandate at least four offshore oil and gas sales to be held in 2024 and 2025, setting specific terms and reducing regulatory burdens to address delays by the Biden administration in publishing a 5-year OCS leasing plan.

Mining and Critical Minerals

- The budget supports deregulatory efforts intended to onshore critical mineral production, which are essential to many of the goods and services Americans use every day. Rep. Pete Stauber's (R-MN) Accessing America's Critical Minerals Act would reform onerous and duplicative steps in the critical mineral permitting process by requiring federal agencies to adhere to timelines and improve coordination.
- Rep. Pete Stauber's (R-MN) Permitting for Mining Needs Act, which would expedite the review of mining projects on federal lands and limit judicial review of mining projects by limiting the amount of time to file a claim against a project. In particular, the bill would ensure that BLM and USFS are expeditiously completing federal permitting for mining on federal lands by establishing deadlines, as well as setting deadlines on NEPA reviews for mining projects.
- Rep. Larry Bucshon's (R-IN) Securing American's Critical Minerals Supply Act, which would require the Department of Energy to secure the supply of critical energy resources by conducting supply assessments, developing alternatives to these resources, strengthening supply chains, and assessing security risks posed by increasing imports of critical energy resources.
- Rep. Debbie Lesko's (R-AZ) Domestic USA Act, which would designate uranium as a critical mineral.
- Efforts by members such as Reps. Pete Stauber (R-MN), Mark Amodei (R-NV), Paul Gosar (R-AZ), and Eli Crane (R-AZ) that would nullify existing executive orders prohibiting mineral development on land in Minnesota, Nevada, and Arizona.

Occupational Licensing Laws

All levels of U.S. governments should find ways to reduce the burden of occupational licensing requirements, which often are more about imposing barriers to entry than increasing safety.[57] There is simply no justification for barbers and interior designers to face stricter licensing requirements

[57] Frances Floresca and Thomas Schatz, "Reducing Licensing Barriers Will Get Millions Back to Work," Citizens Against Government Waste, 2020, https://www.cagw.org/sites/default/files/pdf/Issue_Brief_Regulatory_Reform.pdf

than emergency medical technicians.[58] Thirty percent of jobs now face government-imposed licensing requirements.[59] These requirements reduce the number of American jobs by 2.85 million and cost nearly $203 billion.[60]

These licensing requirements are especially burdensome to families of military servicemen and women, who are 10 times more likely to move between states. Most of the military spouses that work in these fields need to be relicensed following reassignment. While the problem of onerous occupational licensing laws is mostly caused at the state level, the RSC Budget urges federal lawmakers to examine ways in which the federal government could respect states' rights and still facilitate the state-level adoption of policies that use less restrictive alternatives to occupational licensing. Accordingly, the RSC Budget supports Rep. Diana Harshbarger's (R-TN) Freedom to Work Act, which would require federal agencies to review rules and regulations that put in place occupational licensing requirements for agency positions or cause state and local governments to adopt licensing requirements, and former RSC Chairman Jim Banks' (R-IN) Portable Certification for spouses Act.

Strengthening Financial Markets

Access to credit allows unused resources from productive industries to provide the seed capital of the next. Financial markets are what enable the economic growth, innovation, and economic mobility that allow working-class families to enjoy standards of living unknown to previous generations. A free and dynamic financial sector is how low- and middle-income families gain access to capital to go to school, buy a home, start a small business, and fulfill their version of the American Dream.

Unfortunately, Democrats are working to abuse the U.S. financial system to steer capital to their cronies, punish their political enemies and distort the flow of credit in ways that would doom the U.S. to economic stagnation. They are working to restrict credit to "politically incorrect" industries such as fossil-fuels or firearm manufacturers. [61] The Federal Reserve is now working to subject fossil fuel producers to harsher and unjustified "stress tests" to direct liquidity away from affordable and abundant sources of energy and force investment into green energy sources that are more

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[58] James Pethokoukis, "The terrible Economic Burden of Occupational Licensing," American Enterprise Institute, April 21, 2014, https://www.aei.org/publication/the-terrible-economic-burden-of-occupational-licensing/.
[59] Morris M. Kleiner, "Reforming Occupational Licensing Policies," The Hamilton Project, March 2015, https://www.brookings.edu/wp-content/uploads/2016/06/THP_KleinerDiscPaper_final.pdf#page=10
[60] Morris M. Kleiner, "Reforming Occupational Licensing Policies," The Hamilton Project, March 2015 https://www.brookings.edu/wp-content/uploads/2016/06/THP_KleinerDiscPaper_final.pdf#page=8

[61] Kishan, Saijel, "Wall Street Banks Face New Pressure to Cut Fossil-Fuel Financing" Bloomberg News, December 16, 2021, https://www.bloomberg.com/news/articles/2021-12-16/wall-street-banks-face-new-pressure-to-cut-fossil-fuel-financing

expensive and notoriously unreliable.[62] [63] Additionally, the Securities and Exchange Commission (SEC) is developing a rule that would force businesses to disclose their greenhouse gas emissions in order to inform investors and steer them away from "politically incorrect" industries.[64]

Not to be outdone by the abuses seen during the Obama years, the Biden Administration and Congressional Democrats are working to bring back the left-wing tradition of using the IRS to spy on Americans. The American Rescue Plan included a provision lowering the reporting threshold of business transactions conducted on third-party payment platforms from $20,000 to $600. This will allow the IRS to track most business transactions on these platforms and is ripe for abuse. Additionally, the Biden Administration has issued a radical rule that would direct millions of Americans' hard earned retirement savings to subsidize left-wing causes[65] and has used the power of the Federal Deposit Insurance Corporation (FDIC) to prevent firearm manufacturers from accessing capital with zero justification.[66] This budget stands firmly against this blatant overreach.

The RSC Budget calls for a return to sound, rules-based monetary policy that prioritizes a strong dollar. When combined with the reckless spending of President Biden and Congressional Democrats, the quantitative easing policies of the Federal Reserve injected trillions of dollars in new currency into the American economy—with its balance sheet approaching nearly $8 trillion today compared to the $4.5 trillion leading up to COVID-19.[67] The resulting inflation spurred the Federal Reserve to dramatically increase interest rates, which has left the American economy vulnerable to potential recession.[68]

The RSC Budget supports the following additional measures to push back against the efforts of the left to use the financial markets to implement their progressive agenda and to promote sound monetary policy:

- Rep. Andy Barr's (R-KY) Congressional Review Act resolution which would rescind the Biden Administration's woke 401(k) rule, which allows investors to subsidize liberal special interests with retiree savings. This bill passed the House with a bipartisan vote of 216-204 and the Senate with a bipartisan vote of 50-46.

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[62] Jeb Hensarling, "A Politicized Fed Endangers the Economy." Wall Street Journal, January 17, 2022, https://www.wsj.com/articles/a-politicized-fed-endangers-economy-monetary-federal-reserve-powell-balance-sheet-climate-stress-test-social-justice-11642448983
[63] Howard Schneider and Ann Saphir, "Fed wants climate risk analysis from 6 largest U.S. banks by July 31." Reuters, January 17, 2023, https://www.reuters.com/business/sustainable-business/fed-wants-climate-risk-analysis-6-largest-us-banks-by-july-31-2023-01-17/
[64] https://www.sec.gov/files/rules/proposed/2022/33-11042.pdf
[65] "Prudence and Loyalty in Selecting Plan Investments and Exercising shareholder Rights." Federal Register, December 1, 2022, https://www.federalregister.gov/documents/2022/12/01/2022-25783/prudence-and-loyalty-in-selecting-plan-investments-and-exercising-shareholder-rights
[66] NSSF Denounces U.S. Senate Confirmation of Operation Choke Point Architect to FDIC." The National Shooting Sports Foundation, December 20, 2022. https://www.nssf.org/articles/nssf-denounces-u-s-senate-confirmation-of-operation-choke-point-architect-to-fdic/
[67]]"Credit and Liquidity Programs and the Balance Sheet: Recent Balance Sheet Trends." The Federal Reserve, Accessed March 28, 2023. https://www.federalreserve.gov/monetarypolicy/bst_recenttrends.htm
[68] "Heritage Expert: Inflation, Banking Crisis Being Fueled By Runaway Federal Budget." Heritage Foundation, March 14, 2023. https://www.heritage.org/press/heritage-expert-inflation-banking-crisis-being-fueled-runaway-federal-budget

- Rep. Andy Barr's (R-KY) Fair Access to Banking Act, which would combat corporate cancel culture by prohibiting banks with assets above $10 billion from discrimination in their lending services.
- Rep. Byron Donald's (R-FL) Repeal CFPB Act, which would eliminate the duplicative Consumer Financial Protection Bureau. The legal structure of the CFPB "is designed precisely to insulate it from political accountability. It is a design better suited for a government of unlimited powers conducive to tyranny rather than to a government of limited powers conducive to freedom."[69]
- Rep. Drew Ferguson's (R-GA) Prohibiting IRS Financial Surveillance Act, which would prohibit the Treasury Department from forcing financial institutions to report inflows or outflows (or any similar amount, whether on a transaction or aggregate basis of any account.
- Rep. French Hill's (R-AR) Price Stability Act, which would prohibit the Federal Reserve from acting beyond stabilizing prices to ensure that liberal special interests cannot use exotic tools such as "climate stress tests" to restrict access to credit.
- RSC Budget and Spending Task Force Chairman Ben Cline's (R-VA) Federal Insurance Office Elimination Act, which would eliminate the Federal Insurance Office, a relic of Dodd-Frank that is duplicative of state and local efforts that the Biden Administration has co-opted to promote its radical climate agenda.[70]
- Rep. Andy Barr's (R-KY) Congressional Review Act resolution expressing disapproval of the Biden administration's rule requiring public companies to provide extensive information on how their operations affect the climate.
- Rep. Ronny Jackson's (R-TX) Advisory Committees Free of ESG Act, which would prohibit the establishment of a federal advisory committees based on environmental, social, and governance (ESG) criteria and provides for the termination of any existing advisory committees authorized or implemented on such basis.
- Budget Committee Chairman Jodey Arrington's (R-TX) Mission Not Emissions Act, which would prohibit federal agencies from requiring federal contractors to disclose their greenhouse gas emissions and climate-related financial risk, including indirect "scope 3" emissions. This climate rule would impose burdens on companies seeking to contract with the federal government, which would harm small business' ability to contract and limit the ability of DoD and other federal agencies to procure essential fuels and equipment.
- Rep. John James' (R-MI) Congressional Review Act resolution, which would permanently end President Biden's unfair and economically damaging joint employer proposal that would destroy the franchise business model and cause significant job loss across major sectors of the economy.
- Rep. Kevin Kiley's (R-CA) Congressional Review Act resolution, which would permanently end President Biden's radical proposal that would undermine the freedom and flexibility of Americans to work as independent contractors.
- Rep. Warren Davidson's (R-OH) Middle Class Borrower Protection Act, which would nullify the radical and unfair changes made by Biden's Federal Housing Finance Agency to single-family mortgage fees. These changes would increase costs on responsible borrowers who

[69] Scott Johnson, Powerline "CRISIS OF THE ADMINISTRATIVE STATE." January 13, 2014, https://www.powerlineblog.com/archives/2014/01/crisis-of-the-administrative-state.php
[70] Executive Order 14030, 86 FR 27967, https://www.federalregister.gov/documents/2021/05/25/2021-11168/climate-related-financial-risk

worked hard to maintain high credit scores and make for larger down payments in order to subsidize lower fees for less creditworthy and responsible borrowers.

Promoting Trade

Trade is critical to the health of the American economy. It is how our nation grew from a small colony to the wealthiest and most advanced nation on Earth. The regulation of trade is a legitimate exercise when used to put America first, including our national security. Trade restrictions must be carefully targeted to address nefarious actions, particularly from the Chinese Communist Party, that amount to theft from Americans and people all over the globe. The RSC Budget calls on our allies and partners to promote free trade while working to counter these attacks.

CREATING OPPORTUNITY THROUGH TAX REFORM

"The hardest thing in the world to understand is the income tax."
—Albert Einstein

By the end of 2024, the federal government will have taken $98.9 trillion in wealth out of the hands of Americans since 1789 through taxes and other revenue.[71] To the lament of Americans everywhere, the size of government and subsequent mandatory wealth transfers have increased dramatically since the ratification of the 16th Amendment in 1913, which gave the federal government the power to tax income. From the New Deal to the Great Society, the Left has continued to tap into Americans' hard-earned dollars to fund a bloated federal government. Put simply, bureaucrats in Washington and Democrats in Congress believe they know how to spend your money better than you.

While keeping taxes low must be a top priority, keeping the tax code fair and simple is also critical. Unfortunately, our tax code is riddled with special interest carve-outs and high rates of taxation on investments and savings. All these distortions cause the misallocation of capital, creating a less robust economy, and leading to slower wage growth and job creation.

Carve-outs for special interests embody corporate cronyism and redistribute wealth from hard-working Americans to well-connected groups that seek to manipulate the tax code in their favor.[72] They create a less efficient economy where certain industries and activities exist primarily because of tax subsidies, while more productive pursuits are robbed of opportunities to create jobs and raise wages for American workers.

A truly America first tax system does not penalize saving and investment in America; it promotes it.[73] The Tax Cuts and Jobs Act (TCJA) took strides toward this goal by lowering tax burdens and repealing numerous unfair carve-outs. It led to record-low unemployment and record-high wage levels in the years after its enactment.[74] For these reasons, the RSC Budget builds upon the foundation laid by President Trump's tax cuts in the TCJA to help restore the United States' economy.

The Democrats' Tax Plan to Kill Jobs and Steal Savings

Paying for a Radical Climate Agenda – President Biden and congressional Democrats demonstrated their ideological radicalism when they forced the so-called "Inflation Reduction Act" on the

[71] "Summary of Reciepts, Outlays, Surpluses, or Deficits (-): 1789-2028." OMB. Accessed on February 28, 2024. https://www.whitehouse.gov/omb/budget/historical-tables/
[72] Spencer Woo, "Cronyism and the Tax Code," NTU, November 21, 2016, https://www.ntu.org/foundation/detail/cronyism-and-the-tax-code
[73] William L. Watts, "Friedman: Consumption tax best, but unlikely," Market Watch, March 31, 2015, https://www.marketwatch.com/story/friedman-consumption-tax-best-but-unlikely; Curtis Dubay "A Flat Consumption Tax Would Be Fair and Efficient," The Heritage Foundation, November 16, 2015, https://www.heritage.org/taxes/report/flat-consumption-tax-would-be-fair-and-efficient
[74] Catherine Thorbecke, "Unemployment rate falls to its lowest level in 50 years," ABC News, October 4, 2019, https://abcnews.go.com/Business/unemployment-rate-falls-lowest-level-50-years/story?id=66058946

American people. Under the guise of "reducing inflation," the Democrats enacted the 1following radical policies, among others:

- Providing funding to hire 87,000 new IRS agents to spy on low-and middle-income Americans.[75]
- Raising taxes on American small businesses by $53.8 billion by limiting the deductibility of business losses for pass-through businesses.[76]
- Implementing a new $313 billion minimum book tax[77] on American businesses, 50 percent of which would be paid by American manufacturers.[78] So-called "book" taxes impose a penalty on "firms for fully deducting the cost of investment from their tax returns, discouraging further investment and reducing long-run economic growth." [79] The book-tax will also disproportionately hit American-produced energy, automobile manufacturing, and utilities.[80]
- Increasing energy prices with $12 billion in new taxes on crude oil production[81] and a new $6.5 billion tax on natural gas production.[82]
- More than doubling the current excise tax on coal production to $1.2 billion, which will be passed on to Americans in the form of higher electricity bills.[83]

These tax increases are being used to advance a radical Green New Deal agenda that funnels $552.9 billion in taxpayer dollars to inefficient and unreliable "green" energy sources.[84] This legislation will raise the cost of energy for hard-working Americans, kill jobs, and reduce wages while funding liberal special interests. The RSC Budget would repeal these provisions of the Inflation Reduction Act.

Driving Businesses Overseas and Bolstering the Chinese Economy –

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[75] Congressional Budget Office memorandum to Senate Finance Committee, August 17, 2021. https://www.finance.senate.gov/imo/media/doc/irs_enforcement_jct_analysis.pdf
[76] "Tax Provisions in the Inflation Reduction Act of 2022" Congressional Research Service, August 10, 2022. https://crsreports.congress.gov/product/pdf/R/R47202#page=4
[77] "Estimated Budgetary Effects of H.R. 5376, the Inflation Reduction Act of 2022." Congressional Budget Office, August 5, 2022. https://www.cbo.gov/system/files/2022-08/hr5376_IR_Act_8-3-22.pdf#page=9
[78] "JCT Confirms: U.S. Manufacturers Would be Hardest Hit by Democrats' Book Minimum Tax." United States Senate Committee on finance, July 28, 2022. https://www.finance.senate.gov/ranking-members-news/jct-confirms-us-manufacturers-would-be-hardest-hit-by-democrats-book-minimum-tax
[79] Cody Kallen, William McBride, Garrett Watson. "Minimum Book Tax: Flawed Revenue Source, Penalizes Pro-Growth Cost Recovery." Tax Foundation, August 5, 2022. https://taxfoundation.org/blog/inflation-reduction-act-accelerated-depreciation/
[80] Cody Kallen, Garrett Watson, "Who Gets Hit by the Inflation Reduction Act Book Minimum Tax?" Tax Foundation, August 12, 2022. https://taxfoundation.org/book-minimum-tax-analysis/
[81] "Estimated Budget Effects of the Revenue Provisions of Title I – Committee on Finance, of an amendment in the Nature of a Substitute to H.R. 5376, the "Inflation Reduction Act of 2022." Joint committee on Taxation, July 28, 2022. https://files.constantcontact.com/737f8b41801/68496922-3930-4385-8540-200477fe1b11.pdf#page=3
[82] Mike Palicz, "List of Tax Hikes in Democrat Reconciliation Bill" Americans for Tax Reform, August 8, 2022. https://www.atr.org/list-of-tax-hikes-in-democrat-reconciliation-bill/
[83] https://www.atr.org/list-of-biden-tax-hikes-hitting-americans-on-jan-1/
[84] Congressional Budget Office, "CBO's Estimate of the Budgetary Effects of H.R. 2811, the Limit, Save, Grow Act of 2023." April 25, 2023. https://www.cbo.gov/system/files/2023-04/59102-Arrington-Letter_LSG%20Act_4-25-2023.pdf

President Biden has proposed increasing the top corporate tax rate from 21 percent to 28 percent.[85] This would make our corporate tax rate among the most burdensome in the world and drive investment and jobs overseas.[86] In fact, it would be higher and more punitive than that of Communist China (25 percent).[87]

President Biden has also proposed tripling taxes on foreign earnings of American companies, which would compound this problem and lead more U.S. companies to move all their operations overseas – taking their investments, jobs, wage payouts, and intellectual property (IP) with them. This would likely result in increased manufacturing in China and aid their efforts to steal American IP. Simultaneously, it would penalize U.S. companies that want to bring raw and intermediate inputs to the U.S. to bolster domestic manufacturing. The RSC Budget opposes President Biden's plan to reward foreign companies for dumping products into U.S. markets while taxing American competitors out of our own market.

Additionally, President Biden has proposed a wealth tax that would reduce economic growth, sap retirement savings, and reduce jobs. He also has proposed doubling the capital gains tax for some high-income Americans, which would have the same effect. The RSC Budget supports Rep. Byron Donalds'(R-FL) Prohibiting Unrealized Capital Gains Taxation Act, which would block any attempt to tax unrealized gains on assets, to guard against these dangerous proposals.

Biden's Global Tax

The Administration has unilaterally committed the United States to global tax policies that could diminish the United States' competitiveness on a global scale and have grave consequences for our domestic economy. Our international treaty network has worked well over the last century to promote bilateral trade, investment, and prosperity. Progress on new global tax agreements is important, but Congress must approve any commitments that might erode the U.S. revenue base or significantly impact bilateral trade and investment flows. Congressional action to carry out international tax agreements is clear from the text and structure of the Constitution.

The RSC Budget supports Rep. Kevin Hern's(R-OK) Resolution directing the treasury to provide United States Pillar One tax revenue modeling data and reports estimating the direct and indirect impact of the OECD Pillar One agreement.

Pro-Growth Tax Reforms

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[85] Garrett Watson, William McBride. Tax Foundation, Evaluating Proposals to Increase the Corporate Tax Rate and Levy a Minimum Tax on Corporate Book Income." February 24, 2021. https://files.taxfoundation.org/20210224151522/Evaluating-Proposals-to-Increase-the-Corporate-Tax-Rate-and-Levy-a-Minimum-Tax-on-Corporate-Book-Income1.pdf https://taxfoundation.org/research/all/federal/biden-corporate-income-tax-rate/

[86] Alex Hendrie. RealClearMarkets, Biden Corporate Tax Hikes Will Send Jobs Overseas." February 15, 2021. https://www.realclearmarkets.com/articles/2021/02/15/biden_corporate_tax_hikes_will_send_jobs_overseas_660216.html

[87] PwC, "People's Republic of China Corporate – Taxes on corporate income." January 15, 2024. https://taxsummaries.pwc.com/Peoples-Republic-of-China/Corporate/Taxes-on-corporate-income

In February of 2024, the House passed Ways and Means Chairman Jason Smith's (R-MO) Tax Relief for American Families and Workers Act of 2024, which extends several TCJA business provisions that would help spur economic growth. Of the provisions included in the bill, RSC supports extending 100 percent bonus depreciation, increasing the expensing of depreciable assets, full and immediate expensing of businesses' investments into research and development, increasing interest deductibility for businesses, and eliminating the employee retention tax credit (ERTC).

The following America first tax reforms will produce more investment in America along with more jobs and higher wages. The RSC Budget would cut taxes by nearly $4.2 trillion over the next 10 years. The pro-growth effects of these tax reductions would result in $578 billion of additional revenue.

Permanence for the Individual Tax Provisions of the Tax Cuts and Jobs Act

The RSC Budget would make the individual tax code provisions of the TCJA permanent. This includes important pro-growth features such as lower income tax rates for working families, a broader base that eliminates corrupt special interest carve outs, and tax cuts for small businesses.[88] As such, the RSC Budget supports Rep. Vern Buchanan's (FL-R) Tax Cuts and Jobs Act (TCJA) Permanency Act, which would permanently codify TCJA provisions affecting individual taxpayers and business set to expire at the end of 2025.

Full and Immediate Expensing for Investments in Economic Growth

The RSC Budget would enact Budget Committee Chairman Jodey Arrington's (R-TX) ALIGN Act, which would make the TCJA provision allowing business to immediately expense investments in equipment permanent. This pro-growth and pro-worker policy began to phase out last year, and Congress must take quick action to protect American investment and workers' wages by making this policy permanent. When accounting for the higher revenue from the increase in economic growth generated from this policy, this reform would reduce taxes by $315.6 billion over the next 10 years and increase payroll tax revenues by $27.5 billion.[89] Additionally, enacting this policy would create 72,600 jobs and increase wages by 0.3%.[90]

The RSC budget would also enact other pro-growth tax reforms allowing businesses to fully and immediately expense their investments in research and development, which would reduce federal taxes by $169 billion, increase wages by 0.1%, increase payroll tax revenue by $6.3 billion, and create 16,000 new high paying jobs over the next 10 years.[91] These expenditures are necessary investments in workers and productivity that should not be taxed as though they are profits.[92] This

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[88] Joint Committee on Taxation, "Economic Growth and Tax Policy (JCX-47-15)," February 20, 2015, https://www.jct.gov/publications.html?func=startdown&id=4736
[89] Estimates based on modeling from the Tax Foundation.
[90] Ibid.
[91] Ibid.
[92] Scott A. Hodge, "An Open Letter to Chairman Peter Roskam on Full Expensing," Tax Foundation, July 18, 2017, https://taxfoundation.org/open-letter-chairman-peter-roskam-full-expensing/

policy would promote higher wages for Americans by permanently ending destructive taxes on investments to increase worker productivity and wages.[93]

The RSC Budget also supports equalizing the tax treatment of all worker education and training investments receive the same tax treatment given to other investments.[94] For instance, Ways and Means Committee Chairman Jason Smith's (R-MO) Upward Mobility Enhancement Act would more than double the tax benefit attributable to investments made in upskilling employees.

Promoting American Manufacturing and Resilient Supply Chains through Accelerated Depreciation

The RSC Budget would adopt RSC Chairman Kevin Hern's (R-OK) Renewing Investment in American Workers and Supply Chains Act. This bill would accelerate the current 39-year depreciation schedule for nonresidential construction, and 27.5-year depreciation schedule for residential construction, to 20 years each. Additionally, the RSC Budget would allow businesses to annually adjust these deductions for inflation and the cost of delayed deductions through a neutral cost recovery system (NCRS). These policies would significantly reduce the cost of new investments in America and bolster American manufacturing and supply chains. Congress should work quickly to implement these policies, which represent one of the best opportunities to promote reshoring through increased industrial investment in the United States. When accounting for the higher revenue from the increased economic growth generated by through shorter depreciation schedules and NCRS, these reforms would result in $186.2 billion in additional tax revenues, including $89.6 billion in additional payroll tax revenues, create 234,500 new jobs, increase capital investment by 2.3 percent, and increase wages by 1 percent.[95]

The RSC Budget also supports exempting the sale of overseas manufacturing facilities from taxation if the manufacturing moves production back to America, a policy included in Rep. Chip Roy's (R-TX) BEAT China Act.

Universal Savings Accounts

The RSC Budget would create Universal Savings Accounts (USAs) to allow all Americans to flexibly invest in their future free of extra taxation. These accounts would allow some of the savings of American families, already taxed twice through income taxes, to avoid a third round of taxation through capital gains.[96]

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[93] Jason J. Fichtner and Adam N. Michel, "Options for Corporate Capital Cost Recovery: Tax Rates and Depreciation," Mercatus Center, January 2015, https://www.mercatus.org/system/files/Fichtner-Corporate-Capital-Cost.pdf.
[94] Erica York, "Expensing Provisions Should Not Favor Physical Over Human Capital," Tax Foundation, December 17, 2019, https://taxfoundation.org/expensing-provisions-not-favor-physical-human-capital/
[95] Estimates based on modeling from the Tax Foundation.
[96] Adam Michel, "Universal Savings Accounts Can Help All Americans Build Savings," The Heritage Foundation, December 4, 2018, https://www.heritage.org/taxes/report/universal-savings-accounts-can-help-all-americans-build-savings

Shielding the Middle Class from Capital Gains Taxes

The RSC Budget would reduce taxes on working-class Americans by adjusting the second long-term capital gains bracket to start at $75,000 for single filers (1.5 times for Head of Household filers and twice as much for Widow and Joint filers). This would protect low- and middle-income families from the burden of capital gains taxes and remove a needless barrier to economic mobility.

Index Capital Gains Taxes to Inflation

The destructive policies implemented by President Biden and Congressional Democrats created the highest inflation in more than 40 years.[97] This inflation is a crushing burden on middle-class families and creates a hidden tax on capital investment. While assets are currently taxed partially on price changes caused by inflation, the RSC Budget would ensure taxpayers are not forced to pay for artificial gains caused by inflation by applying capital gains taxes only to the real growth in the value of investments.[98]

Eliminate Death Taxes

Death taxes impose yet another layer of taxation on the work of prior generations to build businesses and create thriving communities.[99] Death taxes are particularly damaging for America's farmers and agricultural producers. This insidious tax forces families grieving the loss of a loved one are to liquidate the life's work of their parents or grandparents in order to comply with the death tax. All productive capital across an economy has the possibility of facing this layer of taxation in the future. This prospect hangs over, and devalues, all investment in new production and innovation and ultimately hurts working Americans through fewer jobs, lower wages, and lost opportunity.[100] This Budget would adopt Ways and Means Committee Chairman Jason Smith's (R-MO) Death Tax Repeal Act. Eliminating the death tax would create 22,300 jobs and reduce taxes on hardworking Americans by $374.4 billion over 10 years while increasing payroll tax revenues by $8.6 billion.

Expand Net Interest Deduction

Congress should permanently apply the EBITDA (earnings before interest, tax, depreciation, and amortization) definition of income for determining the net interest deduction.[101] This year, the tax code began using EBIT (earnings before interest and tax) to define income. This switch penalizes capital-intensive businesses that finance purchases to grow their businesses. The RSC Budget would

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[97] Matt Phillips, "Inflation surges to 8.5%, highest in over 40 years." Axios, April 12, 2022. https://www.axios.com/2022/04/12/inflation-surges-march

[98] A. Hendrie, "Senator Cruz Leads Letter Urging Trump Admin to Index Capital Gains Taxes to Inflation," Americans for Tax Reform, July 29, 2019, https://www.atr.org/senator-cruz-leads-letter-urging-trump-admin-index-capital-gains-taxes-inflation?amp

[99] "151 Organizations Sign Coalition Letter Supporting Death Tax Repeal Act," Family Business Coalition, February 19, 2019, http://www.familybusinesscoalition.org/2019/02/19/151-organizations-sign-coalition-letter-supporting-death-tax-repeal-act/

[100] Scott Eastman, "New IRS Data Reiterates Shortcomings of the Estate Tax," Tax Foundation, October 18, 2018, https://taxfoundation.org/new-irs-data-reiterates-shortcomings-estate-tax/

[101] Scott Greenberg, "Tax Reform Isn't Done," Tax Foundation, March 8, 2018, https://taxfoundation.org/tax-reform-isnt-done/

reverse this change. The RSC budget supports Rep. Adrian Smith (R-NE) and RSC Chairman Kevin Hern's (R-OK) The American Investment in Manufacturing Act, which would amend the U.S. tax code to increase the cap on deductible business interest to pre-2022 levels. This change will promote further domestic investment while helping address concerns about rising interest rates and creating 14,900 new jobs.[102]

Net Operating Loss (NOL) Reforms

Firms receive a Net Operating Loss (NOL) deduction when losses for a given tax year exceed revenue. However, delayed use of this deduction allows inflation and opportunity costs to chip away at its value. Further, limitations on the use of these deductions can mean forfeiting them altogether. These effects increase the overall tax burden on investments, reintroducing the multiple layers of taxation that the deduction sought to avoid.[103] Lawmakers should index the remaining deduction annually to maintain its present value and allow unlimited carryforwards and carrybacks of NOL deductions.

1099-K Reforms to Protect American taxpayers

As part of the disastrous and inflationary American Rescue Plan, the Biden Administration and Congressional Democrats authorized the IRS to spy on taxpayers, independent contractors, and gig workers who make more than $600 worth of transactions through payment applications and third-party payment platforms.[104] The RSC Budget would prevent the harassment of Americans by enacting Rep. Carol Miller's (R-WV) Saving Gig Economy Taxpayers Act, which would return the threshold requiring a 1099-K return to the previous level of $20,000 and 200 separate transactions.

Repeal Distorting and Monopoly-forming Carve-Outs

As described by the Mercatus Center, "Various deductions, exemptions, and credits create an uneven tax environment…which distort consumption and investment."[105] The RSC Budget seeks to eliminate these corrupt carve-outs and would use these savings to reduce taxes for American workers and job makers.

The RSC Budget fully repeals the state and local tax (SALT) deduction. The SALT deduction federally subsidizes the tax-and-spend policies of liberal states. The ability to deduct SALT liability exclusively benefits wealthy taxpayers. For context, SALT can only be claimed when itemizing one's deductions. In 2020, 9.5 percent of all taxpayers itemized their tax deductions, but 64 percent of taxpayers with adjusted gross incomes (AGIs) above $500,000 itemized.[106] Using 2020 data from

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[102] Estimates based on modeling from the Tax Foundation
[103] Nicole Kaeding, "Net Operating Losses Aren't Handouts," National Taxpayers Union Foundation, April 14, 2020, https://www.ntu.org/foundation/detail/net-operating-losses-arent-handouts.
[104] Internal Revenue Service, "Understanding Your Form-1099-K." Accessed May 18, 2023. https://www.irs.gov/businesses/understanding-your-form-1099-k
[105] Veronique de Rugy and Adam N. Michel, "A Review of Selected Corporate Tax Privileges," Mercatus Center, October 2016, https://www.mercatus.org/system/files/mercatus-de-rugy-corporate-tax-privileges-v1.pdf.
[106] Garrett Watson, "County Data Shows Repealing SALT Cap Would Benefit High-Income Earners," Tax Foundation, September 13, 2023, https://taxfoundation.org/data/all/federal/salt-cap-repeal-data/

the IRS, the Tax Foundation found that the SALT deduction was primarily claimed by Americans living in higher income areas.[107] Repealing SALT would create room for $2.008 trillion in broad based tax relief.[108][109]

The RSC Budget also seeks to eliminate tax breaks for the inefficient and unreliable producers of so-called "green energy," many of which are extended periodically through "tax extender" packages. Despite exorbitant costs to taxpayers, President Biden and Congressional Democrats pushed through $369 billion in taxpayer-funded subsidies for inefficient and unreliable green energy sources to advance their radical climate agenda and increase the cost of energy for hard working Americans.[110]

The RSC Budget would also adopt the mortgage interest deduction reforms contained in the House-passed version of the TCJA, applying a $500,000 cap for newly purchased homes and applying the deduction to principal residences. This would allow for $184 billion in broad-based tax relief. The RSC Budget would also remove several other miscellaneous tax carve-outs from the tax code.[111]

<u>Other Conservative Tax Reforms</u>

The following represents a set of ideal reforms that lawmakers should pursue in the future:

- End Marriage Penalties – Congress should continue efforts to eliminate tax code provisions that disincentivize family formation. While the TCJA eliminated several marriage penalties, many remain.[112] Marriage penalties represent another instance where the tax code applies disparate treatment to similarly situated individuals to extract more revenue from the American people. The RSC Budget supports Rep. Glenn Grothman 's (R-WI) Student Loan Marriage Penalty Elimination Act, which would remove the marriage penalty contained in the student loan interest deduction.
- End Incentives to Hire Illegal Labor – Congress should also reevaluate tax policies that perpetuate illegal immigration. The RSC Budget would prohibit businesses from deducting wage and benefit compensation paid to illegal immigrants.
- Creation of Unified Tax Treated Accounts – The RSC Budget would encourage creating unified tax treated accounts (or tax-free rollovers across accounts) where individuals could

[107] Ibid
[108] "Budget Blueprint for FY 2023: Repeal the State and Local Tax Deduction." Heritage Foundation. https://www.heritage.org/budget/pages/recommendations/3.revenue.113.html
[109] The RSC Budget incorporates dynamic scores from the Heritage Foundation on the impact of repealing SALT should TCJA be extended ($387 billion over 10 years).
[110] Mark P. Mills, "The 'New Energy Economy': An Exercise in Magical Thinking." The Manhattan Institute, March 2019, https://media4.manhattan-institute.org/sites/default/files/R-0319-MM.pdf
[111] Clean coal Credit, Private activity bond interest exclusion, Exclusion from interest income from state and local government bonds, Lifetime Learning Credit, American Opportunity Credit, Student loan interest payments deduction (phase-out), Income exclusions for employee meals exclusion, lodging, and transportation benefits, Income exclusion for employee achievements awards, Income exclusion for employer-provided gym benefits deduction, Orphan Drug Credit.
[112] Amir El-Sibaie, "Marriage Penalties and Bonuses under the Tax Cuts and Jobs Act," Tax Foundation, February 14, 2018, https://taxfoundation.org/tax-cuts-and-jobs-act-marriage-penalty-marriage-bonus/

move money between retirement and education savings accounts and use those funds to purchase their residence, or vice versa while having such funds excluded from taxable income. This would give individuals and families access to the kind of ideal tax treatment of investments and savings to which only certain businesses have access under current law.

- Protect Donor Advised Funds - The RSC Budget would oppose Democrats' attempts to effectively eliminate Donor Advised Funds (DAF), which facilitate mid-sized charitable contributions.[113] Democrats have proposed delaying the tax benefit from DAFs in a manner that would negate the reason for creating them in the first place. This would give more power to large organizations and would crowd out many mid-size donors and organizations.
- Reform Reporting on Tax Expenditures – Every year the Joint Committee on Taxation (JCT) produces a list of tax expenditures. The RSC Budget would direct JCT to identify tax expenditures that are either true carve-outs or simply remove or reduce multiple layers of taxation on saving and investing.

[113] Will Kenton, "Donor-Advised Fund," Investopedia, Accessed on April 20, 2022, https://www.investopedia.com/terms/d/donoradvisedfund.asp

RSC

OPPORTUNITY THROUGH EMPOWERMENT AND SELF SUFFICIENCY

Conservatives believe that there is dignity in work and that people are capable of living fulfilling, self-sufficient lives. That is, in fact, what America was built on. For many years, the Left has tried to expand the role of government to ensure that Americans become increasingly dependent on federal funding, rather than dependent on themselves and able to realize their full potential. Sadly, as currently constructed, welfare programs are inefficiently structured, poorly targeted, and insufficiently designed to transition people back into work, and abound with loopholes. The true success of welfare programs should not be measured by how many are enrolled, but by how many leave the programs to re-enter the workforce. Instead of trapping individuals in a cycle of poverty, government should remove obstacles to all Americans and have the effect of empowering them, rather than prolonging their economic hardship.

The unrivaled failure of our modern welfare system has also spawned an enormous bureaucracy with a staggering price tag. The Congressional Research Service (CRS) has identified 95 different federal programs meant to assist low-income people that cost $1.078 trillion in FY 2020.[114] From 2008-2020, federal means-tested spending on these programs skyrocketed by 92 percent.[115] When spending by the states is added in, governments spend more than $1.16 trillion each year on welfare programs.[116] Maintaining the status quo is both fiscally unsustainable and morally unjustifiable. Between 1965, when the War on Poverty was declared, and 2021, "the U.S. has spent $34 trillion on means-tested welfare."[117] This amount is the size of our outstanding debt today.[118]

The policies recommended by this budget build upon the previous work done by the RSC, including the RSC's American Worker Task Force of the 116th Congress, which was chaired by Rep. Andy Barr (R-KY). The American Worker Task Force's report, Reclaiming the American Dream, explores avenues for modernizing our labor market and promoting opportunities for work.[119] Additionally, the report proposes bold and innovative ideas to broaden alternative education paths, address nationwide addiction problems, improve our tax code to remove barriers to worker improvement, and break down regulatory obstacles.

Eliminate Marriage Penalties in Welfare Programs

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114 Karen E. Lynch , Gene Falk, Jessica Tollestrup, Conor F. Boyle, and Patrick A. Landers "Federal Spending on Benefits and Services for People with Low Income: FY2008-FY2020 " Congressional Research Service, December 8, 2021.
https://crsreports.congress.gov/product/pdf/R/R46986#:~:text=5%20The%20federal%20government%20spent,inflation%20(1%25)%20during%20FY2020

115 Ibid.

116 Robert Rector and Jamie Hall, "Largest Welfare Increase in U.S. History Will Boost Government Support to $76,400 per Poor Family." Heritage Foundation, November 8, 2021,
https://www.heritage.org/welfare/report/largest-welfare-increase-us-history-will-boost-government-support-76400-poor-family

117 Robert Rector and Jamie Hall, "Largest Welfare Increase in U.S. History will boost Government Support to $76,400 per Poor Family," Heritage Foundation, November 8,

118 https://fiscaldata.treasury.gov/americas-finance-guide/national-debt/

119 Republican Study Committee, "Reclaiming the American Dream," https://rsc-banks.house.gov/policy-solutions/american-worker-task-force-report

One of the most important correlatives of a family's economic well-being is marital stability. Unfortunately, we are faced with a new reality where fewer people today are seeking marriage. Fifty years ago, it was rare for children to be born outside of marriage. In fact, then only one of ten sets of parents living with their children were unmarried. Today, it is one in four parents who live with their children that are unmarried.[120]

Marriage is critical for promoting stability in homes. The RSC Budget applauds the heroic efforts of single parents who go to strenuous lengths to support their children, while recognizing that the financial and emotional contributions of two parents are to the benefit of the next generation. In 2021, 19.55 percent of families with a single adult lived in poverty. In contrast, only 4.8 percent of married-couple families lived in poverty.[121] Unfortunately, more and more children are facing a higher likelihood they will grow up in poverty as marriage rates continue to plummet. In 2021, 40 percent of all babies born in the United States were born out of marriage, 1.464 million in total.[122] When the War on Poverty began in 1965, only 7.7 percent of children were born outside of marriage.[123]

Unfortunately, the current construction of means-tested welfare programs punishes those who marry, which undermines their stated purpose of reducing poverty. Some of the largest welfare programs, like Medicaid and TANF.[124] If a low-income person receiving government assistance marries an employed person, their welfare benefits will often be reduced or eliminated—sometimes by an amount larger than the income of the employed spouse. It has been said that "for most couples on welfare, getting married is among the more expensive decisions on average, reducing welfare benefits by 10 percent of their total income."[125] These policies disincentivize family stability, exacerbating the cycle of poverty.[126] The RSC Budget supports welfare reforms that would mitigate and remove these marriage penalties.

Work Requirements for Earned Success

The virtues of personal responsibility and initiative are central to shaping strong citizens, families, and communities. Arthur Brooks, the former president of the American Enterprise Institute, wrote

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[120] https://www.pewresearch.org/social-trends/2018/04/25/the-changing-profile-of-unmarried-parents/
[121] Census Bureau, "Historical Poverty Tables: People and Families - 1959 to 2021" and "Table 4. Poverty Status of Families by Type of Family, Presence of Related Children, Race, and Hispanic Origin: 1959 to 2021," Accessed March 7, 2023, https://www.census.gov/data/tables/time-series/demo/income-poverty/historical-poverty-people.html
[122] Centers for Disease Control, "Unmarried Childbearing" Accessed March 7, 2023, https://www.cdc.gov/nchs/fastats/unmarried-childbearing.htm
[123] "Love, Marriage, and the Baby Carriage: the Rise in Unwed Childbearing." Joint Economic Committee, December 2017. https://www.lee.senate.gov/services/files/3a6e738b-305b-4553-b03b-3c71382f102c
[124] W. Bradford Wilcox, Joseph Price, and Angela Rachidi, "Marriage Penalized: Does Social-Welfare Policy Affect Family Formation?" American Enterprise Institute, 2016, https://ifstudies.org/ifs-admin/resources/marriage-penalty-hep-2016.pdf#page=3
[125] Edwin J. Feulner, Ph.D. "Purging the Marriage Penalty," The Heritage Foundation, February 14, 2017, https://www.heritage.org/marriage-and-family/commentary/purging-the-marriage-penalty.
[126] Angela Rachidi, "New CRS report sheds light on need-tested government programs," American Enterprise Institute, January 21, 2016, https://www.aei.org/publication/new-crs-report-sheds-light-on-need-tested-government-programs/

that "[w]ork gives people something welfare never can."[127] Work instills a sense of purpose, self-worth, self-sufficiency, and dignity that cannot be achieved with a government check. The happiness that work provides is not due to money earned, but instead from the "value created in our lives and the lives of others – value that is acknowledged and rewarded."[128] It has an obvious material utility, enabling us to support ourselves and our families financially. In 2022, of the 28 million Americans over 16 years old in poverty, 72.12 percent had not worked that year, whereas only 7.9 percent of those with full-time jobs were in poverty.[129]

We know work requirements have been successful. In 2013, Kansas instituted work requirements and time limits for able-bodied adults without dependents on food stamps and created a tracking system to monitor the results. These reforms reduced the number of able-bodied adults on food stamps by 75 percent, most of whom are now employed and earning more than the benefits they once received.[130] Similarly, Maine required able-bodied adults receiving food stamps to take a job, participate in job training or perform six hours of community service per week. Within three months, the "caseload of able-bodied adults without dependents plummeted by 80 percent."[131] After work requirements were put in place, "[e]nrollees [went] back to work and their incomes more than double[d]; their increased incomes more than offset lost benefits; their time on welfare [was] cut in half."[132]

The RSC Budget would require all federal benefit programs be reformed to include work promotion requirements that would help people move away from dependence and toward self-sufficiency. This includes the RSC Budget's support of the House-passed Limit, Save Grow, Act, which includes language that would require Medicaid recipients to work at least 80 hours per month, which could include both community service and hours in a work program. By contrast, the RSC Budget opposes any efforts to implement anti-work proposals such as universal basic income (UBI).

Unemployment Insurance

The Unemployment Insurance (UI) program was designed to temporarily aid those that require assistance during rough periods of time. Unfortunately, whenever there is an economic downturn, Democrats, looking to add more people in the cycle of dependency, call for new duplicative aid systems and packages. This is precisely what Democrats did with UI during the COVID-19

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[127] Arthur Brooks, The Conservative Heart (New York, NY: Harper Collins), 2015, p. 96.
[128] Arthur Brooks, The Conservative Heart, pg. 32.
[129] U.S. Census Bureau, "Historical Poverty Tables: People and Families - 1959 to 2021" and "Table 25. Work Experience and Poverty Status for People 16 Years Old and Over." Accessed March 7, 2023. https://www.census.gov/data/tables/time-series/demo/income-poverty/historical-poverty-people.html
[130] Jonathan Ingram, "Report: The Power of Work – How Kansas' Welfare Reform is Lifting Americans Out of Poverty", Foundation for Government Accountability, February 16, 2016. http://thefga.org/research/report-the-power-of-work-how-kansas-welfare-reform-is-lifting-americans-out-of-poverty/
[131] Robert Rector, Rachel Sheffield, and Kevin D. Dayaratna, "Maine Food Stamp Work Requirement Cuts Non-Parent Caseload by 80 Percent," The Heritage Foundation, February 8, 2016, https://www.heritage.org/welfare/report/maine-food-stamp-work-requirement-cuts-non-parent-caseload-80-percent
[132] Foundation for Government Accountability, "Food Stamp Work Requirements," Accessed April 11, 2022, https://thefga.org/wp-content/uploads/2016/12/Food-Stamp-Work-Requirements-One-Pager.pdf

pandemic. Congressional Democrats kept UI benefit levels elevated above the equivalent of what one would earn from a $15 per hour job.

These expanded benefits needlessly kept Americans out of the labor force and severely stunted the economic recovery. In fact, one study of economic conditions in 2021 determined "…the national unemployment rate in each of July and August would have been around 0.3 percentage point lower than they were, and the employment-population ratio would have been around 0.1-0.2 percentage point higher than it was, had all states ended FPUC and PUA in June."[133] This budget rejects any attempt to turn the UI system into a permanent form of welfare and would ensure that total UI payments may never exceed the former wage level of an individual (minus the taxes they paid out of those wages since UI benefits are not taxed as high as wage income is taxed).

Improving the Temporary Assistance for Needy Families Program

In 1996, conservatives in Congress worked to reform the old Aid to Families with Dependent Children program. These reforms were embodied in the Temporary Assistance for Needy Families (TANF) program, which replaced the failing, dependence-driven status quo and instead focused on promoting work. Thanks to these common-sense reforms, child poverty fell dramatically and employment for single mothers increased. The successful, poverty-reducing reforms to TANF serve as the model for all reforms to means-tested programs in the RSC Budget.

Despite the positive reforms contained in the FRA,[134] there remains room to strengthen TANF. Current work participation rate standards require 50 percent of all families and 90 percent of two-parent families be engaged in work.[135] To be considered engaged in work, individuals must participate in specified activities during a month.[136] However, states can manipulate their required work participation rate by spending more than the state's Maintenance of Effort (MOE) requirement.[137] Also, states have used more than half of the program's funding on purposes other than supporting work, such as using TANF funds to balance their own budgets.

To fix these problems, the RSC Budget supports former Ways & Means Chairman Kevin Brady's (R-TX) JOBS for Success Act with minor adjustments. This legislation makes several important reforms to the TANF program to strengthen the program's focus on work and increase state accountability. It strengthens work requirements by mandating all work-eligible individuals receiving assistance meet

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[133] Harry J. Holzer, R. Glenn Hubbard & Michael R. Strain, "Did Pandemic Unemployment Benefits Reduce Employment? Evidence from Early State-Level Expirations in June 2021." National Bureau of Economic Research, December 2021. https://www.nber.org/papers/w29575

[134] Matt Weidinger, "What are the New TANF Work Requirements in the Fiscal Responsibility Act?" American Enterprise Institute, May 30, 2023. https://www.aei.org/opportunity-social-mobility/what-are-the-new-tanf-work-requirements-in-the-fiscal-responsibility -act/

[135] Congressional Research Service, "The Temporary Assistance for Needy Families (TANF) Block Grant: Responses to Frequently Asked Question." Updated March 31, 2022. https://sgp.fas.org/crs/misc/RL32760.pdf

[136] Gene Falk, "The Temporary Assistance for Needy Families (TANF) Block Grant: A Primer on TANF Financing and Federal Requirements," Congressional Research Service, December 14, 2017, https://fas.org/sgp/crs/misc/RL32748.pdf#page=20

[137] The MOE "requires states to contribute in the aggregate from their own funds at least $10.3 billion for benefits and services to needy families with children." See: Gene Falk, "The Temporary Assistance for Needy Families (TANF) Block Grant: A Primer on TANF Financing and Federal Requirements."

their work requirements in exchange for monthly benefits. The bill shifts its state compliance standards from the easily manipulated work participation rates to an outcome-based performance system that focuses on the rate of work-eligible individuals who are employed six months after exiting the program. The bill includes language that would prohibit states from diverting federal TANF funding to supplant state spending on social services and would limit state use of TANF funds to families below 200 percent of the federal poverty level.[138]

The RSC Budget suggests several minor conservative modifications designed to further enhance the bill. States should not be allowed to provide pro-rata benefits to TANF beneficiaries that do not fully comply with their work requirements. The current 12-month limit imposed on counting vocational educational training as a work activity should be maintained. The RSC Budget supports including language barring state MOE funds from being spent on beneficiaries beyond the 60-month limit placed on use of federal funding and on non-citizens. The RSC Budget also recommends using those savings from elimination of the TANF Contingency Fund for deficit reduction.

This budget supports the work of former HUD Secretary Ben Carson with respect to HUD's EnVision Centers.[139] These centers serve as a one-stop-shop to help housing welfare beneficiaries access holistic services that facilitate long-term gainful employment and self-sufficiency. This budget would expand these centers to help all recipients of any federal welfare program and would allow states to use TANF funding to supplement this work.[140]

Similarly, this budget supports states using block grant funding to implement innovative and empowering policies to promote work, ensure self-sufficiency, and reduce dependence through Empowerment Accounts (EA).[141] EAs would provide current safety-net funding from existing block grants to certain eligible recipients on a debit card. To qualify, recipients would need to be working, training, or following an education program while meeting with a community case manager and attaining financial literacy and savings opportunities along the way to pay for specified items.

Potential Reforms to SNAP

SNAP provides monthly cash benefits to eligible, low-income households to support their food purchases.[142] In this program, the federal government sets basic standards and provides the funding; states, on the other hand, can set their own eligibility rules (within federal standards) and administer the program. SNAP was designed to provide a helping hand to households in need.

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[138] House Committee on Ways and Means, "Rep. Brady, Sen. Daines Introduce Welfare Reform Legislation" March 14, 2019, https://gop-waysandmeans.house.gov/rep-brady-sen-daines-introduce-welfare-reform-legislation/

[139] Robert Abare "Ben Carson's plan for "EnVision Centers" looks familiar and needs realistic expectations" Urban Institute, March 19, 2018, https://www.urban.org/urban-wire/ben-carsons-plan-envision-centers-looks-familiar-and-needs-realistic-expectations

[140] U.S. Department of Housing and Urban Development, "EnVision Centers," Accessed on May 11, 2021, https://www.hud.gov/envisioncenters

[141] Alliance for Opportunity, "KEEPING VULNERABLE AMERICANS ON TRACK." Accessed April 19, 2022. https://allianceforopportunity.com/focus/safety-nets/#promote-financial-independence

[142] U.S. Department of Agriculture, Food and Nutrition Service, "Supplemental Nutrition Assistance Program (SNAP)," Accessed March 10, 2024, https://www.fns.usda.gov/snap/supplemental-nutrition-assistance-program

Though Congress recently agreed on two positive reforms to improve the integrity of SNAP, there are other issues with the program that need to be resolved.

Most recently, the Fiscal Responsibility Act (FRA) made two notable changes to the program that this budget would build upon. It expanded the work requirement for childless adults (ABAWD work requirement) up to age 55 and scaled back the use of discretionary exemptions at the state level. While the RSC commends these changes, the budget supports expanding the work requirement even further, applying it to 18–65-year-olds. This reform is particularly important given the low percentage of workers currently subject to work requirements and the significantly lower labor force participation rate of 65.2% for those aged 55-64.[143] As such, the RSC Budget supports Rep. Dusty Johnson's (R-SD) America Works Act, Rep. Jake LaTurner's (R-KS) Jobs and Opportunities for SNAP Act, and Rep. Eric Burlison's (R-MO) Ending the Cycle of Dependency Act, all of which would adjust the age threshold for the work requirement to include 18–65-year-olds. These bills also address other issues with the work requirement, specifically amending the definition of "dependents" to ensure that only parents with young children are exempt from the work requirement and limiting the ability of states to waive the work requirement.

Despite two positive changes included in the Fiscal Responsibility Act, one unintended consequence was to exempt homeless individuals, veterans, and individuals aged 24 and under who were previously in foster care from the work requirement. The RSC budget supports revising existing SNAP law to ensure that these groups of people are subject to the work requirement if they do not have dependents. SNAP and our welfare system should embrace that work conveys dignity and self-sustainment and encourage individuals to find gainful employment, not reward them for staying at home.

Using the successful 1996 reform of TANF as a model, this budget would convert SNAP into a discretionary block grant to the states based on rates of unemployment, poverty, and the length of time beneficiaries receive aid. Under this model, States would have flexibility to administer their own programs subject to several commonsense requirements to ensure program effectiveness and viability. An enhanced state cost share would be integrated into this block grant approach. Presently, states pay about half of administrative costs, but these costs comprise only about 10 percent of overall SNAP spending. Calling on states to share benefit expenses would ensure careful consideration of the federal funding requested and promote targeting aid to the most vulnerable while connecting recipients to work and lifting them out of poverty, just as was achieved with the bipartisan TANF reforms in 1996. This block grant system would require states to establish and maintain a robust work activation program for able-bodied adults that strictly enforces time limits for how long an individual can receive benefits without meeting certain work requirements.[144] The SNAP law is supposed to limit benefits for able-bodied adults without children who are unwilling to

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[143] "Civilian Labor Force Participation Rate by age, race, sex, and ethnicity." U.S. Bureau of Labor Statistics, Accessed March 28, 2023. https://www.bls.gov/emp/tables/civilian-labor-force-participation-rate.htm
[144] See: 7 USC 2015(o)(2) (as amended by the Agriculture Improvement Act of 2018, PL 115-334, December 20, 2018, 132 Stat. 4490)

work, search for work, or enroll in job training to three months in any three-year period. However, even before the COVID-19 pandemic, this requirement has been decimated by blanket waivers.[145]

The RSC Budget would also rescind the "Thrifty Food Plan" (TFP) expansion enacted by the Biden Administration and would support mandating that future TFP updates remain cost neutral. All previous updates to the TFP were cost-neutral, but the Biden Administration's expansion increased federal SNAP spending by $250 billion.[146] The RSC Budget would support Rep. Josh Brecheen's (R-OK) Thrifty Food Plan Accountability Act, which would ensure that future TFP updates are cost-neutral.

Geographic waivers are requested by states for specific areas that have an unemployment rate of over 10 percent.[147] Ideally, states would request waivers for counties that experience high unemployment, limiting the waiver to a narrow area to reflect the difficulty individuals experience in seeking work locally. However, some states over the years have expanded their idea of an "area," requesting waivers for the entire state or a significant portion of it. For instance, California currently has a statewide waiver and Arizona and Washington both have a waiver that encompasses all but one county.

The Trump Administration promulgated a Department of Agriculture rule to set strict, metrics-based, nation-wide standards for how states can apply for geographic waivers.[148] RSC Chairman Kevin Hern (R-OK) wrote to Secretary Perdue in support of the rule.[149] The rule was designed to use Bureau of Labor Statistics defined commuter areas with shared labor and economic activity pools to serve as the standard for determining what qualifies as an area for the program. The rule would effectively eliminate the availability of state-wide waivers. Additionally, the rule sought to add a 6 percent minimum unemployment rate for a state to be eligible for a waiver. Unfortunately, the rule was enjoined in federal court and the Biden Administration will not fight for its implementation.

Current law requires states to limit SNAP benefits to only those households with assets of $2,250 without an elderly household member ($3,500 with an elderly household member) or less to focus the program on those who are truly needy.[150] This asset test includes cash and liquid assets like stocks but excludes assets such as primary residences, vehicles, and education and retirement savings. Data shows that widespread use of broad-based categorical eligibility has rendered this asset test meaningless. Nationwide, more than 4 million individuals are on welfare despite having assets above the statutory limit. More than a third of these households have assets of $50,000 or

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[145] Ibid.
[146] Congressional Budget Office, "The Cost of Executive Actions Taken by the Biden Administration." June 23, 2022. https://www.cbo.gov/system/files/2022-06/58231-Smith.pdf
[147] U.S. Department of Agriculture, Food and Nutrition Service, "ABAWD Waivers - Supplemental Nutrition Assistance Program (SNAP)," Accessed March 10, 2024, https://www.fns.usda.gov/snap/ABAWD/waivers
[148] Helena Bottemiller Evich, "Trump touts food stamp crackdown as he signs farm bill," December 5, 2019, Politico, December 20, 2018, https://www.politico.com/story/2018/12/20/trump-food-stamps-farm-bill-1048479
[149] Office of Rep. Kevin Hern (R-OK), "Rep. Hern sends letter of support to Sec. Perdue regarding proposed SNAP Rule," February 19, 2019, https://hern.house.gov/news/documentsingle.aspx?DocumentID=38
[150] Center on Budget and Policy Priorities, "A Quick Guide to SNAP Eligibility and Benefits," Accessed on April 18, 2021, https://www.cbpp.org/research/food-assistance/a-quick-guide-to-snap-eligibility-and-benefits

more, and roughly 20 percent of them have assets of $100,000 or more.[151] As the Foundation for Government Accountability has shown, SNAP enrollment loopholes are so broad that millionaires can receive benefits.[152] The RSC Budget supports elimination of broad-based categorical eligibility in SNAP. It also supports closing the Heat and Eat loophole.[153]

In particular, the RSC Budget endorses Budget & Spending Task Force Chairman Ben Cline's (R-VA) No Welfare for the Wealthy Act, which would require states to enforce the income and asset requirements for traditional SNAP eligibility. This would have the effect of ending statewide abuse of the BBCE loophole and ensuring that SNAP is available only to those truly in need.

The RSC Budget supports reforms to help crack down on the estimated $960 million to $4.7 billion in SNAP card trafficking fraud that takes place each year.[154] According to the Department of Agriculture, 12.7 percent of authorized SNAP stores were engaged in fraud over the 2015-2017 period.[155] As a means of recouping administrative expenses associated with retailer applications, the RSC Budget supports the creation of an application fee.

The RSC Budget supports instituting a requirement that nutrition assistance beneficiaries present a photo ID when using an electronic benefit card to make a purchase. This reform would prevent fraud and protect those participating in the program from having their benefits stolen.[156] Further, the number of EBT cards issued to a single beneficiary each year should be limited, the use of food stamps outside the beneficiary's state of residence should be barred, voluntary return of unused amounts should be allowed, and cash withdrawals of EBT benefits should be prohibited. Also, as a condition of SNAP eligibility, consent to home visits as a means of deterring welfare fraud should be required in all states.

Finally, one challenge with reform is that SNAP reauthorization has been paired with reauthorizing agriculture support programs for decades, preventing Members of Congress from having thoughtful debate on SNAP reform. In exchange for reauthorizing the agriculture safety, Republicans have abstained from delivering on SNAP reform. The RSC Budget believes that SNAP and other nutrition programs administered by USDA should be voted on separate from agriculture programs.

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[151] The Foundation for Government Accountability, "How Congress Can Protect the Needy by Ending Broad-Based Categorical Eligibility," Accessed March 10, 2024, https://thefga.org/research/how-congress-can-protect-needy-by-ending-bbce/

[152] Jonathan Ingram and Nic Horton, "Closing the Door to Food Stamp Fraud: How ending broad-based categorical eligibility can protect the truly needy." Foundation for Government Accountability, December 4, 2018. https://thefga.org/wp-content/uploads/2018/12/BBCE-Its-Time-To-Close-Food-Stamp-Loopholes.pdf

[153] Heritage Foundation 2022 Budget Blueprint, "Eliminate the "Heat and Eat" Loophole in Food Stamps." The Heritage Foundation, Accessed June 6, 2022. https://www.heritage.org/budget/pages/recommendations/2.600.177.html

[154] Government Accountability Office, "Supplemental Nutrition Assistance Program: Actions Needed to Better Measure and Address Retailer Trafficking" December 14, 2018, https://www.gao.gov/products/GAO-19-167

[155] U.S. Department of Agriculture, Food and Nutrition Service, "The Extent of Trafficking in the Supplemental Nutrition Assistance Program: 2015-2017", September 3, 202, https://fns-prod.azureedge.us/sites/default/files/resource-files/Trafficking2015-2017-3.pdf

[156] Brenna Smith, "One woman's quest for justice after almost $3,000 of benefits were stolen." The Baltimore Banner, September 9, 2022, https://www.thebaltimorebanner.com/community/criminal-justice/one-womans-quest-for-justice-after-almost-3000-of-benefits-were-stolen-LHIKMQZSNJBULC7LXCEIE264OA/

Housing

The federal government spends over $50 billion per year on housing assistance and development programs.[157] [158] The two largest programs, Section 8 Housing Choice Vouchers and Project-Based Rental Assistance, provide subsidies for tenants to pay rent and for housing units to be subsidized. In their current form, these programs encourage broken homes, fragmented communities, and dependence among recipients. Housing assistance should promote upward mobility rather than condemn the most vulnerable to permanent dependency.

The RSC Budget would streamline rental housing assistance programs within HUD that duplicate efforts of Section 8 tenant-based and project-based programs. The list of programs that overlap is lengthy and includes the Housing Opportunities for Persons with AIDS Program, HOME Investment Partnerships Program (HOME), McKinney-Vento Homeless Assistance Grants, Section 101 Rent Supplement Program, the Choice Neighborhoods Initiative, the Self-Help and Assisted Home Ownership Program, and the Section 236 Rental Assistance Payments Program.

The RSC Budget would also combine current subsidies for house building and availability programs, such as the Low-Income Housing Tax Credit, project-based Section 8 rental assistance, Neighborhood Reinvestment Corporation, and public housing, into Section 8 housing vouchers. This would ensure that recipients can use assistance to acquire housing in an efficient way that is subject to market price signals while reducing bureaucracy. Given the inherently local nature of housing assistance, the RSC Budget would use the successful TANF model and phase in a state-share requirement to encourage competent administration and incentivize states to move voucher recipients into good-paying jobs through work requirements (described below). The RSC Budget would also reduce management and administration funding by 25 percent to account for streamlining and simplifying federal housing programs.

The current structure of public housing benefits discourages marriage. According to one study, "A single mother receiving benefits from Section 8 or public housing would receive a subsidy worth on average around $11,000 per year if she was not employed, but if she marries a man earning $20,000 per year, these benefits would be cut nearly in half."[159] This marriage penalty should be eliminated.

The RSC Budget would significantly reduce the reliance on the destructive Housing First policy. Rep. Andy Barr (R-KY), chair of the RSC's American Worker Task Force of the 116th Congress, has worked tirelessly to ensure that this damaging policy is repealed. This policy requires entities that receive federal housing aid to focus on putting beneficiaries into permanent housing before addressing any other issues and concerns, such as substance abuse disorders. This design prevents

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[157] Congressional Research Service, "Overview of Federal Housing Assistance Programs and Policy", March 27, 2019, https://crsreports.congress.gov/product/pdf/RL/RL34591
[158] Peter G. Peterson Foundation, "The Federal Government's Support for Low-income Housing Expanded During the Pandemic", July 24, 2022, https://www.pgpf.org/blog/2022/06/how-does-the-federal-government-support-housing-for-low-income-households
[159] Robert Rector, Heritage Foundation, "How Welfare Undermines Marriage and What to Do About It", November 17, 2014. http://www.heritage.org/research/reports/2014/11/how-welfare-undermines-marriage-and-what-to-do-about-it

community-based housing entities from addressing the root causes of homelessness creates unproductive and unsafe situations. One can look to California to see the ramifications of Housing First policy, which has led to homelessness rising by 93% between 2016 and 2022.[160] The RSC Budget supports former Secretary Carson's Continuum of Care to mitigate the damaging effects of Housing First.[161]

To encourage private investment in public housing, housing authorities should be permitted to use profits to build units without government assistance and to reduce the need for federal funding. For example, Congress should expand the Rental Assistance Demonstration (RAD) Program and remove its statutory cap. This would allow housing authorities to leverage public and private debt and equity to reinvest in public housing stock and ensure federal funding follows the people it is intended to serve—not the bureaucracy.

According to the CBO, about half of housing assistance beneficiaries are able-bodied adults, but only half of that group "receive[s] the largest portion of their income from work."[162] Reform of federal public housing programs should include a minimum work activation requirement for able-bodied adults. Modest increases in income should not immediately result in a proportional decrease in subsidies, because that discourages work and self-improvement.

A 2015 HUD Inspector General audit found that over 25,000 families received public housing benefits despite not meeting the income guidelines.[163] To reduce fraud, periodic reviews of beneficiaries' income should be conducted.

State Flexibility for Supplemental Security Income

SSI provides cash payments to aged, blind, or disabled persons. SSI has also been expanded beyond its original purpose to include payments to the parents of disabled children. Under the current program, states have incentives to push families to enroll on SSI.[164] Tragically, children who received SSI payments often become dependent on the program as adults.

The RSC Budget supports giving more control of the program and its spending to states through block grants with a phased-in state cost share. This would allow all 50 states to experiment and better serve their citizens, such as through empowering those individuals to enjoy the dignity of work and service if they are able. Further, the RSC Budget would tailor benefits provided to parents

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160 Vanessa Brown Calder and Jordan Gygi, "Housing Markets First: Housing Supply and Affordability Are Key to Reducing Homelessness," Cato Institute, May 8, 2023, https://www.cato.org/briefing-paper/housing-markets-first-housing-supply-affordability-are-key-reducing-homelessness#californias-housing-first-outcomes
161 Republican Study Committee, "Protecting America's Economic Security," Accessed March 8, 2023. https://hern.house.gov/uploadedfiles/202306141135_fy24_rsc_budget_print_final_c.pdf#page=33
162 Congressional Budget Office, "Federal Housing Assistance for Low-Income Households," September 9, 2015. https://www.cbo.gov/publication/50782.
163 https://thehill.com/policy/finance/251330-hud-audit-finds-25000-ineligible-families-in-public-housing/
164 Scott Winship, "A Response to Michael Hiltzik on Reforming SSI," Manhattan Institute, May 30, 2014, https://manhattan.institute/article/a-response-to-michael-hiltzik-on-reforming-ssi

of disabled children to ensure the child receives assistance for treating the disability when another federal program does not already provide for such treatment.

Eliminate "Performance Bonuses" that Jeopardize Program Integrity

Some welfare programs include "bonus payments" to states that may be well intentioned but often have negative consequences for recipients. For instance, a bonus payment aimed at rewarding efficient administration could inadvertently incentivize state agencies to not actively investigate and reduce instances of improper payments. The SNAP program has paid performance bonuses for expanding enrollment.[165] Performance bonuses should be thoroughly reviewed and eliminated if they jeopardize the integrity of the programs.

Focus School Lunch Subsidies on Those Who Actually Need Them

The RSC Budget would streamline funding for child nutrition programs into a single block grant.[166] The block grant would give states needed flexibility and include a phased-in state cost share, which would incentivize efficient administration to prevent the widespread fraud present in the program and promote the efficient allocation of funds to those who need it most.

The RSC Budget would also institute reforms to school lunch subsidies to ensure that they go to needy families by eliminating the Community Eligibility Provision (CEP) from the School Lunch Program. CEP allows certain schools to provide free school lunches regardless of the individual eligibility of each student. Additionally, the RSC Budget would limit spending in the program to truly needy households.[167]

Further, the "school lunch and breakfast programs are subject to widespread fraud and abuse."[168] The lunch and breakfast programs made $5.718 billion and $2.609 billion ($8.327 billion total) in improper payments, respectively, from FY2016-FY 2023.[169] [170] States, in conjunction with the Department of Agriculture, must take steps to address this problem.

Fighting Fraud

A disappointing consequence of the federal government spending so much on assistance programs is the inevitable fraud. This is an issue that has only been made worse by the pandemic and the

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[165] Lars Larson, "Oregon Gets $5 Million In 'Bonuses' For Expanding And Servicing The Welfare State", CNSnews, September 29, 2011. http://cnsnews.com/blog/lars-larson/oregon-gets-5-million-bonuses-expanding-and-servicing-welfare-state

[166] The National School Lunch Program, School Breakfast Program, Child and Adult Care Food Program, Summer Food Service Program and Special Milk Program.

[167] For purposes of this reform, this includes households with income at or below 185 percent of the federal poverty level.

[168] Chris Edwards, Downsizing the Federal Government, "Food Subsidies", CATO Institute, May 26, 2016. https://www.downsizinggovernment.org/agriculture/food-subsidies

[169] U.S. Department of Agriculture, "Payment Integrity Scorecard," Accessed March 10, 2024, https://www.cfo.gov/wp-content/uploads/scorecards/FY24-Q1/Food%20and%20Nutrition%20Services%20(FNS)%20national%20School%20Lunch%20Program%20(NSLP).pdf

[170] Ibid.

plethora of newly-created aid programs related to it. Our income security programs are rife with fraud. The improper payment rates for the EITC, ACTC and Medicaid are 33.47 percent, 14.48 percent, and 8.58 percent, respectively. This amounts to total improper payments of $21.881 billion for the EITC, $546.13 million for the ACTC and $50.332 billion for Medicaid.[171] Medicaid's improper payments alone are larger than most federal programs— including more than four times the size of NASA's entire annual budget.

In 2022, the Inspector General (IG) of the Department of Labor found massive levels of improper payments in the Pandemic Unemployment Assistance (PUA), Pandemic Emergency Unemployment Compensation (PEUC) and Federal Pandemic Unemployment Compensation (FPUC) programs which provided expanded unemployment benefits during the pandemic.[172] According to the IG's report, "In December 2021, consistent with our recommendation, ETA reported an improper payment rate of 18.71 percent. The OIG notes this estimate is based on the regular UI program and has been applied to two of three key pandemic UI programs: PEUC and FPUC. ETA states it will report the third program, PUA, in 2022. Applying the 18.71 percent to the estimated $872.5 billion in pandemic UI payments, at least $163 billion in pandemic UI benefits could have been paid improperly, with a significant portion attributable to fraud."[173] Private sector estimates put the total level of fraud at $250 billion, with as much as $140 billion going to China, Russia and other state-sponsored entities.[174] This is unacceptable, and the RSC Budget applauds the House Committee on Oversight and Accountability for conducting needed oversight on this unprecedented mishandling of taxpayer dollars.[175]

These errors, waste, and fraud do not just cost taxpayers money; they divert resources away from those who need it most. With federal programs facing dire financial futures and more Americans receiving welfare than ever before, wasting money through fraud to appease liberal bureaucrats is unsustainable and – more importantly – immoral.

The RSC Budget supports utilizing the Social Security Administration (SSA) as a centralized database to determine the family status of welfare recipients. This would allow the IRS and the Department of Health and Human Services to cross-check the Social Security Number (SSN) of a welfare recipient against their claimed marital status and claimed dependents. The RSC Budget would make state eligibility for certain welfare block grant funding contingent on state welfare programs providing such data to SSA. Additionally, the RSC would require the IRS to verify

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[171] PaymentAccuracy.gov, "Annual Improper Payments Datasets," Accessed March 10, 2024, https://www.paymentaccuracy.gov/payment-accuracy-the-numbers/

[172] "Annual Improper Payments Datasets". Payment Accuracy. Accessed March 14, 2023. https://www.paymentaccuracy.gov/payment-accuracy-the-numbers/

[173] U.S. Department of Labor Office of Inspector General, Testimony of Larry D. Turner before the U.S. Senate Committee on Homeland Security and Governmental Affairs, March 17, 2022, https://www.hsgac.senate.gov/imo/media/doc/Testimony-Turner-2022-03-17-REVISED.pdf

[174] Stephen Dinan, "House GOP to investigate COVID unemployment cash going to China, Russia." The Washington Times, December 6, 2021, https://www.washingtontimes.com/news/2021/dec/6/house-gop-investigate-covid-unemployment-cash-goin/

[175] "Comer Opens Hearing Investigating Billions Lost to Waste, Fraud and Abuse in Pandemic Programs." Committee on Oversight and Accountability, February 1, 2023, https://oversight.house.gov/release/comer-opens-hearing-investigating-billions-lost-to-waste-fraud-and-abuse-in-pandemic-programs/

eligibility for the Earned Income Tax Credit (EITC) and Child Tax Credit (CTC) and require Social Security numbers for all EITC and CTC recipients to reduce fraud and unlawful payments.

Agencies can and should stringently verify and crosscheck the criteria for benefit eligibility, such as income, residency, identity, employment, citizenship status and whether the recipient is already receiving benefits to ensure the applicant is eligible for the program. The agency should regularly conduct reviews of the beneficiary's eligibility information, including by cross-checking other government datasets. If the agency determines a beneficiary is no longer eligible, the beneficiary should be removed from the rolls and the agency should refer those who knowingly break the law to authorities for prosecution.[176] The RSC Budget would promote these common sense reforms by implementing Rep. Greg Steube's (R-FL) legislation to require federal agencies to confirm whether recipients of federal benefits aged 105 and older are actually eligible for that assistance. These basic steps will help prevent the rampant fraud in federal welfare programs, such as the more than 1 million stimulus checks that went to deceased people.[177]

Agencies need to remember their mission is to reduce welfare dependency and move people to a meaningful life of self-sufficiency. Under no circumstances should success at a welfare agency be measured by how many can be kept on the rolls. Government employees should be held accountable for doing their jobs with appropriate diligence. The RSC Budget would also create incentives to reduce waste by implementing Rep. Chuck Fleischmann's (R-TN) Bonuses for Cost-Cutters Act, which would expand the federal employee awards program for identifying fraud, waste, and mismanagement.

The federal government should also reduce fraud in state-administered programs by incentivizing state agencies and attorneys general to investigate and prosecute welfare fraud. If states are allowed to retain a portion of the dollars recovered due to fraud and abuse, they will be more likely to crack down on it. The RSC Budget supports Senator Mike Lee's (R-UT) SNAP Reform and Upward Mobility Act, which would establish a federal-state cost share for SNAP, putting more skin in the game for states. The cost share would begin with states covering 5% of the costs in the first year and would gradually increase to 50%. However, states will be able to keep 50% of the funds recovered from fraud and abuse.

States should also be encouraged to withhold benefits from individuals who test positive for illegal drugs, as provided by Rep. David Rouzer's (R-NC) Drug Testing for Welfare Recipients Act.

Finally, Congress must ensure that those in the country illegally do not collect welfare benefits reserved for American citizens who did not break the law. According to the Center for Immigration Studies, "…66 percent of households headed by non-citizens who do not have a green card, and

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[176] Jonathan Ingram, "Stop the Scam How to Prevent Welfare Fraud in Your State", Foundation for Government Accountability, April 2, 2015, https://thefga.org/research/stop-the-scam-how-to-prevent-welfare-fraud-in-your-state/
[177] Erica Werner, July 25, 2020, "Treasury sent more than 1 million coronavirus stimulus payments to dead people, congressional watchdog finds", Washington Post, June 25, 2020, https://www.washingtonpost.com/us-policy/2020/06/25/irs-stimulus-checks-dead-people-gao/

who are mostly illegal immigrants, have very high welfare use rates — excluding the EITC."[178] The RSC Budget would support Rep. Bob Good's (R-VA) Preserving Safety Net Integrity Act, which would make any immigrant who is likely to become a public charge ineligible for admission to the U.S. Additionally, this budget applauds Rep. Glenn Grothman's (R-WI) legislation to promote self-sufficiency among immigrants. Accordingly, the RSC Budget would limit means-tested welfare programs such as Medicaid, Supplemental Security Income, TANF and SNAP to U.S. citizens and require enrollees to provide verification of their U.S. citizenship.

Further common-sense reforms to the U.S. immigration system can be found in the Protecting Conservative Values Section of the budget.

[178] Steven A. Camarota and Karen Zeigler, "63% of Non-Citizen Households Access Welfare Programs." Center for Immigration Studies. November 18, 2018, https://cis.org/Report/63-NonCitizen-Households-Access-Welfare-Programs

PROVIDING FOR THE COMMON DEFENSE

from unnecessarily being added to the national debt, in part because defense experts have said our bloated debt is the greatest threat to our national security.[186]

To provide for the nation's continued security, the RSC Budget would assume adoption of $895.2 billion for FY 2025 national defense discretionary funding, in conjunction with the FY 2025 statutory cap. The RSC Budget also supports actions to bolster our security and that of our allies, advance human rights around the globe, support the formation of free and peaceful societies, and promote the adoption of trade agreements with free, human-rights-respecting allied nations.

The RSC Budget would continue to invest in our national security and defense posture to ensure that the United States does not fall behind malign actors, like China, in a new era of Great Power Competition.

China

Under Xi Jinping's reign as President of China, the Chinese Communist Party (CCP) has grown more assertive in its pursuit of power and assault on freedom and human rights, both within China and around the world. Within China, the CCP has perpetuated a genocide against Uyghur Muslims in Xinjiang and undertaken severe religious persecution of Christians and Tibetan Buddhists. The CCP continues to hold Taiwan in its sights, openly boasting of its intent to invade and "reunify" China.[187] China has grown so brazen as to send a spy balloon to fly above U.S. soil which gathered intelligence from sensitive U.S. military sites which was transmitted back to China in real time.[188]

China has also continued to modernize and enlarge its military, challenging the superiority of U.S. forces in the region. China's military budget is more than three times what it was in 2009,[189] and according to China's official statistics, its spending on R&D climbed to $464 billion in 2023, a new high.[190] Its development of "carrier-killing" anti-ballistic missiles has caused many in the defense community to reevaluate U.S. naval strategy in Asia. These new weapons are key components of China's anti-access/area denial (A2/AD) strategy, which seeks to prevent the U.S. and its allies from operating in the region if a crisis or conflict were to arise. This strategy also threatens the basic freedom of navigation on the high seas that has always been a bedrock principle of the U.S. and the goal of our naval operations since its founding. Moreover, China is rapidly modernizing its nuclear arsenal, presenting an unprecedented risk to our homeland. Last summer, China tested a missile carrying a hypersonic glide vehicle that went around the world and flew through low-orbit space

[186] The Washington Examiner, by Tim Mak, "Former top military officer sees national debt as biggest threat to country", January 21, 2014, https://www.washingtonexaminer.com/news/82417/former-top-military-officer-sees-national-debt-as-biggest-threat-to-country/

[187] AP NEWS. "China Renews Threat against Taiwan as Island Holds Drills," January 11, 2023. https://apnews.com/article/taiwan-politics-china-government-germany-88cd9b9fcead9d5dba0e8ea364f4dac6

[188] NBC News. "Chinese Balloon Got Intel from U.S. Military Sites, despite Efforts to Block It," April 3, 2023. https://www.nbcnews.com/politics/national-security/china-spy-balloon-collected-intelligence-us-military-bases-rcna77155

[189] China Power, "What does China Spend on it's Military?" Accessed June 6, 2022, https://chinapower.csis.org/military-spending/

[190] A puzzle stumps statisticians: How much does China actually spend on R&D? https://sciencebusiness.net/news/international-news/puzzle-stumps-statisticians-how-much-does-china-actually-spend-rd

before cruising downward and landing within just 24 miles of its target. The test illustrated that China had made astounding progress on hypersonic weapons, which are difficult for U.S. missile defense systems to defend.[191] According to Admiral Charles Richard, "In the very near-term China will possess a credible nuclear triad, supported by its growing stockpile and weapon systems capable of multiple independently targetable reentry vehicles."[192]

The Chinese Communist Party (CCP)'s threat to the world was made even more clear through their negligent handling of the COVID-19 pandemic. China allowed the virus to escape containment, leading to a shuttering of the global economy and killing more than 6.8 million people worldwide.[193] It is vital that America and our allies stand together in opposition to the CCP.

The RSC Budget would provide national security funding sufficient to support the Pacific Deterrence Initiative, which is critical for defending U.S. interests in the Indo-Pacific. In addition, the RSC Budget would fund a number of the Pentagon's important, unfunded priorities for INDOPACOM, such as the Guam Defense System, which is a new integrated air and missile defense system for Guam.[194] The RSC Budget would support our allies and partners in the Indo-Pacific by treating India the same as Japan and Australia for purposes of accessing national security equipment and services.

On February 29, 2024, RSC Chairman Kevin Hern (R-OK) led over forty Members of Congress in introducing the Countering Communist China Act. This package serves as a framework for how to wholistically address the existential threat China poses to America. Specific policies include:

Reforms include:

- Reasserting Congress's Article I Authority over American trade with China;
- Restricting outbound investments in Chinese technology companies;
- Imposing sanctions on CCP military companies, as well as Chinese officials until fentanyl deaths in the U.S. drop;
- Allowing U.S. citizens to sue Chinese government officials for the death of an immediate family member caused by fentanyl;
- Prohibiting CCP entities from purchasing American real estate and farmland;
- Streamlining the approval process for coal projects and rare earth elements, critical minerals, and carbon;
- Implementing economic policies to bring jobs and investment back into America;
- Cracking down on malign CCP influence in American education; and

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[191] CNN Politics, by Chandelis Duster, "Top military leader says China's hypersonic missile test 'went around the world'" November 18, 2021, https://www.cnn.com/2021/11/17/politics/john-hyten-china-hypersonic-weapons-test/index.html

[192] Senate Armed Services Committee, "Testimony on United States Strategic Command and United States Space Command in review of the Defense Authorization Request for Fiscal Year 2023 and the future years defense program," March 8, 2022, https://www.spacecom.mil/Newsroom/News/Testimony/SASC-Hearing-Transcript/

[193] Johns Hopkins University and Medicine, "Coronavirus Resource Center" Accessed April 12, 2022, https://coronavirus.jhu.edu/map.html

[194] War on the Rocks, by Bradley Bowman and Mark Montgomery, "Fully Fund the Guam Defense System." July 29, 2021, https://warontherocks.com/2021/07/fully-fund-the-guam-defense-system/

- Preventing agencies from recognizing China's claim of sovereignty over Taiwan.

In addition to the Countering Communist China Act, the RSC Budget would enact Rep. Lisa McClain's (R-MI) STOP CCP Act, an RSC initiative in the 117th Congress, which would impose sanctions on any person who is or was a member of any National Communist Party Congress of China, as well as any adult family member of such a person. Additionally, the RSC budget opposes sending any taxpayer dollars to the Chinese Communist Party. For this reason, this budget supports Rep. Bob Good's (R-VA) No Taxpayer Funding for the Chinese Communist Party Act.

Finally, the RSC Budget supports Rep. Michelle Steel's (R-CA) DETERRENT Act, which would strengthen disclosure and reporting requirements for institutions of higher education (IHEs) that receive funds from adversaries, like China and Russia. This bill passed the House in December of 2023.

Taiwan

China's warplane incursions into Taiwan's air defense zone nearly doubled in 2022. In 2023, China continued its high pace of incursions, sending 1,738 planes into Taiwan's air defense zone.[195] In December of 2022, 71 Chinese aircraft flew into Taiwanese airspace, the largest breach in history (compared to 25 planes in 2021).[196] In addition, China has increased its intimidation of Taiwan through "gray zone" tactics, or provocations that fall below the threshold of armed aggression, such as coercive economic measures and disinformation campaigns.[197] According to the U.S. China Economic and Security Review Commission (USCC), China's military is at or near the ability to invade Taiwan.[198] The Commission also noted that "it has become less certain that U.S. conventional military forces alone will continue to deter China's leaders from initiating an attack on Taiwan."[199] CIA Director William Burns has stated that Xi has instructed China's military to "be ready by 2027" to invade Taiwan but that China's leadership increasingly has doubts over its ability to successfully invade following Russia's struggles in its invasion of Ukraine.[200]

The RSC Budget supports efforts to strengthen Taiwan's defenses through a "porcupine strategy," as outlined by former National Security Adviser Robert C. O'Brien. Such a strategy would equip Taiwan with certain lethal weapons, such as anti-ship missiles, air-defense capabilities, and drones,

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[195]China Deployed Over 1,700 Military Planes Around Taiwan in 2023. https://www.newsweek.com/china-military-aircraft-taiwan-strait-2023-1858106

[196] Lee, Yimou. "Taiwan Reports China's Largest Incursion yet to Air Defence Zone." Reuters, December 26, 2022, sec. China, https://www.reuters.com/world/china/taiwan-says-43-chinese-air-force-planes-crossed-taiwan-strait-median-line-2022-12-26/

[197] Nippon.com, "Taiwan Under Siege: Behind China's Gray Zone Operations." March 24, 2022. https://www.nippon.com/en/in-depth/d00787/

[198] U.S. News and World Report, by Paul D. Shinkman, "Chinese Military at or Near Ability to Invade Taiwan, U.S. Agency Concludes." November 17, 2021. https://www.usnews.com/news/world-report/articles/2021-11-17/chinese-military-at-or-near-ability-to-invade-taiwan-us-agency-concludes

[199] U.S. China Economic and Security Review Commission, "2021 Report to Congress of the U.S. China Economic and Security Reform Commission." November 2021, https://www.uscc.gov/sites/default/files/2021-11/2021_Annual_Report_to_Congress.pdf

[200] AP NEWS. "CIA Chief: China Has Some Doubt on Ability to Invade Taiwan," February 26, 2023. https://apnews.com/article/russia-ukraine-taiwan-politics-united-states-government-eaf869eb617c6c356b2708607ed15759

which would force China to mount a difficult amphibious landing and sustain a prolonged counterinsurgency.[201] In particular, this could include providing Taipei with significant quantities of the Naval Strike Missile, an anti-ship weapon which has a range of about 100 nautical miles. Quick strike air-dropped sea mines or other advanced sea mine technology would help Taiwan create a denied-access zone in the Taiwan Strait. Stinger missiles would help Taiwan take down Chinese planes and helicopters. The Foreign Assistance Act could be amended to make Taiwan eligible to receive priority delivery of U.S. excess defense articles.[202]

The RSC Budget also supports efforts such as Rep. Tom Tiffany's (R-WI) resolution to abandon the "One China Policy," strengthening our allies in the region and our coordination with them to ensure proper containment of CCP aggression. This budget would support normalizing diplomatic relations with Taiwan, pursuing a trade agreement to push back against China, and ensuring Taiwan is recognized in international organizations.

The Uyghur Genocide

Between 2017 and 2019, the Chinese government arbitrarily detained over 1 million ethnic Uyghur and other Muslims in reeducation centers. The CCP also engaged in forced sterilization of Uyghurs and using Uyghur slave labor most notably in its cotton and solar industries. President Trump and former Secretary of State Mike Pompeo rightly declared these actions to be genocide. Congress passed the Uyghur Forced Labor Prevention Act and the Uyghur Human Rights Policy Act on a bipartisan basis to respond to China's atrocities against the Uyghurs. Unfortunately, enforcement by the Biden Administration has been lacking. As of April 2023, the Biden Administration has not issued a single sanction pursuant to the Uyghur Human Rights Policy Act on any entity involved in gross human rights abuses against Uyghurs or in Uyghur forced labor. In addition, enforcement of provisions in the Uyghur Forced Labor Prevention Act, creating a rebuttable presumption against the import of products from Xinjiang, has also been spotty.

The RSC Budget supports Rep. Ken Buck's (R-CO) Countering Atrocities through Currency Accountability Act, which would sever the United States' currency markets from foreign adversaries that are committing genocide and crimes against humanity, the most prominent of which is the Chinese Communist Party's (CCP) genocide in Xinjiang.[203] It also supports former Chairman Jim Banks' Sanctioning Supporters of Slave Labor Act, which would place secondary sanctions on

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[201] The Wall Street Journal, by Robert C. O'Brien and Alexander B. Gray, "How to Deter China From Invading Taiwan." September 15, 2021. https://www.wsj.com/articles/china-invade-taiwan-strait-pla-missile-mines-counterinsurgency-biden-xi-tsai-ing-wen-11631721031

[202] U.S. China Economic and Security Review Commission, "2021 Report to Congress of the U.S. China Economic and Security Reform Commission." November 2021, https://www.uscc.gov/sites/default/files/2021-11/2021_Comprehensive_List_of_Recommendations.pdf#page=10

[203] Congressman Ken Buck. "Buck, Gooden, Banks, Torres Introduce Bipartisan Bill to Counter Genocide in Xinjiang," June 10, 2022. http://buck.house.gov/media-center/press-releases/buck-gooden-banks-torres-introduce-bipartisan-bill-counter-genocide

entities involved in Uyghur forced labor. This would force international companies to choose whether to do business with the United States or with companies involved in Uyghur slave labor.[204]

Malign Influence

In addition, the RSC Budget would drain the swamp of foreign influence by weakening the ability of China, Russia, and other foreign adversaries to promote their malign influence at home. The Budget would support Rep. Jack Bergman's (R-MI) Protecting Personal Data from Foreign Adversaries Act, to prevent mobile applications from engaging in the theft of user data on behalf of a communist country, foreign adversary, or state sponsor of terrorism. This bill would allow the executive branch to prohibit the use of mobile applications or software that provide US citizens' data to a communist country, a foreign adversary, or a state sponsor of terrorism.[205] It would also support House Committee on Foreign Affairs Chairman Michael McCaul's (R-TX) Deterring America's Technological Adversaries (DATA) Act, which would impose sanctions on applications of software involved in stealing personal data of Americans and require a determination into whether TikTok or ByteDance met the criteria for such sanctions.[206] The RSC Budget would also combat the United Front Work Department of the CCP, the CCP's malign influence arm, which has provided funding to several D.C. think tanks and American universities by supporting the RSC's Truth and Testimony reform resolution, which would strengthen the "Truth in Testimony" form required for nongovernment witnesses under House rules.[207] The RSC Budget would also support the RSC's Countering Communist Propaganda Act, which would impose sanctions on the United Front Work Department, as well as the RSC's No Communist Countries Participating in Lobbying Act which would make it illegal for former members of Congress to lobby for China or the CCP.[208] In addition, it would support Rep. Morgan Luttrell's (R-TX) resolution to prohibit Members, officers, and employees of the House from serving on the board of directors of any entity which receives funding from, or is affiliated with or owned or controlled by, the United Front Work Department of the Chinese Communist Party, any other element of the Chinese Communist Party, or any foreign adversary.

The RSC Budget condemns the CCP's use of Confucius Institutes to infiltrate our higher education system and overt threats to manipulate U.S. companies into supporting the policies of the CCP. In particular, the RSC Budget supports RSC Chairman Kevin Hern's (R-OK) PROTECT Our Kids Act, which would prohibit federal funds from going to elementary and secondary schools that receive funding from the CCP. The RSC Budget would also support activities to counter China's IP theft, forced data and IP transfers, and other methods of industrial espionage, and would strengthen sanctions related to IP violations.

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[204] Republican Study Committee. "RSC Members Introduce Bills to Hold Communist China Accountable for Genocide," June 9, 2022. https://rsc-hern.house.gov/news/press-releases/rsc-members-introduce-bills-hold-communist-china-accountable-genocide
[205] U.S. Representative Jack Bergman. "Bergman Introduces Bill to Protect Personal Data from China," July 30, 2021. https://bergman.house.gov/news/documentsingle.aspx?DocumentID=916
[206] H.R. 1153. 118th Congress https://www.congress.gov/bill/118th-congress/house-bill/1153
[207] U.S. Congressman Jim Banks. "Rep. Jim Banks Introduces Truth in Testimony Rule," November 23, 2021. https://banks.house.gov/news/documentsingle.aspx?DocumentID=1962
[208] U.S. Congressman Mike Johnson. "Johnson Introduces No Communist Countries Participating in Lobbying Act," May 7, 2021. https://mikejohnson.house.gov/news/documentsingle.aspx?DocumentID=864

Russia

Vladimir Putin did not attempt to invade Ukraine during the Trump Administration. President Trump rebuilt our military, revitalized NATO by pressuring our allies to pay their fair share and provided lethal assistance to Europe (including javelin missiles to Ukraine). Yet soon after President Biden came into office, the U.S. posture towards Russia changed. Weak American energy policies left European nations completely dependent on Russian oil and gas imports. Whether lifting sanctions on Nordstream 2, caving to Russian demands for the New Start Treaty or refusing to impose real sanctions over Russia's hack of the Colonial Pipeline, President Biden's consistently weak posture towards Russia did not lead to peace. It created war and led to the worst security crisis in Europe since World War II. Rather than deter Putin, Biden's weakness encouraged him to act more aggressively than ever before.

Putin's invasion of Ukraine is being closely watched by Beijing as it increasingly lays eyes on Taiwan. Putin's campaign also has the potential to be the biggest strategic setback for Russian ambitions since its failed invasion of Afghanistan in the 1980's. Yet, in response to Russia's invasion, the Biden Administration has responded without a strategy or end game and has consistently taken steps that may only drag out the conflict, increasing the long-term cost on the American taxpayer. For instance, President Biden imposed sanctions on Russia only after the invasion, did not fully kick Russia out of the SWIFT code system, and has failed to impose secondary sanctions on Russian financial institutions that would apply to China and other countries. In addition, President Biden took real energy sanctions off the table early on (thanks to pressure from Germany and other countries addicted to Russian gas) while undercutting U.S. domestic energy production. While the Biden Administration supported a global price cap on Russian oil, the actual implementation of these measures has not worked out as planned, especially with India and China buying discounted Russian crude oil.[209] Lethal aid to Ukraine was also held up before the invasion out of fear of provoking Russia,[210] until finally the Biden Administration began sending large quantities of stinger missiles and other lethal aid to Ukraine. The Biden Administration has provided just enough lethal assistance to help Ukraine withstand Russia, which has unnecessarily prolonged the war and the cost to U.S. taxpayers.

Any further taxpayer assistance to Ukraine should be provided in a transparent and accountable manner with meaningful oversight mechanisms to prevent waste, fraud, and abuse, including with respect to non-security assistance. As John Barsa, former USAID Director for President Trump, pointed out "lots of money being spent means lots of opportunities to fund ineffective programs, or worse, social justice and other programs not 'on-mission.' The rule of thumb is, or should be, 'the more that is spent, the more oversight is needed."[211] In addition, the Administration has provided to international institutions which have a terrible track record with regards to accounting of funds.

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[209] Bala, Sumathi. "Sanctions on Russian Crude Oil Have 'failed Completely,' Oil Analyst Says." CNBC, February 3, 2023. https://www.cnbc.com/2023/02/03/sanctions-on-russian-crude-oil-have-failed-completely-oil-analyst-says.html

[210] Foreign Policy, by Jack Detsch, "White House Delays Moving Military Assistance to Ukraine." December 16, 2021. https://foreignpolicy.com/2021/12/16/us-ukraine-russia-military-support-congress-biden-delay-aid/

[211] The Daily Signal. "Trump USAID Chief Explains Need for Oversight of US Billions for Ukraine," February 28, 2023. https://www.dailysignal.com/2023/02/28/too-important-to-screw-up-trump-usaid-chief-explains-need-for-oversight-of-us-billions-for-ukraine/

Even worse, many of these international organizations which the Biden Administration is supporting in Ukraine have a history of promoting abortion or sexual orientation and gender identity programs (SOGI). [212] In addition, the Administration, and the previous Congress, has provided almost $1 billion in assistance for Ukrainians living in the U.S. – even those who are not technically refugees nor even asylum seekers. The RSC Budget would rescind funds provided by the Additional Ukraine Supplemental Appropriations Act, 2022 (P. L. 117-128) which provided $900 million for TANF, SSI, and Medicaid provided for Ukrainian resettlement to 100,000 Ukrainian and other non-Ukrainian individuals in response to their displacement from Ukraine.

The RSC Budget emphasizes that any potential future assistance provided to Ukraine must be done with the American taxpayer in mind, and lethality should be the goal. Had existing assistance focused more on lethality,[213] the war may already be over. Sadly, the Biden administration has thus far failed to cohesively and clearly articulate what the strategy for U.S. aid is. Thus, the RSC budget would require the Biden administration to provide a clear strategy to Congress and the American people.

To impose real economic costs on Putin, the RSC Budget continues to support the enactment of the RSC's Putin Accountability Act, introduced last Congress by former RSC Chairman Jim Banks (R-IN). The Putin Accountability Act includes a package of economic sanctions that would hold Putin and the oligarchs around him accountable, kick Russia out of the SWIFT Code system, and designate Russia as a State Sponsor of Terrorism.

The RSC Budget would also impose secondary sanctions on Russia's energy sector to cut off Putin's regime from the billions of dollars per day that he is using to finance his aggression. It would fully sanction the Russian central bank and the Russian financial sector, rather than just singling out a couple of Russian banks. In addition, it would sanction Russia's mineral and timber industry and enact full export controls. Energy sanctions should require that payments for oil and gas only be permitted into blocked escrow bank accounts held by non-Russian financial institutions outside of Russia.

Finally, the RSC Budget would impose enhanced sanctions on all oligarchs close to Putin and expand the existing provisions to seize Russian oligarchic assets, which are already successfully being used to support Ukraine, while respecting due process. The US, our allies in Europe and the G7 have frozen roughly $300 billion in Russian central bank assets. These are assets the RSC Budget would use to defray the cost of supporting Ukraine, by buying weapons, and rebuilding what Russia has destroyed in Ukraine. These frozen assets must not be used as a bargaining chip or returned to Putin as a reward as part of a possible peace overture. Last, the United States should allow the

[212] USAID. Ukraine–Complex Emergency Fact Sheet #9 FY2023. February 24, 2023. https://www.usaid.gov/sites/default/files/2023-02/2023-02-24_USG_Ukraine_Complex_Emergency_Fact_Sheet_9.pdf

[213] Air defense systems such as PATRIOT missile batteries, ATACMS long-range missile systems, cluster munitions Bradley and Abrams tanks, MQ-1C Gray Eagle and MQ-9 Reaper drones and F-16 fighter aircraft are all examples of such lethal aid that the RSC Budget would provide.

transfer of confiscated Iranian weapons, such as those intended to be provided to the Houthis in Yemen, to go to Ukraine.

As is appropriate, given the war in Ukraine is in Europe's backyard, European allies and partners are providing Ukraine more economic and humanitarian assistance than the United States as of this year. The United Kingdom, Poland, and the Baltics have provided the bulk of this support, however.

The United States and Europe should play to our respective strengths, with the United States focused more on providing the security assistance necessary to end the war as quickly as possible while looking to European contributions to make up a significantly greater percentage of Ukraine's direct budget support needs. General Keith Kellogg of the America First Policy Institute has stated, Europe should contribute dollar for dollar what the United States is contributing. In that vein, the budget would tie some economic assistance to European countries to Europe's contribution to the Ukraine.

If the U.S. were to send additional non-lethal aid, the RSC Budget would support direct budgetary support to Ukraine in the form of a non-interest-bearing loan to Ukraine, as proposed by former President Donald Trump. This loan would include an acceleration clause allowing the President to either demand repayment from Ukraine in the case that Ukraine acted against the foreign policy interests of the United States or reduce direct budgetary support to Ukraine's government. In addition, the RSC Budget supports codifying accountability provisions ensuring that U.S. assistance goes where it is most needed. Inspectors General responsible for Ukraine assistance oversight should form a task force which reports quarterly to Congress regarding Ukraine assistance accountability. Congress should also prohibit any assistance to Ukraine from going to any international institutions involved in abortion, SOGI-related programs, or any other woke-priorities.

The RSC Budget recognizes that the invasion of Ukraine has been fueled by European reliance on Russian gas imports. This reliance was facilitated by failed policies propping up inefficient green sources of energy. To combat this problem, the RSC Budget would implement RSC HEAT Chairman August Pfluger's (R-TX) and former RSC Chairman Jim Banks' Midland Over Moscow Act. This bill would impose sanctions on the Nord Stream 2 pipeline to ensure Germany never revives this Russian malign influence project, require the executive branch to develop a comprehensive energy strategy related to counter Russian interest, and allow for expedited approval of U.S. Natural Gas exports to any nation—not just ones with free trade agreements with the U.S. (with exceptions for countries subject to U.S. sanctions or excluded for national security reasons).

This budget supports the efforts of Rep. Gus Bilirakis (R-FL) and Rep. Nicole Malliotakis (R-NY) to pressure the Biden Administration to reverse its decision to rescind support for the Eastern Mediterranean Gas Pipeline. The RSC Budget would also combat money laundering and corruption by Russian (and CCP) elites in the United States by supporting the ENABLERS Act, sponsored by RSC National Security Task Force Chairman Joe Wilson (R-SC). The bill would close loopholes that crooks and kleptocrats from around the world use to launder money in the United States. The RSC budget also supports by Rep. Wilson's (R-SC) Bassam Barabandi Rewards for Justice Act, which would allow the State Department to provide funds in its Rewards for Justice account to individuals who give the U.S. government the identity or location of individuals and entities that defy U.S. sanctions.

The RSC Budget fully supports former President Trump's decision to withdraw from Intermediate-Range Nuclear Forces Treaty (INF Treaty). Russia continuously fails to comply with the intent of the treaty.[214] [215] Further, the RSC Budget strongly opposes President Biden's re-entry into the New START arms treaty with Russia that would not include China and would allow Russia to continue building tactical nuclear weapons while drastically limiting our own stockpiles.

Many Americans have grown weary of the ongoing cost of the war in Ukraine when they see the effects of Biden's failed policies at home, especially the invasion at the U.S. southern border. The RSC budget does not overlook challenges abroad but prioritizes America's problems at home. If the RSC budget policies articulated in previous sections were enacted, America would have a balanced budget, a secure border, and economic prosperity.

Iran

The October 7, 2023, attack on Israel by Hamas—with Iran's backing[216]—illustrates the failure of the Biden Administration's approach to Iran, the world's leading state sponsor of terrorism. The Biden Administration's efforts to re-enter the failed Iran nuclear agreement have not led to success. In fact, Iran's regime is closer than ever before to a nuclear weapon and has begun enriching uranium close to weapons-grade levels.[217] The regime continues to back militias that attacked U.S. bases in Syria, which led to the killing of three American servicemembers in Jordan.[218] Iran-backed Houthi militias in Yemen continue to attack shipping lanes in the Red Sea undeterred, which has had significant impacts on the global economy.[219] However, the Biden Administration still has not shut the door on a nuclear agreement, even as it says that current talks with Iran are "not on our agenda" due to Iran's ruthless crackdown on unprecedented protests prompted by the killing of Mahsa Amini.[220]

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[214] Office of the Director of National Intelligence, "Director of National Intelligence Daniel Coats on Russia's INF Treaty Violation." November 30, 2018. https://www.dni.gov/index.php/newsroom/speeches-interviews/speeches-interviews-2018/3270-director-of-national-intelligence-daniel-coats-on-russia-s-inf-treaty-violation?highlight=WyJnbyIsImdvaW5nIiwiJ2dvIl0=

[215] U.S. Department of State, Key Topics- Bureau of Arms Control, Verification and Compliance, "Intermediate-Range Nuclear Forces (INF) Treaty." Accessed June 6, 2022. https://2017-2021.state.gov/inf/index.html

[216] Granitz, Peter. "Fighting with Israel signals coordination between Hamas and Hezbollah, analysts say." National Public Radio. October 10, 2023. https://www.npr.org/2023/10/10/1204789074/israel-hamas-hezbollah-iran

[217] NBC News. "Iran Enriching Uranium to near Weapons-Grade Levels, Nuclear Watchdog Warns," March 8, 2023. https://www.nbcnews.com/news/world/iran-enriching-uranium-weapons-grade-nuclear-iaea-rcna72753

[218] U.S. strikes Iran-backed militias in retaliation for deadly attack on American troops February 2, 2024," March 25, 2023. https://www.pbs.org/newshour/show/u-s-strikes-iran-backed-militias-in-retaliation-for-deadly-attack-on-american-troops

[219] Bertrand, Natasha. "Inside the US Navy's frontline fight against the Houthis in the Red Sea." CNN. February 14, 2024. https://www.cnn.com/2024/02/14/politics/us-navy-houthi-fight-red-sea/index.html

[220] Rod, Marc. "'No Movement' on Iran Deal, 'It's Not on Our Agenda,' Envoy Malley Says." Jewish Insider, November 1, 2022. https://jewishinsider.com/2022/11/rob-malley-iran-nuclear-talks-protests-negotiations/

Rather than continue a failed policy of maximum concessions to the regime in Tehran, the RSC Budget supports building upon President Trump and Secretary Pompeo's successful maximum pressure campaign against Iran.

To this end, the RSC Budget supports codifying the campaign through the Maximum Pressure Act, sponsored by former RSC Chairman Jim Banks (R-IN). The Act would implement the toughest package of sanctions on Iran ever proposed by Congress. The Maximum Pressure Act has garnered the support of Secretary Pompeo and a long list of foreign policy organizations. The RSC Budget also supports Rep. Bob Good's (R-VA) Iran China Accountability Act, which would block any taxpayer dollars from being used to advance a nuclear agreement with Iran until it has terminated its cash ties with China and terminated its ties to terrorist groups like Hamas.

Iran continues to be the world's leading state sponsor of terrorism, seeks a nuclear weapon, and desires the destruction of the State of Israel, our closest regional ally. Iran has given aid and comfort to Hamas, Hezbollah, al-Qaeda, and the Taliban, as well as other Iranian-backed terrorist militias. The Iranian Revolutionary Guard Corps (IRGC) has created, sponsored, and commanded a worldwide legion of tens of thousands of militia fighters from as far as Afghanistan and Pakistan who, in part due to the cash provided by President Obama's failed nuclear deal, have created a "land bridge" where such militias now control vast territory leading to the border of Israel. This is a geographic area far larger than ISIS at its peak.

The RSC Budget supports President Trump's designation of the entire IRGC as a foreign terrorist organization (FTO) and would codify this designation and other sanctions on the IRGC. According to the State Department, the IRGC "is responsible for the deaths of at least 603 American service members in Iraq since 2003. This accounts for 17 percent of all deaths of U.S. personnel in Iraq from 2003 to 2011."[221] Still, the Biden Administration considered the idea of removing the IRGC from the FTO list, or only designating one of its subparts such as the Quds Force as part of its nuclear negotiations with the regime.[222] The RSC Budget would also enact the MAHSA Act, introduced by former RSC Chairman Jim Banks, to keep in place sanctions on Iran's Supreme Leader, Iran's President, and other institutions of Iran's state involved in the brutal crackdown. In addition, the RSC Budget would include the No Funds for Iranian Terrorism Act, sponsored by House Foreign Affairs Committee Chairman Michael McCaul (R-TX). This bill incorporates an amendment that would permanently freeze all Iranian assets, offered by RSC HEAT Chairman August Pfluger (R-TX).

U.S. aid for our allies in the region, especially Israel and its Iron Dome, helps provide a critical deterrent to the Islamic Republic. Israel continues to face threats to its existence from an emboldened Iran that continues to support Hezbollah and Hamas terrorists on its doorstep. The goal of former President Trump to work toward lasting stability in the Middle East region is critical.

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[221] U.S. Department of State, Office of the Spokesperson, "Designation of the Islamic Revolutionary Guard Corps." April 8, 2019. https://2017-2021.state.gov/designation-of-the-islamic-revolutionary-guard-corps/index.html
[222] Reuters, by Arshad Mohammed and Parisa Hafezi, "Analysis: Politics, not substance, seen guiding U.S. and Iran on terror listing." April 11, 2022. https://www.reuters.com/world/politics-not-substance-seen-guiding-us-iran-terror-listing-2022-04-11/

The RSC Budget applauds his successful efforts to bring about the Abraham Accords and shore up our allies across these regions.

In countering Iran, it is vital that we prohibit U.S. aid from going to Iranian puppet regimes in the Middle East. Lebanon's government has come fully under Hezbollah's control as the terrorist group has a monopoly on the use of force in the country. The Lebanese Armed Forces (LAF) has also been involved in the detention and torture of U.S. citizens such as Amer Fakhoury, who died shortly after being released from Lebanese prison.[223]

Accordingly, the RSC Budget supports cutting off aid for the LAF and requiring sanctions determinations for current and former Lebanese security officials involved in the detention and torture of U.S. citizens. This would include Maj. Gen. Abbas Ibrahim, the former head of the Lebanese General Security Directorate. In January 2023, the Administration rolled out its program to provide direct salary payments totaling $72 million to the LAF and Internal Security Forces (ISF), essentially providing them a slush fund in a country where Hezbollah's economic presence is endemic.[224] The RSC Budget also supports cutting assistance to Iraq's Ministry of Interior and Ministry of Defense until Iraq's security forces are no longer under the effective control of the Popular Mobilization Forces (PMF). The PMF is a group of militias and includes the Badr Corps, which is commanded by the IRGC and attacked the U.S. Embassy in Baghdad in December 2019.

The RSC Budget supports cutting off aid to United Nations programs in areas of Syria that are held by the Assad regime. Even former Obama Administration Ambassador to Syria Robert Ford has admitted this aid has been diverted to directly fund the brutal Assad regime, Iran's main ally in the region.[225] Following the earthquake which struck Turkey and Syria in February 2023, the brutal Assad regime blocked humanitarian assistance to Syria for several days with the exception of aid given through the UN—aid that was diverted and stolen.[226]

Iran continues its material support for the murderous Assad regime in Syria. The IRGC directly assists Assad's forces which are responsible for the worst human rights crisis of the 21st Century. This has allowed Syria to become a haven for terror groups while flooding Europe with refugees. The Biden Administration has refused to enforce the bipartisan Caesar Syria Civilian Protection Act. Instead, the administration gave a green light to Syrian participation in regional electricity and gas deals, a direct violation of the Caesar Act. One of these deals would allow Egypt to sell natural gas to Hezbollah-dominated Lebanon by moving the gas through Syria via the Arab Gas Pipeline. Unlike the Trump Administration, the Biden Administration has given its tacit approval to countries pursuing normalization with the Assad regime. In fact, State Department Assistant Secretary Barbara

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[223] McCORMACK, KATHY. "US Judge Rules That Family Can Proceed with Lawsuit Alleging Torture by Lebanon." Accessed April 27, 2023. https://www.timesofisrael.com/us-judge-rules-that-family-can-proceed-with-lawsuit-alleging-torture-by-lebanon/
[224] Beirut, U. S. Embassy. "Ambassador Dorothy C. Shea Remarks for LAF-ISF Livelihood Support Program Rollout Ceremony." U.S. Embassy in Lebanon, January 25, 2023. https://lb.usembassy.gov/ambassador-shea-remarks-laf-isf-livelihood-support/
[225]Atlantic Council, by Emily Burchfield, "The Dangers of U.S. Assistance to the U.N. Rewarding Assad." March 8, 2018. https://www.atlanticcouncil.org/blogs/syriasource/the-danger-of-us-assistance-to-the-un-rewarding-assad/
[226] Lister, Charles. "Syria's Earthquake Victims Are Trapped by Assad." Foreign Policy (blog), February 7, 2023. https://foreignpolicy.com/2023/02/07/syria-earthquake-aid-assad/

Leaf now says that regional governments should pursue engagement with the Assad regime so long as they receive benefits in return.[227] To counter these efforts, the RSC Budget would support further expanding sanctions on the Assad regime by updating the Caesar Syria Civilian Protect Act of 2019 with new sectoral-based sanctions and opposing efforts to normalize the regime by some Gulf states, Turkey, the UAE, Saudi Arabia, Jordan, and other Middle Eastern governments.

Finally, the Assad regime has been described as "the world's biggest drug cartel," producing millions of pills of Captagon at more than double the scale of illicit drug production by Mexican drug cartels.[228] The RSC Budget supports efforts by Rep. French Hill (R-AR) for the Department of Treasury to label Syria as a major illicit drug producing country—something the Biden Administration has failed to do and the Treasury Department designating the regime as a transnational criminal organization.[229]

Keeping Woke Politics out of the Military

The RSC Budget remains committed to an effective, strong military force focused on defending the homeland and free of politicization of any type. Identity politics and Critical Race Theory (CRT) have no place in our military. Unfortunately, the Biden Administration sees things differently. Defense Secretary Lloyd Austin seems more interested in ridding military ranks of "extremism"[230] and making climate change a "national security priority"[231] than taking on the real threats we face in China, Russia and Iran.

These policies not only waste time and taxpayer dollars but affect soldier morale and harm military recruitment. Under the Biden Administration, the Pentagon spent almost 6 million man-hours on woke discussions about extremism and "Diversity, Equity, and Inclusion" training.[232] While military recruitment continues to decline, the Air Force has gone on a DEI hiring spree, hiring several diversity officers, many of whom have six-figure salaries.[233] These positions are used to push radical left wing and even racist ideas. Kelisa Wing, who was appointed in 2021 as diversity, equity, and inclusion chief at the Defense Department's Education Activity (DoDEA), even called for a "racial reckoning" and "revolution" and said she was "exhausted by 99% of the white men in education

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[228] Daly, Max. "Is the Syrian Regime the World's Biggest Drug Dealer?" Vice (blog), December 14, 2022. https://www.vice.com/en/article/v7v8k8/syria-captagon-pills-drug-trade
[228] Daly, Max. "Is the Syrian Regime the World's Biggest Drug Dealer?" Vice (blog), December 14, 2022. https://www.vice.com/en/article/v7v8k8/syria-captagon-pills-drug-trade
[229] U.S. Congressman French Hill. "RELEASE: Rep. French Hill Leads Letter to State Department on Syria's Narcotics Trade," July 19, 2022. https://hill.house.gov/news/documentsingle.aspx?DocumentID=8999
[230] Mitchell, Ellen. "Navy Unveils Nearly 60 Recommendations to Counter Racism, Improve Diversity." Text. The Hill (blog), February 3, 2021. https://thehill.com/policy/defense/537091-navy-unveils-nearly-60-recommendations-to-counter-racism-improve-diversity/
[231] Mehta, Aaron. "Climate Change Is Now a National Security Priority for the Pentagon." Defense News, March 17, 2021. https://www.defensenews.com/pentagon/2021/01/27/climate-change-is-now-a-national-security-priority-for-the-pentagon/
[232] The Washington Free Beacon, by Adam Kredo, "Pentagon's Latest Strategy: Promote Socialism To Combat China." February 15, 2022. https://freebeacon.com/biden-administration/pentagons-latest-strategy-promote-socialism-to-combat-china/
[233] Kasperowicz, Peter. "Air Force Goes on Diversity, Equity, Inclusion Hiring Spree: Top Job Pays up to $183,500." Text.Article. Fox News, March 14, 2023. https://www.foxnews.com/politics/air-force-diversity-equity-inclusion-hiring-spree-top-job

and 95% of the white women. Where can I get a break from white nonsense for a while?" Yet Ms. Wing received no disciplinary action from the Pentagon.[234]

Woke indoctrination extends to the service academies. The U.S. Naval Academy has taken a number of actions to promote Critical Race Theory (CRT) in its curriculum.[235] [236]Biden's Pentagon has reversed guidance issued in the Trump Administration that prohibited the promotion of CRT within the Department.[237]

In 2022, Chief of Naval Operations Admiral Michael Gilday placed Ibram X Kendi's book How to Be an Antiracist on the Navy's reading list. Kendi's work promotes fundamentally anti-American ideas, such as the notion that the U.S. is a racist country and that capitalism is a racist idea.[238] In February 2022, National Defense University's Institute for Strategic Studies hosted an event on Wednesday making "the case for global justice and democratic socialism" as a means to combat China's rise.[239]

Shockingly, it was revealed early last year that the Department of Defense spent 6 million man hours on woke training and programing. Specifically, the military spent 5.3 million hours and $535,000 carrying out the standdown order from Secretary Austin. The military also spent 530,000 hours and $477,000 on diversity, equity, inclusion (DEI) training, according to data given to Senate Republicans. For FY 2024, DOD has requested $114.7 million "for dedicated diversity and inclusion activities."[240]

These woke policies are having a major impact on recruiting. Last year was the worst recruiting year for the U.S. Army since the military became an all-volunteer force in 1973. While the other branches managed to hit their recruiting goals on paper, they did so at the expense of 2023 recruiting numbers by dipping into "delayed entry" candidates, putting them measurably behind for this year.

The President's budget would also undermine the traditional basis of American military might by directing over $5.1 billion, an increase of $2 billion from last year, in funding towards climate change initiatives.[241] Last year the Pentagon even conducted a war game in how to combat climate

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[234] Grossman, Hannah. "Pentagon Diversity Chief Receives No Disciplinary Action after Probe into Anti-White Posts," Fox News, March 23, 2023, https://www.foxnews.com/media/pentagon-diversity-chief-receives-no-disciplinary-action-after-probe-anti-white-posts

[235] Critical Race Training in Education. "United States Naval Academy," July 24, 2022. https://criticalrace.org/service-academies/united-states-naval-academy/

[236] Wong, Kristina. "Navy Chief Omits Critical Race Theory Books from Updated Reading List." Breitbart, May 9, 2022. https://www.breitbart.com/politics/2022/05/09/navy-chief-omits-critical-race-theory-books-from-updated-reading-list/

[237]Losey, Stephen. "The Military Is Resuming the Diversity Training That Trump Banned." Military.com, March 8, 2021. https://www.military.com/daily-news/2021/03/08/military-resuming-diversity-training-trump-banned.html.

[238]Representative Jim Banks, Member of Congress, "Letter from Rep. Jim Banks to Adm. Michael Gilday." February 26, 2021. https://www.scribd.com/document/496122359/2-26-2021-Letter-to-Admiral-Gilday-Kendi#from_embed

[239] The Washington Free Beacon, by Adam Kredo, "Pentagon's Latest Strategy: Promote Socialism To Combat China (freebeacon.com)." February 15, 2022.

[240] Under Secretary of Defense (Comptroller) FY 2024 Budget Request Overview Book, https://comptroller.defense.gov/Portals/45/Documents/defbudget/FY2024/FY2024_Budget_Request_Overview_Book.pdf#page=74

[241] Ibid.

change.[242] In fact, the Department requested $17.2 million for FY 2024 to incorporate climate risks into modeling, simulation, and wargames.[243] Biden's Secretary of the Army Christine Wormuth has said that the "Army must adapt across our entire enterprise and purposefully pursue greenhouse gas mitigation strategies to reduce climate risks" and the Army has put forward a plan for "greening" its operations, including providing "100 percent carbon-pollution-free electricity for Army installations' needs by 2030," and achieving a "50 percent reduction in [greenhouse gas] emissions from all Army buildings by 2032."[244]

The RSC Budget would prohibit funding for DEI activities and ban teaching CRT in the U.S. military and in educational institutions under the Department of Defense. It would also defund all woke programs and priorities in the military, including programs established to further the Democrats' so-called "green" agenda.

<u>Ensuring an Efficient National Defense</u>

The RSC Budget remains committed to a strong national defense but recognizes that fiscal discipline is essential to a sustainable and capable military. As expensive as peace-time military operations are, major wars demand the quick expenditure of large amounts of capital. The American Revolution, the Civil War, and World War I all required adding roughly 30 percent of GDP to the national debt. World War II alone required roughly 60 percent. We must ensure the federal government's fiscal house so America can win in another worst-case scenario. The grievous level and trajectory of our national debt led a bipartisan group of leading national security officials to write that "[o]ur long-term debt is the single greatest threat to our national security."[245] Regardless of how capable our standing military is, if our enemies know we cannot afford to use it for long, it will not serve as an effective deterrent or guarantee our freedom and safety.

Congress and the Department of Defense should commit to comprehensive acquisition reform, not just to prevent wasteful spending, but also to ensure America's warfighters have the best equipment available. Until 2018, "DOD was the only large federal agency not under full financial statement audit."[246]

Current Department of Defense contracting requirements are burdensome and have only grown over time. Reducing contracting requirements and increasing competition would increase speed and could save billions of dollars at the Department. The RSC Budget would reduce such

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[242] Kent, Simon. "U.S. Navy to Wargame Impact of 'Climate Change' on Future Conflicts." Breitbart, June 24, 2022. https://www.breitbart.com/environment/2022/06/24/priorities-u-s-navy-to-wargame-impact-of-climate-change-on-future-conflicts/
[243] Under Secretary of Defense (Comptroller). "Enhance Combat Capability–Mitigating Climate Risk." https://comptroller.defense.gov/Portals/45/Documents/defbudget/FY2024/PB_FY2024_ECC-Mitigating_Combat_Capability.pdf#page40
[244] Starr, Penny. "Army Has Plan to Deal with 'Global Disruptions' from 'Climate Change'." Breitbart, February 11, 2022. https://www.breitbart.com/politics/2022/02/11/army-unveils-strategy-to-deal-with-global-disruptions-from-climate-change/
[245]Peter G. Petersen Foundation, The Coalition for Fiscal and National Security, "Strength at Home and Abroad: Ensuring America's Fiscal and National Security", May 10, 2016. http://www.pgpf.org/pgpf-programs-and-projects/2016-cfns-statement.
[246] Ibid

requirements and also require the Department to break up prime contracts into smaller awards so small businesses and others can compete for the awards. In 2021 alone, the top six Defense Primes received over $120 billion in defense contracts,[247] while in the same year small businesses received only $17 billion of the awards.[248]

The Department of Defense currently employs approximately 340,000 active-duty military personnel to perform support functions in commercial positions. As CBO has pointed out "those functions require skills that could be obtained from the private sector so that, in principle, those same positions could be filled by civilian employees."[249] The Budget would replace military personnel in these commercial positions with civilian employees, which, according to the Heritage Foundation, would result in $19.6 billion in the next ten years.[250]

The RSC Budget would focus on providing school choice to military families by allowing military dependents to utilize education savings accounts (ESAs) and provide for the transfer of children to local schools. As The Heritage Foundation has pointed out, only 4 percent of military-connected children use the military's operated school system (the Domestic Dependent Elementary and Secondary Schools (DDESS) system), making this system unnecessary.

According to the Congressional Research Service (CRS), "Members of Congress are frequently lobbied to support adding funding to the annual defense appropriation for medical research on a wide variety of diseases and topics."[251] In recent years, the defense budget has included over half a billion dollars for the Congressionally Directed Medical Research Program (CDMRP). While medical research is a laudable activity, many of the programs funded within the CDMRP are not for military-specific conditions and are duplicative of the type of research done at the National Institutes of Health (NIH).[252] According to the Taxpayers for Common Sense, "These programs are clearly earmarks and therefore take money away from other necessary Defense Department functions."[253] The RSC Budget would transition the non-defense related medical research out of the defense budget.

DOD should not waste valuable taxpayer dollars on inefficient forms of energy. Energy needs should be met through the most cost-effective and tactically sound methods possible. The DOD

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[247] Walter, Chip. "It's Time for New Incentives for Defense Primes to Invest in Startups." Breaking Defense (blog), January 12, 2023. https://breakingdefense.sites.breakingmedia.com/2023/01/its-time-for-new-incentives-for-defense-primes-to-invest-in-startups/

[248] Federal News Network. "Navy to Break up Some Big Contracts to Increase Small Business Participation," October 26, 2022. https://federalnewsnetwork.com/navy/2022/10/navy-to-break-up-some-big-contracts-to-increase-small-business-participation/

[249] Congressional Budget Office. Replacing Military Personnel in Support Positions With Civilian Employees. December 2015. https://www.cbo.gov/sites/default/files/114th-congress-2015-2016/reports/51012-Military_Civilian_Mix_OneCol.pdf

[250] The Heritage Foundation. "Budget Blueprint for Fiscal Year 2023: Policy Proposal." Accessed April 27, 2023. https://www.heritage.org/budget

[251] Congressional Research Service, "Congressionally Directed Medical Research Programs Funding for FY2022", March 29, 2022. https://crsreports.congress.gov/product/pdf/IF/IF10349 .

[252] National Institutes of Health, "Estimates of Funding for Various Research, Condition, and Disease Categories (RCDC)", March 31, 2023. https://report.nih.gov/funding/categorical-spending#/

[253]CQ, by John M. Donnelly, "Funding Medical Research with Defense Dollars", July 28, 2012. http://public.cq.com/docs/weeklyreport/weeklyreport-000004132596.html.

should be prohibited from entering into any contract for the procurement or production of any non-petroleum-based fuel for use as the same purpose or as a drop-in substitute for petroleum. Further, the Armed Forces should be exempt from procurement requirements for clean-energy vehicles and renewable energy portfolio standards for DOD facilities. The RSC Budget also opposes efforts by Democrats to turn the annual defense authorization bill into a testing ground for its progressive social and environmental goals.

Finally, the Budget would put in place a zero-sum rule, prohibiting the creation of any new Assistant Secretary, Under Secretary, and Deputy Assistant Secretary roles at DOD unless others are eliminated on a one-for-one basis.

The Needs of Our Armed Forces

The Trump Administration's efforts to rebuild our military have strengthened our forces, made troops and equipment more ready for combat, addressed readiness shortfalls, and modernized our military. President Trump sought to overcome the consequences of decades of delayed weapons modernization.[254] Delays in modernization eroded the competitive advantage that our Armed Forces have enjoyed with China and Russia. China already has the world's largest standing army, navy, coast guard, maritime militia, and sub-strategic missile force.[255] The Defense Department's China military power report judges that the Chinese military is qualitatively ahead of the U.S. military in land-based missiles and integrated air defenses, including new technologies such as hypersonic and directed-energy weapons.[256]

The RSC Budget would ensure that our men and women in uniform have the resources they need to keep America safe and counter the growing threat posed by China and Russia in this new era of great power competition. Below are some of the reasons the RSC Budget proposes a strong national security budget, including $895.2 billion in total discretionary defense spending for FY 2025.

The Navy

Since the Allied victory in World War II, the forward deployment of U.S. Armed Forces has been a key instrument in maintaining global order and in securing freedom of navigation to promote trade and prosperity around the world. A key component of this force structure has been a robust effort to sustain the most capable and agile Navy in the world as a "global force for good." Our Navy

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[254]STATEMENT OF GENERAL MARK A. MILLEY, USA 20TH CHAIRMAN OF THE JOINT CHIEFS OF STAFF DEPARTMENT OF DEFENSE BUDGET HEARING, FEBRUARY 26, 2020, https://www.congress.gov/116/meeting/house/110584/witnesses/HHRG-116-AS00-Wstate-MilleyM-20200226.pdf#page=3

[255] War on the Rocks. "What to Expect When You're Expecting a National Defense Strategy," September 27, 2021, https://warontherocks.com/2021/09/what-to-expect-when-youre-expecting-a-national-defense-strategy/

[256] Department of Defense. 2020 DOD China Military Power Report, https://media.defense.gov/2020/Sep/01/2002488689/-1/-1/1/2020-DOD-CHINA-MILITARY-POWER-REPORT-FINAL.PDF

currently has a fleet of 292 deployable ships,[257] 63 less than China's fleet of 355 ships.[258] This fleet is half the size of what it was under the Reagan Administration (592 ships).[259] China plans to increase the size of its fleet to 460 ships by 2030.[260]

The Navy's shipbuilding account had been neglected for the greater part of a decade, leading to a severe readiness crisis and a series of deadly accidents. The RSC's Budget supports investing in our shipbuilding account in order to reestablish our Navy's global reach and capabilities and deter aggressive Chinese naval activities. Specifically, the RSC Budget continues to support the SHIPS Act which makes it the official policy of the United States to achieve the Navy's minimum requirement for a 355-ship fleet.[261]

The Air Force

The Air Force is key to our defense posture in the face of a rising China. The communist nation has invested massive resources into a strategy of "anti-access, area denial" (A2/AD), which would prevent the U.S. Air Force from projecting power in the event of conflict. In 2018, the Air Force performed a congressionally mandated study to assess its force structure and modernization requirements by 2030. The study found that 386 squadrons would be needed by 2030 to meet the demands of the Trump administration's 2018 National Defense Strategy. In comparison, at the end of the Cold War, the Air Force had 401 operational squadrons.[262] In addition, a number of the Air Force's aircraft will reach the end of their service life in the next decade, including the Air Force's 234 F-15C/Ds.[263] As Mackenzie Eaglen has pointed out, "80 percent of the Air Force's roughly 2,050 fighters are A-10s, F-15C/Ds, F-15Es, and F-16C/Ds—all originally designed in the 1970s and purchased through the 1990s."[264]

The Air Force must be able to meet modernization goals in time to avoid fielding an outdated fleet and delaying next-generation aircraft programs.[265] The RSC Budget would invest in Air Force modernization to meet current threat requirements. The RSC Budget would support the procurement and fielding of the B-21 Raider Long-Range Strike Bomber, eventually replacing older

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[257] U.S. Naval Institute News, "USNI News Fleet and Marine Tracker: February 12, 2024." https://news.usni.org/2024/02/12/usni-news-fleet-and-marine-tracker-feb-12-2024

[258] China has the capacity to build PLA combat ships at 200 times the rate that the US can, per leaked US Navy intelligence. September 15th, 2023. https://news.yahoo.com/china-capacity-build-pla-combat-053331757.html#:~:text=The%20country%20has%20the%20world%27s,and%20440%20ships%20by%202030.

[259] The Daily Caller, by Harold Hutchison, "Obama Navy Now Half The Size Of Reagan Navy," October18, 2015. https://dailycaller.com/2015/10/18/obama-navy-now-half-the-size-of-reagan-navy/

[260] Jeff Schogol, Task and Purpose, "Is China's navy as dangerous as so many fear?" April 8, 2022, https://taskandpurpose.com/analysis/chinese-navy-dangerous-us-military/

[261] U.S. Senator Roger Wicker. "Wicker Proposal for 355 Ships Signed Into Law," December 12, 2017, https://www.wicker.senate.gov/2017/12/wicker-proposal-for-355-ships-signed-into-law

[262] U.S. Air Force, Secretary of the Air Force Public Affairs, , "The Air Force We Need: 386 operational squadrons," September 17, 2018, https://www.af.mil/News/Article-Display/Article/1635070/the-air-force-we-need-386-operational-squadrons/

[263] AEI, by Mackenzie Eaglen and Hallie Coyne, March 2020, "The 2020s Tri-Service Modernization Crunch," https://www.aei.org/wp-content/uploads/2021/03/The-2020s-Tri-Service-Modernization-Crunch-1.pdf?x91208#page=19

[264] Ibid.

[265] Ibid.

aircraft like the B-52, which first flew in 1952, as well as procurement of F-35 and F-15EX fighters in order to maintain effective force structure to deter current and future threats. Both China and Russia have dramatically increased their procurement of 5th generation fighters including the Sukhoi Su 57 and the Chengdu J-20.

The Army

Despite the shifting of defense priorities to the Navy and Air Force, the Army continues to require investment in both readiness and modernization. Former Defense Secretary Esper under President Trump has stated that the Army needs at least 500,000 soldiers.[266] Furthermore, the M-1 tank and the Bradley tank are now 40 years old and need replacements. Attempts to replace the Army's thousands of Bradley tanks have been underway since 2003. Given current budget constraints, the Army may have to slash troop strength and training to fund its "Big Six" modernization priorities: Long-Range Precision Fires (LRPF), Next-Generation Combat Vehicles (NGCV), Future Vertical Lift (FVL), air and missile defense, secure battlefield networks, and soldier lethality. Of these, the most pressing priority is the modernization of long-range artillery and missiles in the LRPF, which would replace the Cold War-era ATACMS.[267] As the Congressional Research Service (CRS) has noted, "Both the 2018 National Defense Strategy and the Army's Multi-Domain Operations operational concept call for improved Army LRPF capability to counter what has been described as Russian and Chinese anti-access, area denial (A2/AD) strategies designed to limit the freedom of movement and action of U.S. forces in both Europe and the Pacific region."[268]

The RSC Budget supports allocation of resources needed to advance the Big Six priorities, especially the procurement of LRPFs. The RSC Budget also recognizes that enlarging the Army's force structure would be appropriate to meet Combatant Command needs. Finally, it supports the continued deployment of Terminal High Altitude Air Defense (THAAD) batteries, Future Long-Range Assault Aircraft, Future Attack Reconnaissance Aircraft, and the procurement of CH-47 Block II heavy-lift helicopters.

The Marine Corps

In entering the new era of great-power competition, the Marine Corps has pivoted its focus away from land armies for ground warfare in the Middle East and South Asia and toward a new concept focused on amphibious assault in the Indo-Pacific. In implementing this new concept, Marine Corps Commandant General David Berger has envisioned smaller units of Marines operating across a large geographic area. As Eaglen has pointed out, "this will drive the need for longer-range

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[266] Myers, M. "Esper: The ultimate size of the Army is a moving target." ArmyTimes. April 17, 2019. https://www.armytimes.com/news/your-army/2019/04/17/esper-the-ultimate-size-of-the-army-is-a-moving-target/
[267] Institute for Defense and Government Advancement, by Elizabeth Mixson, May 29, 2019, "The Army's Top LRPF Strategic Priorities & Developments," https://www.idga.org/land/whitepapers/long-range-precision-fires-in-2019-the-armys-top-prioritues
[268] Congressional Research Service, March 16, 2021, "U.S. Army Long-Range Precision Fires: Background and Issues for Congress", https://fas.org/sgp/crs/weapons/R46721.pdf

transportation, communications, sensors, and fires to support a more distributed, agile force." [269] In modernizing its ground forces, the Marines will be replacing the aging Assault Amphibious Vehicle with the Amphibious Combat Vehicle. It will also be replacing the high-mobility multipurpose wheeled vehicle with the Joint Light Tactical Vehicle (JLTV) and will soon replace the almost 40-year-old Light Armored Vehicle with a new vehicle. The Marines will also be replacing the F-35B/C and CH-53K aircraft in the next 5 years.

The RSC Budget supports the expansion of the Pacific Deterrence Initiative and recognizes the Marine Corps' vital participation in those efforts. The RSC Budget supports the development of the Marine Corps' long-range precision fires capability, which is key to deterring the Chinese military throughout the Pacific region. The RSC Budget opposes efforts by House Democrats to slash funding for the program.[270] This budget supports the Marine Corps' development of Ground-Based Anti-Ship Missiles and the procurement of Marine Corps Tomahawk missiles. It also supports the construction of 31 amphibious ships as required by the Marine Corps Commandant. Finally, it supports the Marine Corps' continued replacement of its Assault Amphibious Vehicle, and plans to replace the Light Armed Vehicle, and continued procurement of CH-53K heavy-lift helicopters, and F-35B-Cs.

The Space Force

The RSC Budget continues to support the Space Force and former President Trump's goal of ensuring American dominance in space. The Space Force is absolutely essential in the new era of great power competition, especially as both China and Russia have established a space force of their own and continue to upgrade their capabilities.[271] As John Venable from The Heritage Foundation has noted, "The U.S. is only now reaching parity with Russia and China's counter-space capabilities."[272]

The Space Force has just six dedicated satellites for space situational awareness (SSA) and launched the last two in 2021. As John Venable of The Heritage Foundation has noted, this will still be far too few sensors to monitor the satellites of China and Russia.[273] Furthermore, despite the establishment of the Space Force in 2019, only around half of all space-related assets and personnel have been assigned to the Space Force.[274]

The RSC Budget supports the fielding of a new constellation of less costly surveillance platforms in low earth orbit (LEO) by the Space Force. It supports placing space-related assets in the primary

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[269] AEI, by Mackenzie Eaglen and Hallie Coyne, March 2020, "The 2020s Tri-Service Modernization Crunch," https://www.aei.org/wp-content/uploads/2021/03/The-2020s-Tri-Service-Modernization-Crunch-1.pdf?x91208#page=47

[270] Defense News, by Jen Judson, December 23, 2020, "Lawmakers slash funding for Marine Corps' long-range fires development," Lawmakers slash funding for Marine Corps' long-range fires development (defensenews.com)

[271] The Heritage Foundation, "Does the United States Need a Space Force?" https://www.heritage.org/space-policy/heritage-explains/does-the-united-states-need-space-force

[272] The Heritage Foundation, by John Venable, April 27, 2021, "Rebuilding America's Military: The United States Space Force," https://www.heritage.org/defense/report/rebuilding-americas-military-the-united-states-space-force

[273] Ibid.

[274] Ibid.

responsibility of the Space Force. In addition, the RSC Budget supports the continued development of the X-37 Orbital Test Vehicle for the Space Force, as well as the deployment of space-based radars capable of rapid revisit rates. Finally, the RSC Budget continues to support the creation of an independent acquisition office for the Space Force.

Nuclear, Space, and Cyberspace Capacities

Regardless of the advances and investments made in America's conventional forces, a failure in the U.S.'s nuclear, cyberspace and outer space capabilities could incapacitate our conventional military and leave our homeland vulnerable to attack. The RSC Budget continues to support the Trump administration's goals to maintain and modernize our nuclear warheads, our triad of delivery vehicles, and our command and control and early warning systems. This budget also supports new low-yield device development, which adds flexibility to our nuclear arsenal.[275] It is imperative that the U.S. maintains the ability to deploy both strategic and low-yield weapons by submarine and land-based missiles, as well as air-launched and dropped vehicles. It is also essential that we maintain our capacity to produce the plutonium-239 and tritium (heavy hydrogen) that is required to produce warheads and keep existing ones operational.[276] The RSC Budget supports the B83 nuclear gravity bomb, which is the sole weapon capable of blasting deeply buried targets and which the Biden administration has proposed cutting.[277] The RSC Budget also rejects the Biden administration's efforts to set back nuclear deterrence and cancel the Sea-Launched Cruise Missile-Nuclear (SLCM-N).[278] The SLCM-N was proposed as part of the Trump administration's Nuclear Posture Review as a regional, sea-based nuclear launch option, in response to Russia's and China's growing nuclear forces.[279]

In addition, this budget supports the Ground Based Strategic Deterrent, the land-based intercontinental ballistic missile system to replace the obsolete Minutemen III missiles. While Russia, China and North Korea continue to expand their nuclear and missile capacities, a failure in any component of our nuclear and missile systems could allow these adversaries to negate all the other abilities of our military and to destroy critical military infrastructure, including even our ability to use nuclear weapons in a second-strike capacity. As such, the RSC Budget flatly rejects the Biden Administration's misguided and ill-informed plan to diminish our nuclear capabilities and block modernization of these vehicles and warheads.

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[275] U.S. Department of Defense, "2018 Nuclear Posture Review" February 2018, https://media.defense.gov/2018/Feb/02/2001872886/-1/-1/1/2018-NUCLEAR-POSTURE-REVIEW-FINAL-REPORT.PDF.

[276]Defense News, by Franklin C. Miller and John R. Harvey **"**Commentary: The looming crisis for US tritium production." March 6, 2017 https://www.defensenews.com/opinion/commentary/2017/03/06/commentary-the-looming-crisis-for-us-tritium-production/.

[277] Defense News, by Joe Gould, "Biden plan to shelve Trump-era sea nuke comes under fire." April 1, 2022. https://www.defensenews.com/congress/2022/04/01/biden-plan-to-shelve-trump-era-sea-nuke-comes-under-fire/

[278] Harris, Bryant. "New US Nuclear Chief Takes Fresh Stance on Sea-Launched Cruise Missile." Defense News, March 14, 2023. https://www.defensenews.com/congress/budget/2023/03/14/new-us-nuclear-chief-takes-fresh-stance-on-sea-launched-cruise-missile

[279] The Heritage Foundation, by Patty-Jane Geller, "Dangerous Nuclear Policy Idea No. 4: Defunding the Nuclear Sea-Launched Cruise Missile." September 27, 2021, https://www.heritage.org/defense/report/dangerous-nuclear-policy-idea-no-4-defunding-the-nuclear-sea-launched-cruise-missile

Beyond the commonly discussed threat from nuclear weapons, they can be used to generate an electromagnetic pulse (EMP).[280] A single nuclear device, detonated at high altitudes, can produce an EMP capable of destroying electronic devices and power grids over a large region of the U.S. This threat, and the developments of both the Russians and Chinese to produce anti-satellite weapons, highlights the prudence of former President Trump to centralize military space functions under a Space Force so the United States can continue to enhance its presence and capacities in outer space.[281] This budget supports the goals of former President Trump to ensure the U.S. is capable of intercepting long range missiles, most of which would traverse space if used, and can have adequate offensive and defensive abilities with regard to satellites. The satellite network around our planet is vital for banking, telecommunications, GPS, and a host of other military and civilian systems that support our modern life and national security. Without the ability to operate in outer space, our enemies could easily destroy these systems, on which every American relies.

Furthermore, the RSC Budget supports continued investments in U.S. cyber operations. This arena is similarly vital to Americans' everyday lives. The failure of our military to adequately defend cyberspace could allow an adversary to incapacitate our entire electrical grid. This would bring our nation to the edge of destruction. This is not simply a future threat. For instance, North Korea and Russia have launched repeated cyber-attacks on Americans.[282] [283]

International Assistance Reform

The RSC Budget views international assistance as a tool to help develop a freer, more prosperous, more stable, and more peaceful planet. However, it recognizes that it can also be used as a tool of the left to spread woke ideology. It is also an arena of the budget of great waste and fraud. Still, the RSC Budget supports efforts that directly advance American interests and defend traditional human rights and freedoms. We should ensure that U.S. aid is used for its intended purpose and not to support corrupt regimes.

In addition, the RSC Budget would ban any funds from going to any attempt by the State Department to promote anti-American ideas such as Critical Race Theory (CRT) or to allow the U.N. to audit the U.S. human rights record. Last year, the State Department invited the U.N. Special Rapporteur on contemporary forms of racism and the U.N. Special Rapporteur on minority issues for an official visit to examine the U.S. human rights record. The Special Rapporteur on

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[280]Department of Homeland Security, "Secretary Nielsen Statement on Executive Order to Protect the U.S. from Electromagnetic Pulse Attacks", March 27, 2019 https://www.dhs.gov/news/2019/03/27/secretary-nielsen-statement-executive-order-protect-us-electromagnetic-pulse-attacks.

[281]Space News, by Sandra Erwin, "U.S. intelligence: Russia and China will have 'operational' anti-satellite weapons in a few years." https://spacenews.com/u-s-intelligence-russia-and-china-will-have-operational-anti-satellite-weapons-in-a-few-years/.

[282] The New York Times, by Nicole Perlroth, "As Trump and Kim Met, North Korean Hackers Hit Over 100 Targets in U.S. and Ally Nations." March 3, 2019, https://www.nytimes.com/2019/03/03/technology/north-korea-hackers-trump.html.

[283]BBC, "US imposes sanctions on Russia over cyber-attacks", April 16, 2021, https://www.bbc.com/news/technology-56755484

contemporary forms of racism, E. Tendayi Achiume, is a member of the critical race studies program at UCLA and is a proponent of CRT.[284]

The RSC Budget would also reform and replace the State Department and the Foreign and Civil Service systems with a modernized hiring standard based on merit. The RSC Budget would also reform U.S. global broadcasting programs and counter-disinformation efforts by moving public diplomacy bureaus, and the Global Engagement Center, out of the State Department and into a reconstituted U.S. Information Agency (USIA) run by a chief executive officer. A reconstituted USIA should also be able to allow its media organizations to subject grants to a competitive process for both for-profit and nonprofit private organizations to create content to counter foreign disinformation efforts. In the media landscape, the private sector is more dynamic and creative than government bureaucrats at the Department of State.

The RSC Budget supports a realistic review of our support of multilateral and international organizations in the mold of the United Kingdom's multilateral aid review. Such a review should withdraw support from international organizations that are corrupt and unfixable, such as both the World Health Organization and the UN Human Rights Council. Upon withdrawal, the United States could attempt to establish alternative mechanisms of multilateral cooperation with democratic partners. At the same time, the RSC Budget would seek to reform other international organizations or UN bodies that the U.S. remains a part of to work with allies and partners to compete against China.

Finally, the RSC Budget would defund select international affairs related organizations and government agencies funded annually by State and Foreign Operations appropriations, which are discussed in the "Non-Defense Discretionary Spending" section. Examples include the Wilson Center, a foreign policy think tank, as well as the U.S. Institute for Peace, a government-funded center meant for promoting peace around the world. Both institutions could carry on their operations with private funding, so it is unnecessary for taxpayer dollars to be spent on these entities.

[284] UCLA Law, "E. Tendayi Achiume, Professor of Law, Alicia Miñana Chair in Law." Accessed June 6, 2022. https://law.ucla.edu/faculty/faculty-profiles/e-tendayi-achiume

RSC

PROTECTING CONSERVATIVE VALUES

Just as Congressional and Presidential budgets reflect their author's values, the RSC budget remains committed to policies that abide by the Constitution and defend the inalienable rights of life, liberty, and the pursuit of happiness.

Conversely, the Left believes the rights of individuals come from government, a belief that fuels runaway deficit spending and the actions of woke and weaponized agencies. RSC is committed to stopping this movement and safeguarding America's foundational values.

This section of the RSC Budget is dedicated to preserving our constitutional rights and to acknowledging the values that set the foundation for a prosperous future in America.

Right to Life

President Ronald Reagan once said, "I've noticed that everyone who is for abortion has already been born." The gift of life is precious and should be protected. The boundless potential of each life cannot be prejudged, especially with the freedoms afforded in the United States. Conservatives believe in creating a culture of life, compassion, and opportunity.

RSC celebrates the Dobbs v. Jackson Women's Health Organization decision as a historic victory in the effort to defend innocent life and to return to the Constitution as it was written. Since this landmark decision, several states have attempted to implement laws that further protect life within their borders. The RSC Budget supports the efforts of these states and recognizes that current federal policies fail to uphold the 14th Amendment and protect the right to life for our nation's most vulnerable. This budget also opposes any federal policy that directly or indirectly facilitates or subsidizes abortions with taxpayer money. Additionally, the RSC Budget supports the heroic efforts made by countless families, individuals, and organizations to provide resources to mothers and children in need, including through crisis pregnancy centers.

The RSC Budget applauds the following measures designed to advance the cause of life:

- Rep. Mary Miller's (R-IL) bills, the Women's Right to Know Act, Parental Notification and Intervention Act, Pregnancy is Not an Illness Act, and the Love them Both Act.

- The Women's Right to Know Act would require abortion providers to inform a woman seeking an abortion of the possible medical risks that could result from having an abortion, require an ultrasound to be performed, and implement a 24-hour waiting period before undergoing an abortion.
- The Parental Notification and Intervention Act would prohibit any facility receiving federal funds to perform an abortion on a minor without written notification to the parents. Parents would then be given the opportunity to receive a court injunction barring the performance of the abortion.
- The Pregnancy is not an Illness Act would prohibit the Department of Health and Human Services (HHS) from declaring pregnancy to be a life-threatening illness for the purpose of approving abortion inducing drugs.
- The Love them Both Act would prohibit the Equal Employment Opportunity Commission (EEOC) from using the Pregnant Workers Fairness Act to force employers to cover an employee's abortion.

- Rep. Ashley Hinson's (R-IA) bill, the Pregnant Students' Rights Act, which would ensure pregnant women are given proper information about their rights and resources, as well as support on campus.
- Rep. Jim Banks' (R-IN) Abortion Funding Awareness Act, which would require states to annually submit a report to the Centers for Medicare and Medicaid Services on all payments for abortions with federal funds and publish the report on the state's website.
- Rep. Lisa McClain's (R-MI) the Woman's Right To Know Act, which protects pregnant women and unborn children by ensuring proper medical information related to health risks is given to women before they proceed with an abortion.
- Rep. Mark Green's (R-TN) bill, the States Choose Life Act of 2023, which would amend Title X of the Public Health Service Act to prohibit HHS from revoking funding for states that do not make referrals for abortion.
- Rep. Andy Ogles (R-TN) bill, the Ending Chemical Abortions Act of 2023, which would federally block the use of chemical abortions in the United States.
- Rep. Josh Brecheen's (R-OK) bill, the No Taxpayer Abortions for Unaccompanied Minors Act, which would prohibit the Department of Health and Human Services (HHS) from issuing, finalizing, implementing, or enforcing any rule or guidance to facilitate abortions or access to abortions, including expenses for travel or lodging for the purpose of obtaining an abortion, for an unaccompanied alien child (UAC).
- Rep. Andrew Clyde's (R-GA) Protect the Unborn Act, which would prohibit the implementation of and funding for President Biden's pro-abortion Executive Orders.
- Rep. Diana Harshbarger (R-TN) and RSC Chairman Kevin Hern's legislation to rescind the FDA rule removing safety protocols for the abortion pill mifepristone.
- Speaker Mike Johnson's (R-LA) Child Interstate Abortion Notification Act, which would make it a federal crime to transport a minor across state lines without parental consent for the purpose of obtaining an abortion. It would also make it a federal crime for a physician to perform an abortion on an out-of-state minor without notifying the minor's parent.
- Education and Workforce Committee Chairwoman Virginia Foxx's (R-NC) bill, the Title X Abortion Provider Prohibition Act, which would prohibit abortion providers, including Planned Parenthood, from receiving Title X funding.

- Rep. Mike Kelly's (R-PA) bill, the Heartbeat Protection Act, which would prohibit abortions after a fetal heartbeat has been detected. Last year, the RSC's Steering Committee officially endorsed the Heartbeat Protection Act.
- Rep. Alex Mooney's (R-WV) Life at Conception Act, which would provide 14th amendment protections at all stages of life.
- Rep. Ann Wagner's (R-MO) bill, the Born-Alive Abortion Survivors Protection Act, which would protect infant survivors of abortion and ensure that all infants born alive receive the same degree of care, regardless of their gestational age.
- Rep. Chris Smith's (R-NJ) Protecting Pain-Capable Unborn Children from Late-Term Abortions Act, which would prohibit abortions after 15 weeks.
- Rep. Michelle Fischbach's (R-MN) Protecting Life and Taxpayers Act of 2023 would require entities to certify that they will not provide abortion in order to receive federal funding.
- Rep. Michael Cloud's (R-TX) bill, the Women's Public Health and Safety Act would amend Medicaid to allow states to prevent abortion providers from receiving Medicaid funding.
- Former RSC Chairman Jim Banks' (R-IN) bill, the Taxpayer Conscience Protection Act, which would require public reporting on Medicaid funds given to abortion providers.
- Rep. Blaine Luetkemeyer's (R-MO) bill, the Protecting Life and Integrity in Research Act, which would prohibit fetal tissue research on remains obtained from induced abortions.
- Former RSC Chairman Jim Banks' (R-IN) bill, the Patients First Act, which would promote the use of adult stem cells for research purposes and prohibit the use of fetal stem cells or the creation of a human embryo for research purposes.
- Rep. Debbie Lesko's (R-AZ) bill, the Dismemberment Abortion Ban Act, which would ban dismemberment abortions.
- Rep. Ron Estes' (R-KS) bill, the Protecting Individuals with Down Syndrome Act, which would ban the performance of an abortion because a baby received a prenatal diagnosis of Down Syndrome.
- Rep. Bob Latta's (R-OH) bill, the Support and Value Expectant Moms and Babies Act, which would block the approval of new drugs that cause medical abortion.
- Former RSC Chairman Jim Banks' (R-IN) bill to prohibit President Biden from rescinding President Trump's Title X family planning rule, which stops funds from going to entities, such as Planned Parenthood, that use Title X funds to provide abortion.
- Rep. Chris Smith's (R-NJ) bill, the No Taxpayer Funding for Abortion and Abortion Insurance Full Disclosure Act, which would permanently codify abortion prohibitions like the Hyde Amendment. This legislation would also prohibit the use of Obamacare premium tax credits, cost-sharing subsidies, and small business tax credits for being used to purchase health plans that include elective abortion coverage.
- Rep. Andy Harris' (R-MD) bill, the Conscience Protection Act, which would prevent government at the local, state, or federal level from discriminatory practices and penalization of health care providers that do not participate in highly controversial abortion services. Similarly, Rep. Buddy Carter's (R-GA) Pharmacist Conscience Protection Act would protect the conscience rights of pharmacists who object to abortion.
- Ways and Means Chairman Jason Smith's (R-MO) No Abortion Bonds Act, which would remove the tax-exempt status of any bond that goes to an abortion provider or abortion clinic.

- Rep. Ronny Jackson's (R-TX) legislation to prevent the Department of Defense from paying for, or reimbursing the cost of, abortions.
- Rep. Michael Cloud's (R-TX) Congressional Review Act resolution to prevent the Department of Veterans Affairs from providing abortions.
- Rep. Ann Wagner's (R-MO) Prenatal Nondiscrimination Act, which would ban discrimination against the unborn on the basis of sex and ban sex-selective abortions.
- Rep. Bob Good's (R-VA) Telehealth Abortion Prevention Act, which would ensure that telehealth does not open a back door to abortion providers by making it a federal crime to distribute chemical 59 abortion drugs without a physical examination. The bill also requires abortion providers to be physically present for a chemical abortion procedure.
- Rep. Chip Roy's (R-TX) Protecting Life on College Campus Act, which would prohibit federal funding for educational institutions that partner with or host student health services that provide abortions.
- Rep. Brian Babin's (R-TX) Protecting Life in Crisis Act, which would prohibit funds from COVID relief packages from being used for abortion and health plans that fund abortion.
- Rep. Ralph Norman's (R-SC) Ensuring Accurate and Complete Abortion Data Reporting Act, which would require states to provide certain abortion data to the Centers for Disease Control as a condition of receiving federal family planning funds.
- Rep. Tracey Mann's (R-KS) legislation to require the president to provide information regarding forthcoming executive actions on abortion to Congress.
- Rep. Michael Cloud's (R-TX) resolution to withdraw Obamacare's Section 1303 rule allowing insurance plans to bill customers once for health care premiums and abortion coverage.
- Former Rep. Ted Budd's (R-NC) Stopping Traffickers and Their Accomplices Act, which would require abortion providers to report suspected human trafficking to the National Human Trafficking Hotline.
- Speaker Mike Johnson's (R-LA) H. Con Res 3, which condemns left-wing attacks on pro-life facilities and groups and calls on the Biden administration to utilize law enforcement to ensure their safety.

Stopping CRT

There is a fundamental difference between protecting equality of opportunity and equity, despite the Left's efforts to conflate them to advance divisive identity politics and socialist policies.

Critical Race Theory (CRT), rooted in Marxist thought, seeks to divide the American people and upend society.[285] What began as a Marxist academic concept is now being taught as an unquestionable collection of values, rather than an abstract theory. It is crucial to defend the civil rights of every citizen, not divide the American people along lines of race, ethnicity, or socio-economic status.

The RSC Budget opposes CRT as a racist and divisive ideology wherever it exists and supports proposals, such as the following, to eliminate it:

[285] https://www.heritage.org/civil-rights/report/critical-race-theory-the-new-intolerance-and-its-grip-america

- RSC Chairman Kevin Hern's (R-OK) Work Not Woke Act, which would defund existing divisive diversity training in the federal government, specifically training being implemented through several executive orders on equity.
- Rep. Andy Ogles' (R-TN) Go Woke, Go Broke Act, which would eliminate the Advisory Committee on Racial Equity at the Department of Treasury, which will be used to force businesses to make hiring and investment decisions based on radical CRT ideology.
- Rep. Burgess Owens' (R-UT) legislation to prohibit federal agencies from refusing to follow President Trump's executive order prohibiting agencies from teaching, advocating, acting upon, or promoting CRT in agency trainings.
- Rep. Burgess Owens' (R-UT) resolution to express the sense of the House of Representatives that CRT should not be taught in K-12 classrooms.
- Rep. Dan Bishop's (R-NC) Combatting Racist Training in the Military Act, which would prohibit the Armed Forces and Military Academies from promoting CRT.
- Rep. Chip Roy's (R-TX) Combatting Racist Teaching (CRT) in Schools Act, which would prohibit federal funds from going to any elementary, secondary school, or institution of higher education that promotes racist ideology like CRT.
- Rep. Dan Bishop's (R-NC) Stop CRT Act, which prohibits any federal funding being awarded to entities that advance CRT.
- Rep. Mark Green's (R-TN) H.R. 3046, which would prohibit the federal service academies from providing training and education based on CRT.
- Rep. Vicky Hartzler's (R-MO) No CRT for our Military Kids Act, which would prohibit the teaching of CRT in any school operated by the Department of Defense.
- Rep. Julia Letlow's (R-LA) Parents Bill of Rights, which, among other things, would require school districts to publicly post curriculum, including all books and reading material available in the library, so that parents can better stand up against CRT and other harmful topics being taught to their children.
- Former RSC Chairman Jim Banks' (R-IN) DEI Pay Cap Act of 2023, which would restrict the DoD from appointing any employee to any DEI position with a rank or grade more than E-5 or GS-5.

Protecting the Second Amendment

The RSC Budget opposes the Biden Administration's crusade to infringe on Americans' right to bear arms. Early in his presidency, Joe Biden declared that "The Second Amendment, from the day it was passed, limited the type of people who could own a gun and what type of weapon you could own. You couldn't buy a cannon."[286] This is categorically false.[287] The Second Amendment serves to limit governmental overreach and to protect the rights of individuals. The Left has continued its attacks on the second amendment and individual liberties, including the ATF's billion-record gun registry that would cover 100% of firearm transactions, criminalizing millions of law-abiding gun

[286] The White House, "Remarks by President Biden and Attorney General Garland on Gun Crime Prevention Strategy," July 23, 2021, https://www.whitehouse.gov/briefing-room/speeches-remarks/2021/06/23/remarks-by-president-biden-and-attorney-general-garland-on-gun-crime-prevention-strategy/

[287] Dominick Mastrangelo, "WaPost gives Biden four 'Pinocchios' for saying Second Amendment bans cannon ownership," The Hill, June 28, 2021, https://thehill.com/homenews/media/560513-wapost-gives-biden-four-pinocchios-for-saying-second-amendment-bans-cannon/

owners overnight by making it a felony to own certain firearms with pistol braces, and the so-called "Bipartisan Safer Communities Act," which will do nothing to reduce gun violence.

The RSC Budget would implement Rep. Michael Cloud's (R-TX) No REGISTRY Rights Act. This bill would prevent the ATF from using records to create a federal firearms registry. Specifically, it would mandate the ATF destroy all firearm transaction records on file. The bill would also require Federal Firearm Licensees (FFLs) to destroy all transaction records if they go out of business. The RSC Budget also supports Rep. Paul Gosar's (R-AZ) Gun-owner Registration Information Protection Act (GRIP Act) which would clarify existing law that prohibits the use of any federal funding by states or local entities to store or list sensitive, personal information related to the legal ownership or possession of firearms.

Additionally, the RSC Budget supports Rep. Andrew Clyde's (R-GA) SHORT Act, which would prevent implementation of the Biden administration's pistol brace rule. This rule would classify any pistol equipped with a stabilizing brace as a "short-barreled rifle"—requiring gunowners to register their firearms with the ATF and pay a $200 tax. While enforcement has been blocked by the courts, if it were in effect, gunowners–many of which are disabled and rely on braces to use their pistols–would turn into felons overnight for failing to register with the ATF.

Further, the RSC Budget supports defunding the constitutionally dubious red flag provisions in the so-called Bipartisan Safer Communities Act.

The RSC Budget would implement Rep. Michael Cloud's (R-TX) Protecting the Right to Keep and Bear Arms Act, which would prevent President Biden and the Department of Health and Human Services from using public health emergencies to implement unconstitutional gun control, similar to what Gov. Michelle Lujan Grisham (D-NM) sought to do back in September of 2023.

The RSC Budget calls for enactment of Rep. Richard Hudson's (R-NC) Concealed Carry Reciprocity Act, which allows gun owners to defend themselves across state lines while preserving state legislatures' role in enacting permitting policies appropriate to their state. The RSC Budget would also implement Rep. Jeff Duncan's (R-SC) Hearing Protection Act to stop the consideration of silencers as firearms and effectively remove silencers from regulation under the National Firearms Act, as well as Rep. Bob Good's (R-VA) SHUSH Act, which would deregulate suppressors at the federal level and preempt state laws that regulate, tax, or prohibit the possession of suppressors.

Defense of Religious Freedoms

In 2008, then-candidate Barack Obama referred to many Americans he disagreed with as clinging to "guns or religion." This comment sparked wide criticism from Republicans and Democrats alike, including then-candidate Hillary Clinton. Just fifteen years later, the intolerance shown toward religious Americans by the Left has been baffling. As of May 19, 2023, there have been 39 violent attacks on churches, 67 attacks on pro-life organizations/pregnancy centers, and 24 other violent incidents since the original SCOTUS leak of the Dobbs decision.[288]

The silence by leading Democrats, including President Biden, is deafening in the face of these disgusting acts of violence. The lack of urgency from the Department of Justice – who has only charged two individuals in this string of attacks is another disturbing example of Democrats' two-faced justice system.[289] The RSC Budget supports policies that protect Americans' right to live according to their beliefs without discrimination, persecution, or retaliation from the federal or state government. This is particularly true for our churches, non-profits, and faith-based organizations.

Moreover, it is critical that such organizations are not discriminated against in federal grantmaking procedures. Accordingly, the RSC Budget adopts Rep. Mike Kelly's (R-PA) Child Welfare Provider Inclusion Act, a bill that would ensure faith-based institutions and individuals can continue to provide child welfare services and without government discrimination based on their beliefs. It also supports former Rep. Ted Budd's (R-NC) Equal Treatment of Faith-Based Organizations Act, which would reverse the Obama-era policy that required faith-based providers of social services to disclose their religious affiliation and refer potential clients to other providers and specify that faith-based organizations must be on equal footing with secular organization when applying for federal funding. The RSC Budget also supports Rep. Steve Scalise's (R-LA) Free Speech Fairness Act, which would ensure that churches and church officials can exercise their first amendment rights without facing the threat of federal taxation. The RSC Budget also supports Speaker Mike Johnson's (R-LA) History and Tradition Protection Act of 2021, which would protect religious expression by eliminating attorneys' fees in civil cases that seek to remove public monuments and buildings including religious language.

Opposing Federal Efforts to Redefine Gender and Protecting Conscience Rights

Just months into Joe Biden's presidency, his Department of Health and Human Services (HHS) announced that the Office for Civil Rights will interpret prohibitions on discrimination based on sex to include: (1) discrimination on the basis of sexual orientation; and (2) discrimination on the basis of gender identity.[290] The RSC Budget opposes federal efforts to redefine sex and gender. Instead, the federal government should protect women, girls, and children, and secure conscience rights. Protecting and defending individual rights does not include federal enforcement of policies that contradict practitioners' religious beliefs. We condemn the efforts of President Biden and Congressional Democrats to undermine these values and recognize the error of Bostock v. Clayton, which inappropriately expanded the definition of "sex" in the Civil Rights Act.

This budget would adopt the following legislation to push back on this attack from the Left:

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[288] "Attacks on Churches, Pro-Life Organizations, Property, and People Since the Dobbs Leak on May 2, 2022 (as of 5/19/23)," Accessed on March 11, 2024, https://downloads.frc.org/EF/EF22F17.pdf
[289] Catholic News Agency, "Merrick Garland grilled on anti-Catholic, pro-abortion bias during Senate hearing" accessed April 11, 2023, https://www.catholicnewsagency.com/news/253775/merrick-garland-grilled-on-anti-catholic-pro-abortion-bias-during-senate-hearing
[290] Caroline Downey, "Biden HHS Redefines Sex as Non-Biological in New 'Anti-Discrimination' Rule Change," National Review, May 10, 2021, https://news.yahoo.com/biden-hhs-redefines-sex-non-171413440.html

- Rep. Greg Steube's (R-FL) Protection of Women and Girls in Sports Act, which would ensure that women and girls have a fair playing field in competitive sports by prohibiting the use of Title IX funds to support programs in which biological male athletes are allowed to participate against biological female athletes. In the 117th Congress, the RSC Steering Committee took an official position in support of this bill. Also, Chairman Jim Banks led a discharge petition to attempt to force a vote on the House floor on this important piece of legislation.
- Rep. Mary Miller's (R-IL) Safety and Opportunity for Girls Act, which would protect spaces for women and girls in schools. It would prevent the Biden Administration from forcing schools to allow biological males in bathrooms, locker rooms, and sports teams with females.
- Rep. Debbie Lesko's (R-AZ) Women's Bill of Rights, which would express the need to preserve legal protections afforded to women by reaffirming that under federal law: (1) sex refers to the biological sex of an individual at birth; (2) woman refers to a biological female; and (3) man refers to a biological male.
- Rep. Lauren Boebert's (R-CO) Protecting our Kids from Harmful Research Act, which would prohibit federal funding of sex-reassignment research on minors.
- Rep. Tim Walberg's (R-MI) PROTECT Kids Act, which would bar schools from receiving federal funds if they change the gender, pronouns, or preferred name of a minor child on school forms or allow a child to change their sex-based accommodations without parental consent.
- Rep. Doug LaMalfa's (R-CA) Protecting Children from Experimentation Act, which would create a new criminal offense for performing gender reassignment treatment on minors along with a corresponding civil right of action for victims.
- Rep. Doug LaMalfa's (R-CA) End Taxpayer Funding of Gender Experimentation Act, which prohibits federal funding of gender reassignment surgeries and treatments.
- Rep. Jack Bergman's (R-MI) bill, to prohibit the VA from providing or funding gender transition surgeries.
- Former RSC Chairman Jim Banks' (R-IN) Protecting Minors from Medical Malpractice, which would allow people who had gender-transition procedures as a minor to sue the medical practitioner who performed the life altering procedure.
- Rep. Marjorie Taylor Greene's (R-GA) Protect Children's Innocence Act, which would make it a criminal offense to perform life altering gender-transition procedures on a minor.
- Speaker Mike Johnson's (R-LA) Stop the Sexualization of Children Act, which would prohibit (1) the use of federal funds to develop, implement, facilitate, or fund any sexually oriented program, event, or literature for children under the age of 10; and (2) the use of federal facilities or properties to host or promote such programs, events, or literature. The bill also grants a parent or guardian a private right of action against a government official, government agency, or private entity that violates the bill's requirements.

Secure America's Borders and Protect the Homeland

The RSC Budget recognizes that U.S. immigration policy should be designed to primarily serve the interest of American citizens, families, and workers. We embrace these principles:

- Immigration policy should protect our national security by protecting the American people from terrorism, cartels, and other threats to their safety.
- Immigration policy should prioritize American workers, help grow our middle class, raise wages, and enhance economic opportunity for all lawful residents.
- Immigration policy should respect the rule of law, along with immigrants that honor our legal immigration processes, rather than incentivize law breaking.
- Immigration policy should aim to assimilate legal immigrants into the American family so they too can take pride in our values, history, and heritage.

Far from anyone's ideal, President Biden, recently impeached DHS Secretary Alejandro Mayorkas, and Congressional Democrats have embraced the opposite: an illegal open-borders agenda that has created the worst border crisis in U.S. history. In doing so, they have compromised the sovereignty of our nation and blatantly ignored the executive branch's duty to maintain operational control of the southern border. Examples include the Biden Administration's moves to terminate existing border wall construction contracts, reinstate Obama-era "catch and release" policies, reverse Trump-era interior enforcement policies, cease the Trump Administration's Migrant Protection Protocols (MPP), and reverse its Title 42 order. The Biden Administration has even been caught flying illegal immigrants encountered at the border to unsuspecting communities across the country in the dead of night.[291] Illegal immigrants are now being hosted and sheltered at public airports,[292] as communities across the country are dealing with the devastating effects of an open border, including increased drug trafficking, rampant human trafficking, and the skyrocketing costs of absorbing illegal migrants. Fentanyl overdoses are now the leading cause of death among Americans aged 18-45.[293]

Democrats' open-border policies have made every State a border State and has even left some states, like Texas, footing the bill to secure the border.

Since President Biden assumed office, the Republican Study Committee has pushed back against his "open-borders" approach to national security. On March 17, 2023, the Republican Study Committee Steering adopted an official position calling for border security legislation that would require the Biden Administration to enforce the law, restore operation control of the border, reform the broken asylum process, end incentives for illegal immigration, improve border infrastructure, build the wall, and combat cartels.[294]

The RSC Steering Committee also unequivocally endorses the impeachment of Secretary Mayorkas. The House impeached Secretary Mayorkas on February 13, 2024. Additionally, the RSC Budget

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291 Miranda Devine, "'Betraying the American people': Leaked video reveals Joe Biden's 'hush hush' migrant invasion." New York Post, January 26, 2022, https://nypost.com/2022/01/26/leaked-video-reveals-joe-bidens-hush-hush-migrant-invasion/

292 Sophia Tareen and Melissa Perez Winder, "Chicago is keeping hundreds of migrants at airports while waiting on shelters and tents," The Associated Press, October 1, 2023, https://apnews.com/article/migrants-immigration-airports-asylum-chicago-1399cc2447f89fdd3ed7b650ca84bbf5

293 Julie Vitkovskaya and Courtney Kan, "Why is Fentanyl so Dangerous?", The Washington Post, April 10, 2023, https://www.washingtonpost.com/nation/2022/11/03/fentanyl-opioid-epidemic/

294 Republican Study Committee, "RSC Steering Committee Endorses Border Security Framework." March 17, 2023. https://rsc-hern.house.gov/news/press-releases/rsc-steering-committee-endorses-border-security-framework

strongly supports H.R. 2, the Secure the Border Act, which passed the House of Representatives on May 1, 2023, and included many of the policies adopted by the RSC Steering Committee.[295] In the past several years, RSC members have introduced many pieces of legislation to fix our immigration system and address the crisis at the southern border. The following examples of these bills are supported by the RSC Budget.

The RSC Budget supports Rep. Clay Higgins' (R-LA) bill, the Finish the Wall Act and Rep. Jim Banks (R-IN) Build the Wall Now Act, which, among other things, would complete wall construction projects proposed by President Trump. The RSC Budget supports Rep. Matthew Rosendale's (R-MT) REMAIN in Mexico Act to require the Biden Administration to continue implementation of President Trump's Migrant Protection Protocols. This budget would also implement Speaker Mike Johnson's (R-LA) bill, the Closing Asylum Loopholes Act, which would increase the "credible fear" standard to reduce fraud in the asylum process and preserve the program for those truly in need. Additionally, the RSC Budget supports hiring more immigration judge teams to handle and thoroughly vet the existing backlog of asylum applications.

The RSC Budget would implement RSC Chairman Kevin Hern's Withholding Illegal Revenue Entering Drug Markets (WIRED) Act, which would impose a 10 percent fee on remittances out of the United States, to finance these necessary investments in border security. These remittances are often the result of activities such as drug and human smuggling. Similarly, the RSC Budget applauds Rep. Nathaniel Moran's (R-TX) Border Security Investment Act, which would impose remittances on payments made to the top five nations of origin for illegal immigration in the United States. The RSC Budget would prohibit federal funds from going to cities or jurisdictions operating as sanctuaries for illegal immigrants. There are at least 190 of these so-called sanctuary jurisdictions across the country.[296] Accordingly, the RSC Budget supports the No Sanctuary for Criminals Act, which would block federal grants from flowing to these jurisdictions. The RSC Budget also supports legislation that would allow victims of illegal alien crime to sue sanctuary jurisdictions for damages.

The RSC Budget supports Rep. Randy Feenstra's (R-IA) bill, Sarah's Law, to ensure that federal authorities can detain, until ICE can process them, any illegal alien that commits a crime that results in the death of another person. This budget also supports the following common-sense measures to support border security and protect the American homeland:

- Rep. August Pfluger's (R-TX) legislation to prohibit non-citizens from voting in D.C. elections.
- Former Rep. Vicky Hartzler's (R-MO) bill, Eradicate Crossing of Illegal Tunnels (EXIT), which would expedite the approval process that U.S. Customs & Border Protection (CBP) agents must undergo to destroy tunnels at the border used for illegal crossings and the transportation of narcotics.
- Rep. Dan Meuser's (R-PA) Immigration Transparency and Transit Notification Act, which would require the HHS Secretary to notify Federal, state, and local health officials of any jurisdiction before placing an illegal immigrant there.

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[295] United States House of Representatives, "Roll Call 209 | Bill Number: H. R. 2," Office of the Clerk, May 11, 2023, https://clerk.house.gov/Votes/2023209
[296] Center for Immigration Studies, "Map: Sanctuary Cities, Counties, and States," Updated on March 22, 2021, https://cis.org/Map-Sanctuary-Cities-Counties-and-States

- Rep. Tom McClintock's (R-CA) Illegal Immigrant Payoff Prohibition Act, which prohibits settlement payments to illegal aliens in connection with their inadmissibility.
- Rep. Dan Bishop's (R-NC) Immigration Detainer Enforcement Act, which would give explicit authority to local law enforcement agencies to hold detained illegal immigrants for 48 hours to allow DHS to assume custody.
- Rep. Lance Gooden's (R-TX) No Tax Dollars for the United Nation's Immigration Invasion Act, which would prohibit federal funding for UN agencies that encourage illegal immigration.
- Rep. Michael Cloud's (R-TX) 287(g) Program Protection Act, which would strengthen law enforcement partnerships between federal officials and state and local officers in enforcing immigration law and combatting related crimes.

The RSC Budget also supports ending the diversity lottery visa program and limiting chain migration to the spouses and children of U.S. citizens and legal permanent residents. The RSC Budget would also support the intent of the 14th Amendment by only conferring citizenship, at birth, to someone born of at least one U.S. citizen or legal permanent resident of the United States.

It is also essential that the federal government prohibit people from overstaying their visas by rigorously enforcing visa limits. The RSC Budget encourages attempts to add bonding requirements to certain visas with high overstay rates to mitigate the issue of visa overstays.

Prioritizing American Workers

The RSC budget would disallow business deductions for wages paid to illegal immigrants. Additionally, the RSC budget would require employers to use the E-Verify system, produced by DHS, before they employ someone to ensure that their prospective employee is legally allowed to work in the U.S.

The RSC Budget would implement common sense reforms to end corrupt practices in the H-1B Visa program. The RSC Budget would adopt former RSC Chairman Jim Banks' (R-IN) legislation, the American Tech Workforce Act. This bill would make important wage reforms and replace the current lottery system used in the program, which outsourcing firms abuse by flooding the system with applications to make it more likely they receive H-1B slots.

For over 100 years, the "public charge" doctrine has served as a cornerstone of U.S. immigration law that sits at the nexus of welfare reform and immigration policy. According to this deeply embedded principle, the U.S. should deny admission and permanent residence to an individual likely, at any time, to depend upon the government for subsistence. The welfare reforms of 1996 embraced this principle by limiting welfare benefits to citizens and certain categories of legal immigrants after having been in the U.S. for five years. The RSC Budget would build off these reforms to ensure welfare funds are available for U.S. citizens, legal immigrants once they achieve citizenship, and refugees for their first two years in the United States. The RSC Budget also rejects President Biden's abandonment of the Trump Administration's common-sense "public charge" rule

– a rejection that defies logic in the face of the worst border crisis in American history.[297] This budget supports Rep. Bob Good's (R-VA) Preserving Safety Net Integrity Act, which would codify the Trump Administration's public charge rule. The budget similarly supports Rep. Troy Nehls' (R-TX) Congressional Review Act resolution, which would disapprove of Biden's efforts to undo the Trump Administration's public charge rule. The annual cost to care for and house the known got-aways and illegal aliens who have been released into the country under Mayorkas' leadership is estimated to cost as much as $451 billion.[298]

The RSC Budget also supports amending welfare funding formulas to exclude illegal alien populations when calculating grants given to states. It would ensure all benefit applicants are checked through the federal Systematic Alien Verification for Entitlements (SAVE) system before being able to take advantage of a federally funded job training program. Additionally, the RSC Budget supports Rep. Glenn Grothman's (R-WI) Preventing Illegal Immigrants from Abusing Tax Welfare Act, which would prohibit illegal aliens from receiving a Social Security number under the Obama-Biden executive amnesty program.

[297] The National Law Review, "Biden Administration Abandons Trump-Era Public Charge Rule," March 23, 2021, https://www.natlawreview.com/article/biden-administration-abandons-trump-era-public-charge-rule
[298] https://cis.org/Arthur/Bidens-Border-Fiasco-Costing-Local-Taxpayers-Billions

RSC

PERSONALIZED AND AFFORDABLE HEALTH CARE

To reduce costs, improve quality, and foster transparency and innovation, the RSC Budget supports reforms that would make America's health care programs more market-oriented, locally and community focused, and patient-driven. By tying federal health care aid to need, measured by services required and income, we can decouple program sending from the causes of spiraling inflation. The current price spiral comes from top-down control from federal bureaucrats, who misallocate resources and prohibit innovation in health care delivery. A streamlined approach that empowers patients and communities will reduce costs while increasing access and improving the quality of care for all Americans.

Creating Personalized and Affordable Health Care

The Patient Protection and Affordable Care Act (ACA), better known as Obamacare, has not fulfilled its promise to guarantee plan retainment, affordability, quality of care or availability of doctors. Indeed, its result has been quite the contrary. It dramatically expanded the administrative state, inserted government bureaucrats between all Americans and their doctors, and destroyed competition in the marketplace. It has spurred consolidation in the health care industry, narrowed provider networks, and increased out-of-pocket costs to levels that are unaffordable for many families.

To mask this problem, President Biden and Democrats are hiding the true cost of health care by providing tens of billions billion in annual taxpayer subsidies through the Inflation Reduction Act (IRA).[299] [300] These subsidies are no solution. In fact, they provide taxpayer dollars to those well above the poverty line (including those making as much as $159,000 per year)[301] and drive up premiums in the exchanges.[302] Further, the Biden Administration has illegally implemented illegal executive actions to provide an additional $34 billion in taxpayer bailouts for the failed Obamacare experiment.[303] These expanded subsidies will only perpetuate a never-ending cycle of rising premiums and federal bailouts-- with taxpayers forced to foot the bill. Additionally, these subsidies would force millions of Americans off quality employer coverage into substandard Obamacare plans. The CBO found that making the IRA taxpayer bailouts permanent would reduce employer coverage by 2.3 million, while the Biden Administration's executive actions would also reduce access to employer coverage for millions of Americans. [304] [305] The RSC Budget would end these

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[299] Sally Pipes, "Don't Fall for Biden's Obamacare Boosterism." Newsmax, January 25, 2023. https://www.newsmax.com/sallypipes/biden-obamacare-taxpayers/2023/01/25/id/1105864/
[300] Congressional Budget Office, "Re: Health Insurance Policies." July 21, 2022, https://www.cbo.gov/system/files?file=2022-07/58313-Crapo_letter.pdf
[301] Brian Blase, PhD. "Expanded ACA Subsidies: Exacerbating Health Inflation and Income Inequality." Galen Institute, March 30, 2023. https://galen.org/assets/Expanded-ACA-Subsidies-Exacerbating-Health-Inflation-and-Income-Inequality.pdf
[302] Ibid
[303] Congressional Budget Office, "Re: Health Insurance Policies." July 21, 2022, https://www.cbo.gov/system/files?file=2022-07/58313-Crapo_letter.pdf
[304] Ibid.
[305] Brian Blase, "The Family Glitch Fix Shows Bias Against Employer Reimbursement Accounts." HRA Council, December 21, 2022. https://www.hracouncil.org/commentaries/the-family-glitch-fix-shows-bias-against-employer-reimbursement-accounts/

taxpayer bailouts while adopting reforms that reduce premiums and increase access to and choice of care for all Americans.

Among the reforms proposed in the RSC Budget, protecting individuals with pre-existing conditions is a top priority. The reforms contained in this budget would produce guaranteed coverage pools, more efficient and competitive markets, more tailored and portable health insurance policies, and would refocus aid to those that need it most. The reforms would work to ensure access to high-quality care for these Americans.

Obamacare has more than doubled insurance premiums in the individual market.[306] Major insurers have fled the Obamacare market, leaving many Americans over the years with the Hobson's choice to "shop" for insurance in a market with only one option available. At times, insurers completely fled a market leaving whole communities without a single marketplace plan available.[307] In fact, 22 percent of counties in the U.S. have two insurance carriers or less, and some have just one carrier from which to "choose."[308]

Obamacare has also dramatically escalated the unsustainable rise in American health care spending, which now consumes about a fifth of the US economy.[309] In large part, this is because it expanded an already overburdened and ineffective Medicaid system, bringing public health care spending to 43 percent of total health care spending in the United States in 2021.[310] Obamacare also banned new and expanded physician-owned hospitals from participating in Medicare or Medicaid. This has added to the physician shortage, exacerbated heath care cost inflation, and reduced access to care.[311] At the same time, Obamacare's ban on physician-owned hospitals has contributed to increasing consolidation in the hospital sector. According to one study, the 25 metropolitan areas with the highest levels of hospital consolidations charged prices between 11 and 54 percent higher than other metropolitan areas.[312] RSC Budget would reduce the underlying cost of care by eliminating this ban.

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306 Edmund Haislmaier and Abigail Slagle, "Obamacare Has Doubled the Cost of Individual Health Insurance." The Heritage Foundation, March 21, 2021. https://www.heritage.org/health-care-reform/report/obamacare-has-doubled-the-cost-individual-health-insurance

307 Centers for Medicare & Medicaid Services, "County by County Analysis of Current Projected Insurer Participation in Health Insurance Exchanges," June 13, 2017, https://www.cms.gov/Newsroom/MediaReleaseDatabase/Press-releases/2017-Press-releases-items/2017-06-13.html.

308 Centers for Medicare & Medicaid Services, "County by County Plan Year 2024 Insurer Participation in Health Insurance Exchanges." Accessed February 29, 2024," https://www.cms.gov/files/document/cms-cciio-draft-py-24-public-facing-map10262023v1.pdf

309 Centers for Medicare & Medicaid Services, "The National Health Expenditure Accounts: Historical," Accesses March 30, 2023, https://www.cms.gov/research-statistics-data-and-systems/statistics-trends-and-reports/nationalhealthexpenddata/nationalhealthaccountshistorical

310 Rabah Kamal, Daniel McDermott, Giorlando Ramirez, and Cynthia Cox, "How Has U.S. Spending on Healthcare Changed Over Time?" Peterson-Kaiser Health System Tracker, Accessed on February 29, 2024, https://www.healthsystemtracker.org/chart-collection/u-s-spending-healthcare-changed-time/#item-public-and-private-health-spending-have-both-grown-substantially-but-public-spending-has-grown-faster_2017.

311 Meg Bryant, "ACA is Taking a Toll on Physician-Owned Hospitals," *Health Care Drive*, July 11, 2017, https://www.healthcaredive.com/news/aca-is-taking-a-toll-on-physician-owned-hospitals/446761/.

312 Reed Abelson. "When Hospitals Merge to Save Money, Patients Often Pay More" New York Times, November 18, 2018, Sec. B. https://www.nytimes.com/2018/11/14/health/hospital-mergers-health-care-spending.html

The RSC Budget also opposes any attempts to hand more control over health care decisions that rightly belong to patients and doctors to federal bureaucrats. Democrats' preferred option, taxpayer-funded "Medicare-for-All," would constitute an unprecedented expansion of the federal government. It would also cost Americans an estimated $32 trillion in new taxes to artificially control premium increases and would inevitably lead to long wait times and a reduced quality of care.[313] In other words, the federal government would be the nation's sole health insurer with thousands of faceless, unaccountable Washington bureaucrats playing gatekeeper between patients and the health care services they need. The real and deadly consequences of single-payer health care are playing out in real-time in the United Kingdom, where 400,000 people have waited more than a year for medical care, those suffering a heart attack are forced to wait 90 minutes for an ambulance and as many as 500 people per week are dying from health care delays and shortages.[314] Moving to this system would be both unaffordable and cruel.

The RSC Budget adopts regulatory reforms developed by the RSC's Health Care Task Force, chaired by then-Representative and current Senator Roger Marshall (R-KS) in the 116th Congress, and set forth in its report: A Framework for Personalized, Affordable Care. The reforms contained in A Framework for Personalized, Affordable Care would transform the individual marketplace's current regulatory structure, unwind the ACA's Washington-centric approach, and largely return regulatory authority to the individual states.[315] The full suite of reforms offered by the RSC's plan are premised on the idea that protecting people with pre-existing conditions is more than just guaranteeing an insurance plan. The reforms adopted by the RSC Budget would provide protections to people with pre-existing conditions and focus on access to affordability and quality of care.

<u>Reducing Obamacare's Regulatory Mandates</u>

Under the RSC Health Care Task Force plan, protections pertaining to guaranteed issue and the prohibition on coverage exclusions would be retailored to reward continuous coverage and promote portability in the individual marketplace. Additionally, to provide Americans with options that fit their individualized needs, each state would again be allowed to determine the minimum attributes and cost-sharing parameters of plans to best meet the needs of their own citizens. In no case, however, would carriers be able to rescind, increase rates, or refuse to renew one's health insurance simply because a person developed a condition after enrollment.[316]

This RSC budget would also encourage insurers participating in the individual market to offer discounted premiums to younger, healthier enrollees by allowing medical underwriting. These plans

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[313] Republican Study Committee, "A Framework for Personalized, Affordable Care," Accessed March 30, 2022, https://rsc-hern.house.gov/sites/evo-subsites/rsc-hern.house.gov/files/FINAL%20RSC%20Health%20Care%20Report.pdf

[314] Robert E. Moffit, PhD. "British "Single-Payer" Health Care Program Is Cratering. That Should Be Wake-Up Call for U.S. Liberals." The Heritage Foundation, January 25, 2023, https://www.heritage.org/health-care-reform/commentary/british-single-payer-health-care-program-cratering-should-be-wake

[315] Republican Study Committee, "A Framework for Personalized, Affordable Care," Accessed March 30, 2022, April 30, 2022, https://rsc-banks.house.gov/sites/republicanstudycommittee.house.gov/files/FINAL%20RSC%20Health%20Care%20Report.pdf#page=7

[316] Ibid.

would be the same as other ACA plans offered by the same insurers but would offer lower premiums with guaranteed lifetime renewability in exchange for a one-time underwriting. This would incentivize Americans to choose individual market plans and to stay on them long term, thereby strengthening the health care market and applying downward pressure on all beneficiaries' premiums. Additionally, it would inject stability in insurance markets by ensuring that there is a younger, healthier risk pool for insurers who also carry standard, non-underwritten ACA plans. This type of proposal has been shown to work elsewhere in the world and is essentially a reverse image of Medicare penalties for late enrollment.[317]

Ultimately, by bringing in more consumers into individual market, these proposals would enhance market competition between insurers, which would drive down premiums, make health care more affordable for Americans, and reduce the amount of premium subsidies paid out by American taxpayers. Furthermore, by incentivizing more Americans to not only purchase individual plans but stay on them, employers would spend less on providing their employees' health care and wages.

Separately, states—and not the federal government—would be empowered under the RSC plan to establish restraints on the extent to which carriers could incorporate the health risks of individuals into premiums. Individuals with high-risk medical conditions would have affordable access to state-run Guaranteed Coverage Pools under which their health care costs would be subsidized with federal grants and further contained by any state-enacted premium-setting restrictions. Under this model, states would be free to implement models like Maine, which implemented an invisible risk pool system that reduced premiums by $7,000 for those above 60 and reduced premiums by as much as 70%.[318]Providing all states the freedom to adopt these smart reforms would significantly increase access to private health insurance, reduce costs and reduce federal spending. In addition, the RSC Budget would fully repeal Obamacare's destructive tax increases.

A number of states have used Section 1332 waivers in a way reflective of this approach. Under Section 1332, States can receive federal subsidies that originally would have gone to insurers through the ACA marketplace and, using state-matching funds, to implement innovative models free of top-down Obamacare mandates. States can only receive these waivers if they show that their plan will ensure access to high-quality care for all citizens (regardless of health-status) and reduce premiums. The use of 1332 waivers has been immensely successful. States with 1332 waivers saw premium reductions of 7.48% from 2018-2019.[319] Premiums in non-waiver states increased by 3.1%.[320] The RSC plan would empower all states to implement these innovative models to lower

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[317] Pope, Chris. "Continuous Renewable Coverage: Rx for America's Dysfunctional Health-Insurance System." Report, The Manhattan Institute. December 2020, https://media4.manhattan-institute.org/sites/default/files/rx-americas-dysfunctional-health-insurance-system-CP.pdf

[318] Joel Allumbaugh, Tarren Bragdon, and Josh Archambault, "Invisible High-Risk Pools: How Congress Can Lower Premiums and Deal with Pre-Existing Conditions." Health Affairs, March 2, 2017. https://www.healthaffairs.org/do/10.1377/forefront.20170302.059003/

[319] Doug Badger, Heritage Foundation, "How Health Care Premiums Are Declining in States That Seek Relief from Obamacare's Mandates." August 13, 2019, https://www.heritage.org/health-care-reform/report/how-health-care-premiums-are-declining-states-seek-relief-obamacares?_gl=1*gpkue7*_ga*MjQxMzQxNDAxLjE2MzUxODIzNTQ.*_ga_W14BT6YQ87*MTY1MjIwMzkxNC41LjAuMTY1MjIwMzkxNC42MA..&_ga=2.31373119.141285115.1652203915-241341401.1635182354

[320] Ibid

costs and ensure guaranteed access to affordable coverage for all Americans regardless of health status.

One of President Trump's greatest accomplishments as president was to institute a number of flexibilities into the health care system to make it work for Americans. These include the repeal of the individual mandate, repeal of Independent Payment Advisory Board (IPAB), ending unconstitutional Cost Sharing Reduction (CSR) payments, expanding 1332 waivers (as mentioned above), protecting and increasing the availability of short-term limited-duration plans, and expanding access to health reimbursement arrangements (HRAs), among others.[321] Nearly all of these reforms are or will be under attack by the Biden Administration. The RSC Budget opposes all efforts to undermine these critical reforms.

<u>Reducing Regulations</u>

Interstate Health Insurance Plans - In order to increase choice among insurance plans and increase access to more affordable options, the RSC Budget would ensure consumers are able to purchase health insurance across state lines. This would drive down costs by encouraging plans to compete to provide access to high-quality care.

McCarron-Ferguson Repeal - The RSC Budget support Rep. Paul Gosar's (R-AZ) Competitive Health Insurance Reform Act, which reforms the McCarran-Ferguson Act to restore the application of federal antitrust laws to the business of health insurance to provide for competition and protect consumers.

Expand Health Savings Accounts - The RSC Budget would drastically expand access to Health Savings Accounts (HSA) by eliminating the requirement that health savings accounts be tied to a high-deductible plan, increasing maximum contributions, and expanding the scope of eligible health care expenditures, such as to Direct Primary Care (DPC) arrangements. This would allow individuals greater flexibility over their health spending and a greater capacity to handle their health needs.

Legalize Association Health Plans – The RSC Budget would codify President Trump's Association Health Plans rule, which was designed to allow small businesses to pool together to leverage lower cost health insurance on behalf of their employees. By allowing multiple small businesses to band together to form a larger insurance pool, Association Health Plans make health insurance more affordable and accessible. Expanding access to Association Health Plans would reduce premiums by as much as $4,100 in the small group market and $10,800 in the individual market.[322] Unfortunately, President Trump's rule has been mired in legal proceedings and the Biden Administration has already taken steps to rescind it. To protect President Trump's rule, the House

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[321] Christopher Jacobs, "How an Obscure Regulatory Change Could Transform American Health Insurance," The Federalist, October 30, 2018, https://thefederalist.com/2018/10/30/how-an-obscure-regulatory-change-could-transform-american-health-insurance/.
[322] "Expanding Access to More Affordable Individual Market Options." House Ways and Means Committee Republicans, October 29, 2020. https://waysandmeans.house.gov/affordable-individual-market-options/

passed RSC Chairman Kevin Hern's (R-OK) CHOICE Arrangement Act, which would codify Association Health Plans in addition to several other types of health purchasing arrangements.

Oppose Inflation Reduction Act Price Controls – The RSC Budget opposes the price controls enacted by the Inflation Reduction Act. Rather than enact reforms to lower costs through increased competition in the pharmaceutical industry, President Biden and Congressional Democrats have embraced socialist price controls that will limit access to life-saving drugs for those who desperately need them. Several companies have already abandoned research into new cures for drugs treating diseases such as blood cancer and Stargardt disease.[323] According to the University of Chicago, the price-control provisions included in the Inflation Reduction Act would reduce medical research and development spending by as much as 60 percent and result in 342 fewer life-saving medical treatments.[324] As part of the full repeal of the disastrous Inflation Reduction Act, the RSC Budget would ensure continued access to these life-saving treatments by removing these price controls.

340B Reform - The RSC Budget supports reforms to ensure that drug discounts under the 340B program go where intended. This budget would support efforts to ensure that these benefits ultimately are used to reduce drug prices for the intended at-risk patients and are not used for other purposes.

This budget would also reduce federal regulations that stifle or prevent private investment in rural broadband in areas that could benefit from telehealth operations. In addition, this budget would implement regular congressional reviews of regulations on health care providers and insurers with the aim of repealing outdated and onerous regulations on a regular basis.

Embracing Technology to Reduce Health Care Prices – Technological innovation has the potential to dramatically reduce the cost of health care. Access to medicine via telehealth can increase access to primary care and limit emergency room visits. New technology, including wearable health care tech, can reduce the need for doctor visits by providing patients and their primary care physicians with more real-time data and instant communications. For these reasons, the RSC Budget supports Rep. David Schweikert's (R-AZ) Advanced Safe Testing at Residence Telehealth Act. This bill would establish pilot programs to allow federal health program to provide patients with technology approved by the FDA, including "…remote patient monitoring, wearables, diagnostics, tests, software as medical device (SaMD) and more from the comfort of their own home."[325] In addition, the RSC Budget supports RSC Chairman Kevin Hern's (R-OK) Access to Prescription Digital Therapeutics Act, which would allow Medicare to cover FDA approved phone applications that treat diseases such as depression and post-traumatic stress disorder.

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[323] Isabelle Morales, "Biden Budget Expands Disastrous Price Controls on Medicine." Americans for Tax Reform, March 9, 2023. https://www.atr.org/biden-budget-expands-disastrous-price-controls-on-medicine/
[324] Tomas Philipson and Troy Durie, "The Evidence Base on the Impact of Price Controls on Medical Innovation." Becker Friedman Institute for Economics at the University of Chicago, September 14, 2021, https://bfi.uchicago.edu/working-paper/the-evidence-base-on-the-impact-of-price-controls-on-medical-innovation/
[325] Congressman Schweikert Introduces Legislation to Expand Patient Access to Innovative Healthcare Technologies." U.S. Congressman David Schweikert, July 22, 2021, https://schweikert.house.gov/2021/07/22/congressman-schweikert-introduces-legislation-expand-patient-access/

Modernizing the Tax Treatment of Health Insurance

We must modernize the tax treatment of health insurance to mitigate the inflationary pressure created by the exclusion for employer sponsored insurance (ESI) premiums. The ESI exclusion is the primary reason why the U.S. has developed its unique health care system, in which the government has artificially made it cheaper for employers and employees to lock people in their present jobs and have employers handle health care negotiations for individuals, instead of increasing wages and giving people increased freedom. This has prevented the organic development of a competitive, transparent, and accessible health care market. Instead, this tax preference has effectively turned each individual employer into its own balkanized health care market.

Moreover, where an individual is employed dramatically alters their access to health insurance. For example, in 2022, only 39 percent of very small businesses offered health insurance benefits, whereas 91% of the largest firms did.[326] The sectioning of health insurance products into millions of separate markets has turned the health insurance industry into the most monopolistic, least competitive, and least innovative in the U.S. economy. It has significantly reduced wages by shifting compensation dollars away from wage and salary increases.[327]

ESI also reduces labor flexibility by paying people to stay with their present job and not enabling them to switch to a more productive one. It increases costs because individuals, who do not pay most of their health care costs directly, are encouraged to enroll in needlessly expensive health insurance policies.[328]

The ESI exclusion drives hyperinflation and inefficiency of the health care industry. Over the last 20 years (pre-COVID-19 pandemic), the average change in prices for non-health care goods and services grew at an average annual rate of 2.4 percent, while the costs of medical care grew at an annualized rate of 3.4 percent.[329] It affects the private insurance market and contributes to the exponential spending growth of Medicare, Medicaid, and other federal health care programs.

Though one method of reform would be to repeal the exclusion entirely and use the increased revenues to reduce tax rates across the board, this would cause immediate upheaval to the health insurance system that the exclusion has distorted for almost 80 years. Instead, the RSC Budget would reform the tax treatment of private health insurance in a revenue-neutral manner by providing a capped exclusion for all spending on health insurance by and on behalf of the tax filer, as well as for related dependents. This would include employer health insurance plans, as is the case now, as well as any such spending from an individual, charity, or family member. This would equalize the tax treatment of all health insurance products and allow the organic development of efficient health insurance products without forcing a change to the existing health insurance market that most Americans rely on. This would also allow any number of employers to freely work

[326]Kaiser Family Foundation, "2022 Employer Health Benefits Survey," October 27, 2022, https://www.kff.org/report-section/ehbs-2022-section-2-health-benefits-offer-rates/
[327]Katherine Baicker and Amitabh Chandra, "The Labor Market Effects of Rising Health Insurance Premiums," https://www.nber.org/papers/w11160.pdf.
[328] Ibid.
[329] Peter G. Peterson Foundation, "Why Are Americans Paying More for Healthcare?" January 20, 2023, https://www.pgpf.org/blog/2020/04/why-are-americans-paying-more-for-healthcare.

together to create insurance pools. This universal exclusion would also have a high per capita cap to ensure revenue neutrality.

To increase flexibility for small business owners and their employees, the RSC budget supports codifying the Trump Administration's rule that creates individual coverage Health Reimbursement Arrangements (ICHRAs). ICHRAs reduce the administrative burden on employers by allowing them to make tax-preferred contributions to a health reimbursement account for their employees. This relieves employers from the complexity of designing their own health insurance plan and the financial burden of hiring a broker. Under ICHRAs, employees can use the contribution to cover the cost of premiums for a more diverse option of health insurance plans, giving the employee more flexibility and choice. In addition, this budget would expand the uses for ICHRA funds and allow for more eligible health payer systems to qualify as "individual coverage" for ICHRA purposes. For example, individuals would be able to use ICHRA funds to contribute to health sharing ministries or purchase a combination of Direct Primary Care services (DPC) and wrap-around catastrophic coverage. Providing employees with the ability to pick health care unaffiliated with their employer, makes health care more portable for a highly mobile labor market.

Streamlining Medicaid and the Children's Health Insurance Program

As a quasi-voluntary, state-federal partnership, Medicaid traditionally subsidized health care services for the most vulnerable Americans, including individuals with disabilities, low-income children, low-income seniors, and pregnant women. Medicaid is the largest federal means-tested welfare program and accounts for the majority of federal means-tested spending. Federal funding is estimated to be $551 billion in 2024 and grow to a projected $898 billion in 2034.[330] Despite spending that continues to climb at an unsustainable rate, Medicaid continues to fail beneficiaries.

Research has shown patients covered by Medicaid are, in some cases, more likely than the uninsured to have poor health outcomes, such as an increased instance of death after a major surgery.[331] A landmark randomized controlled trial in Oregon compared similar populations of low-income, able-bodied Medicaid enrollees with non-enrollees. The study found, "Medicaid increased health care utilization, reduced financial strain and reduced depression, but produced no statistically significant effects on physical health or labor market outcomes."[332] Further, Medicaid will often provide funding to abortion providers, violating the right to life while failing to provide quality health care for beneficiaries. RSC's budget would ensure that none of these funds go to entities that provide abortions.

Even if the care provided by Medicaid was not substandard, its growing costs are unsustainable. This problem was exacerbated by Obamacare, which drastically increased the scope of Medicaid from a program intended to serve individuals with disabilities, low-income children, low-income

[330] Congressional Budget Office, "The Budget and Economic Outlook: 2024 to 2034." February 7, 2024, https://www.cbo.gov/system/files/2024-02/59710-Outlook-2024.pdf
[331] Avik Roy, prepared testimony for hearing on "Strengthening Medicaid and Prioritizing the Most Vulnerable," House Committee on Energy and Commerce, Subcommittee on Health, 115th Congress, 1st Session, February 1, 2017, http://docs.house.gov/meetings/IF/IF14/20170201/105498/HHRG-115-IF14-Wstate-RoyA-20170201.pdf.
[332] National Bureau of Economic Research, "Oregon Health Insurance Experiment: Overview," Accessed April 30, 2022, http://www.nber.org/oregon/index.html.

seniors and pregnant women to a program that can cover all adults below a certain income threshold.

To make matters worse, Obamacare provides an inflated contribution for these new Medicaid expansion populations, incentivizing states to pull funding from other needs of the core populations under Medicaid. Not only does this reduce spending for vulnerable populations— the poor, aged, disabled, and children—but the enhanced federal share for healthy, able-bodied adults forces taxpayers to subsidize those who would likely be able to purchase private insurance. As noted by Chris Pope of the Manhattan Institute, "…economists Jonathan Gruber and Kosali Simon estimated that 60% of those newly covered previously had private insurance. This crowd-out rate increases the higher up the income distribution that eligibility for Medicaid is expanded."[333]

Additionally, the normal federal contribution formula still has two major drawbacks. First, it incentives states to tax their own Medicaid providers to leverage more federal funds to give back to those providers, a practice known as "provider taxes" that unnecessarily increase federal spending without improving patient outcomes.[334] This practice has been rightfully referred to as a "scam" by President Biden.[335] Secondly, it forces states to funnel their health care funds into a singular federal program, stunting innovation that would occur if states were allowed to use funds they raised in whatever fashion they want. President Biden's American Rescue Plan Act also included an additional incentive to encourage states to expand their Medicaid programs in the form of a two-year, five percent boost to the federal match rate.

Separately, the Children's Health Insurance Program (CHIP) is a state-federal partnership program established to provide aid to children in families who make too much money to qualify for Medicaid, but who still may not be able to afford private insurance.

States have a proven track record of innovation and, when granted flexibility with sufficient guardrails, can develop new solutions to improve patient care and meet their citizens' health care needs while ensuring taxpayer funds are used wisely.

For these reasons, the RSC Budget proposes to create five new block grants by repurposing funding for these programs and the Obamacare exchange subsidies. First, Medicaid funding for children and CHIP funding would be combined into a block grant that states can use to help families acquire health insurance. The grant would have no income floor so states could use it to provide for the needs of all low-income children. Medicaid funding for the elderly, people with disabilities, and pregnant women would be allocated into three more separate block grants for states to provide services for those populations in a flexible manner. A fifth grant would be available

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[333] Chris Pope, "A Plan to Make Medicaid Fair, Focused, and Accountable." Manhattan Institute, August 20, 2020, https://www.manhattan-institute.org/plan-make-medicaid-fair-accountable

[334] American Legislative Exchange Council, "Resolution on Federal Medicaid and Welfare Block Grants," January 28, 2013, https://www.alec.org/model-policy/resolution-on-federal-medicaid-and-welfare-block-grants/

[335] Brian Blase, "Biden Was Right: Medicaid Provider Taxes A 'Scam' That Should Be Scrapped." Forbes, February 16, 2016, https://www.forbes.com/sites/theapothecary/2016/02/16/biden-was-right-medicaid-provider-taxes-a-scam-that-should-be-scrapped/?sh=62c2181c1c6c

to states to support programs that ensure guaranteed insurance coverage, which would include funding for the guaranteed coverage pools mentioned earlier. Then, the state could choose whether to transfer additional funds from this grant to the other four grants or use these funds to provide subsidies to ABAWDs to acquire health insurance. These individuals would only be able to receive these benefits if they earn over a certain threshold. Additionally, these benefits would be capped as a percentage of earned income and would phase-out past a separate earned income threshold. ABAWDs would be subject to sensible work requirements, which the CBO has estimated would reduce federal spending on the program by $135 billion.[336] Additionally, funds could not be used to provide coverage to individuals who have not provided evidence of their eligibility, including proof of their legal immigration status. The growth factor for each of these grants would be tied to population changes of the covered population groups in each state, allowing federal support to change with the size of the covered population and states to plan more efficiently.

Separating these funding streams would allow Congress to make sure federal taxpayers are going to provide for the health care needs of the populations Medicaid was traditionally intended to cover. It also improves the ability to ensure that able-bodied, working-age beneficiaries are engaged in work or job training, similar to the successful TANF reforms established in the 1990s, without denying benefits to recipients that cannot enter the labor force.

The funding for these block grants would take into account savings from effectively eliminating provider taxes, which CBO has estimated would reduce federal deficits by $526 billion by eliminating unnecessary spending, [337] and rebalancing the federal share of these support programs down from the average 64.6 percent to a 50/50 split with the states. [338] While the current federal-state split encourages states to expand spending on optional services for individuals who could afford private coverage,[339] moving to a 50/50 split will ensure that states focus Medicaid spending on mandatory benefits for vulnerable populations as the program was originally designed.

These reforms collectively would save more than $4.5 trillion over 10 years while protecting Medicaid's vulnerable populations and achieving better results for low-income Americans.

[336] Congressional Budget Office, "Work Requirements and Work Supports for Recipients of Means-Tested Benefits." June 2022, https://www.cbo.gov/system/files/2022-06/57702-Work-Requirements.pdf#page=32
[337] Congressional Budget Office, "Options for Reducing the Deficit: Limit State Taxes on Healthcare Providers." December 7, 2022. https://www.cbo.gov/budget-options/58623
[338] Congressional Budget Office, "The Budget and Economic Outlook: 2024 to 2034." February 15, 2024, https://www.cbo.gov/system/files/2024-02/59710-Outlook-2024.pdf
[339] Chris Pope, "A Plan to Make Medicaid Fair, Focused, and Accountable." Manhattan Institute, August 20, 2020. https://www.manhattan-institute.org/plan-make-medicaid-fair-accountable

SAVING MEDICARE

"The Biden administration has been lying to the American people. The RSC Budget does not cut benefits or raise premiums for Medicare beneficiaries. We make plans to compete for their seniors' hard-earned money and find other savings that have nothing to do with premiums or benefits. This is a win for seniors who will have lower premiums and the same high-quality coverage under the RSC Budget. That's a fact. "

- RSC Chairman Kevin Hern

Medicare's Current Path to 11 Percent Cuts

Nearly every American worker pays into Medicare for their entire working lives. It is paramount to conservatives that our government honors the commitment made to these Americans.

Medicare currently covers more than 65 million Americans and is projected to spend $1.033.6 trillion (excluding offsetting receipts) in FY 2024.[340] With more Americans retiring every day, enrollment in the program is projected to grow by 24 percent to 77 million in 2030.[341] By FY 2031, the program will spend $1.81 trillion a year, which will only accelerate from that point on.[342][343]

According to the latest estimates from the Medicare Trustees, the Hospital Insurance (HI) Trust Fund is expected to be depleted in 2031, at which point payments to providers will be cut by more than 11 percent.[344] Once the last dollar in the HI Trust Fund is spent, American seniors will be made to bear the brunt of years of congressional inaction. Payment cuts will result in rationed care for current and future beneficiaries, which means delayed treatments and poorer quality of life. The "Medicare guarantee" would no longer exist.

In other words, inaction on meaningful Medicare reforms is an endorsement of severe cuts to Medicare benefits.

Biden's Failed Approach

Rather than exercising prudent leadership, President Biden has engaged in reckless demagoguery, using the Medicare program as a piggy bank to reward special interests. Unfortunately, this is not surprising given Biden's history of supporting legislation that pulled funding from Medicare. As Vice-President, Biden supported the passage of Obamacare, which raided $716 billion from

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[340] The Board of Trustees, Federal Hospital Insurance and Federal Supplemental Medical Insurance Trust Funds, "2023 Annual Report of the Board of Trustees of the Federal Hospital Insurance and Federal Supplementary Medical Insurance Trust Funds." March 31, 2023. https://www.cms.gov/oact/tr/2023

[341] *July 2023: A Data Book – Health Care Spending and the Medicare Program.* July 2023. MedPAC. https://www.medpac.gov/wp-content/uploads/2023/07/July2023_MedPAC_DataBook_SEC.pdf

[342] Ibid.

[343] The Board of Trustees, Federal Hospital Insurance and Federal Supplemental Medical Insurance Trust Funds, "2023 Annual Report of the Board of Trustees of the Federal Hospital Insurance and Federal Supplemental Medical Insurance Trust Funds." March 31, 2023. https://www.cms.gov/oact/tr/2023

[344] Ibid.

Medicare to pay for the failed Affordable Care Act.[345] This included $415 billion in reduced payments to doctors and hospitals.[346] Additionally, the Inflation Reduction Act (IRA) used nearly $300 billion generated largely from Medicare price controls to pay for its woke agenda.[347][348] The IRA's price controls are already having negative influence on pharmaceutical research and development, with 78 percent of pharmaceutical manufacturers considering the cancellation of early-state pipeline projects and 82 percent reporting that IRA provisions will have "substantial impacts" on R&D decisions regarding cardiovascular, mental health, neurological, cancers, and rare disease drug products already in development.[349] By some estimates, the IRA's dangerous policies could deny Americans up to an estimated 342 new, potentially life-saving drugs by 2039.[350]

President Biden's previous budget would only rob Americans of more access to life-saving drugs through $200 billion in additional harmful price controls. President Biden's FY 2024 budget also lays the cost for his irresponsible policies at the feet of American small businesses through a reckless $650 billion tax hike that will kill jobs and reduce wages.[351] It is shameful—but not surprising—that Biden is forcing small businesses and their hard-working employees to pay for his lack of leadership. Thankfully, there is a better way to protect and strengthen Medicare for current and future retirees.

Reforms to Save and Strengthen Medicare

The RSC Budget rejects the approach taken by the Biden Administration that uses Medicare to fund liberal special interests, imposes price controls that will cost lives, and raises taxes on American small businesses. Instead, the RSC Budget presents a pathway to achieve savings, extend the solvency of the HI trust fund, and prevent an 11 percent across-the-board cut to benefits for all seniors. This common-sense pathway is achievable without resorting to President Biden's combination of destructive tax increases and rationing of care. Further, RSC policies would result in savings—not cuts—for seniors through lower premiums, reduced costs, and greater choice. Again, despite the false claims from the Biden administration, the RSC Budget does not cut benefits or raise premiums for Medicare beneficiaries. In fact, it lowers premiums for these seniors.

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345 Avik Roy, "Fact-Checking the Obama Campaign's Defense of its $716 billion Cut to Medicare." The Apothecary, August 16, 2012. https://www.forbes.com/sites/theapothecary/2012/08/16/fact-checking-the-obama-campaigns-defense-of-its-716-billion-cut-to-medicare/

346 Avik Roy, "How Obamacare's $716 billion in Cuts Will Drive Doctors out of Medicare." The Apothecary, August 20, 2012. https://www.forbes.com/sites/theapothecary/2012/08/20/how-obamacares-716-billion-in-cuts-will-drive-doctors-out-of-medicare/

347 Mark P. Mills, "The 'Energy Transition' Delusion: A Reality Reset." Manhattan Institute, August 30, 2022. https://www.manhattan-institute.org/the-energy-transition-delusion

348 House Ways and Means Committee, "Biden's Budget on Health Care: Medicare Cuts, Fewer Cures, Higher Drug Prices, and More Government Control." March 10, 2023. https://waysandmeans.house.gov/bidens-budget-on-health-care-medicare-cuts-fewer-cures-higher-drug-prices-and-more-government-control/

349 "Inflation Reduction Act already impacting R&D decisions." January 17, 2023. PhRMA. Accessed February 26, 2024. https://phrma.org/blog/wtas-inflation-reduction-act-already-impacting-rd-decisions

350 Tomas Philipson, Troy Devine. "The Evidence Base on the Impact of Price Controls on Medical Innovation," Becker Friedman Institute for Economics at the University of Chicago, https://bfi.uchicago.edu/wp-content/uploads/2021/09/BFI_WP_2021-108.pdf

351 "Budget of the U.S. Government." The White House. Accessed March 19, 2023. https://www.whitehouse.gov/wp-content/uploads/2023/03/budget_fy2024.pdf#page=150

Preventing 11 Percent Cuts to Medicare Payments

Implementing a Premium Support Model

The RSC Budget is committed to protecting current retirees from the across-the-board 11 percent cut to benefits and subsequent rationing that would result from the bankruptcy of the Hospital Insurance Trust Fund. To achieve this, the RSC budget would implement a premium support model where private, Medicare Advantage (MA) plans would compete with a federal Medicare plan (the "Fed Plan") that would offer the traditional Medicare benefits received through Part A, B, and D. Medicare Advantage (MA) plans provide the same services as Medicare but are administered by private health insurance providers. Under this plan, Medicare's trust funds would be merged into a singular fund that would be responsible for paying premium support subsidies to cover the vast majority of their premium costs. This new singular trust fund would be funded with revenues from existing payroll taxes, Part B premiums, and Part B and D cost sharing—which would help ensure continued traditional Medicare benefits remain available. This framework would ensure seniors, whether they choose a private plan or the Fed Plan, receive more affordable, high-quality coverage.

The size of premium subsidies would be benchmarked according to the available plans in a market that includes both the available Medicare Advantage (MA) plans along with the Fed Plan. There are a number of options when choosing a benchmark, and they include "average premium" and "second lowest price." Setting a benchmark would ensure that the plans are all competing on a level playing field. The RSC Budget would direct the Centers for Medicare and Medicaid Services (CMS) to establish a short-term demonstration project to test several benchmark options and implement the one that generates the most value in terms of health outcomes and cost effectiveness.

CBO has found that certain models of premium support Medicare would reduce seniors' premiums overall by 7 percent while decreasing net federal spending for Parts A and B by 8 percent.[352] Implementing a premium support model will help ensure that the default option in a market will be the highest-rated, Medicare Advantage (private) plan that bids at the benchmark so the new enrollee would pay no additional premium. This would ensure that new enrollees to Medicare receive high quality care without paying any more in premiums than they would normally. Furthermore, this would utilize market dynamics to incentivize MA plans to provide the best quality and value in order to achieve the highest beneficiary ranking in a market in order to be the default Medicare choice. Overall, seniors would pay lower Medicare premiums and lower taxes under the RSC's Budget than President Biden's budget.

Reform Graduate Medical Education (GME) Payments

The RSC Budget would also reform the flawed system of graduate medical education (GME) payments. Nearly all teaching hospitals in the country receive GME payments from Medicare to

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[352] "A Premium Support System for Medicare: Updated Analysis of Illustrative Options." Congressional Budget Office report. October 5, 2017. https://www.cbo.gov/system/files/115th-congress-2017-2018/reports/53077-premiumsupport.pdf

fund their residency programs. While there are also state, local, and private funding sources for GME programs, Medicare is the single largest source of funding.[353]

The Medicare GME funding program was intended to be temporary until community funding sources would be able to take over.[354] However, Medicare funding has become a permanent fixture of American GME, at the cost of both the HI and the SMI trust funds.[355] This budget would propose to move GME funding functions out of Medicare entirely and into a separate trust fund that can also include the Children's Hospital Graduate Medical Education (CHGME) funding. This reform would alleviate approximately $16 billion dollars' worth of pressure from both of the Medicare trust funds, extend Medicare solvency, and give Congress better oversight over GME dollars.[356]

Implement Site Neutral Payment Policies

The RSC Budget would also implement site-neutral payment policies throughout the Medicare program to lower costs and reduce consolidation in the hospital sector. Site-neutral policies would ensure that hospitals cannot profit from charging inpatient prices for outpatient services. This practice has given large hospital systems a competitive advantage and enabled them to buy up medical practices in the community, which are unable to charge Medicare inpatient prices. Thus, the differential site-based payment structure has facilitated the consolidation of the medical market. By moving to a site-neutral payment structure, Medicare could save an estimated $202 billion over the next ten years.[357] The savings would come from hospitals no longer being allowed to upcharge Medicare for services provided at a lower rate to patients.

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[353] "2023 Compendium of Graduate Medical Education Initiatives Report." American Medical Association. Page 4. 2023. https://www.ama-assn.org/system/files/2023-gme-compendium-report.pdf#page=4
[354] Committee on the Governance and Financing of Graduate Medical Education. "Graduate Medical Education That Meets the Nation's Health Needs." National Academies Press. Sep. 30, 2014. https://www.ncbi.nlm.nih.gov/books/NBK248024/
[355] Ibid.
[356] "Medicare Graduate Medical Education Payments: An Overview." Sep 29, 2022. Congressional Research Service. https://crsreports.congress.gov/product/pdf/IF/IF10960
[357] Ellis, P. PhD. "Estimate Savings From Adopting Site-Neutral Payment Policies for Medicare." *Ellis Health Policy.* Feb 2023. https://www.bcbs.com/sites/default/files/file-attachments/affordability/Phil_Ellis_Site_Neutral_Payment_Cost_Savings_Report_BCBSA_Feb_2023.pdf

RSC

PREVENTING BIDEN'S CUTS TO SOCIAL SECURITY

"We cannot be clearer: we WILL NOT adjust or delay retirement benefits for any senior in or near retirement."
– RSC Chairman Kevin Hern

In a Matter of Years, President Biden's Plan Would Slash Social Security Benefits

More than 58 million retirees, survivors, and their families collect benefits from the Social Security Old Age and Survivor Trust Fund (OASI).[358] The OASI trust fund is projected to reach the point of insolvency in the next ten years. According to the Social Security Trustees' most recent report, without action, the OASI Trust Fund will reach insolvency in 2033, triggering 23 percent across-the-board benefit cuts for seniors currently relying on the program.[359] These devastating cuts would leave many seniors unable to make ends meet and rob them of their ability to live with dignity and independence. Millions of American families who provide support to loved ones would experience economic hardship as well.

The Congressional Budget Office (CBO) projects that spending on Social Security and health care will nearly double between FY 2023 and 2034, growing from $2.9 trillion to $5.3 trillion.[360] If you step away from the Democrats' political rhetoric on the Social Security retirement program, the problem is simple. Retirement benefits, as they are currently structured, cost more than the revenue streams that pay for them. Ignoring this fact, as the Biden Administration and Congressional Democrats have, will lead to the largest across-the-board cuts to current Social Security retirement beneficiaries in history.[361]

We have repeatedly heard from President Biden that "Extreme MAGA" Republicans are coming after Americans' Social Security checks.[362] [363] However, Biden's approach to Social Security puts the program in a precarious position. In the Social Security Administration section of his Fiscal Year 2025 Budget, President Biden vaguely advocates for increasing taxes on high-income Americans, but fills the remaining section with proposals to increase the program's spending.[364] Proposing more

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358 The United States Social Security Administration, "Number of beneficiaries receiving benefits on December 31, 1970-2023," Accessed on March 11, 2024, https://www.ssa.gov/oact/STATS/OASDIbenies.html
359 Social Security Administration, "The 2023 Annual Report of the Board of Trustees of the Federal Old-Age and Survivors Insurance and Federal Disability Insurance Trust Funds." March 31, 2023, https://www.ssa.gov/oact/TR/2023/tr2023.pdf
360 Committee for a Responsible Federal Budget, "CBO's February 2024 Budget and Economic Outlook." February 7, 2024, https://www.crfb.org/papers/cbos-february-2024-budget-and-economic-outlook
361 Committee for a Responsible Federal Budget, "Analysis of CBO's February 2023 Budget and Economic Outlook." February 15, 2023. https://www.crfb.org/papers/analysis-cbos-february-2023-budget-and-economic-outlook
362 The White House, "Remarks by President Biden on Protecting Social Security and Medicare and Lowering Prescription Drug Costs," November 1, 2022, https://www.whitehouse.gov/briefing-room/speeches-remarks/2022/11/01/remarks-by-president-biden-on-protecting-social-security-and-medicare-and-lowering-prescription-drug-costs/
363 FactCheck.org, "Democrats Misleadingly Claim 'Republicans' Plan' Would 'End' Social Security, Medicare." April 29, 2022. https://www.factcheck.org/2022/04/democrats-misleadingly-claim-republicans-plan-would-end-social-security-medicare/
364 Office of Management and Budget, "Budget of the U.S. Government, Fiscal Year 2025," March 9, 2024, https://www.whitehouse.gov/wp-content/uploads/2024/03/budget_fy2025.pdf#page=137.

spending without a sustainable solution will result in steeper cuts to Americans' benefits. Again, ***<u>President Biden's plan would cut benefits by 23 percent in 2033</u>*****.**

The RSC Budget recognizes this is unacceptable and immoral. President Biden not only accepts these impending cuts to Social Security, but he doubles down on his failed policies that robbed the OASI trust fund in the first place. Inflation, created by the reckless spending policies of President Biden and Congressional Democrats, has done vast damage to the trust fund's solvency.[365] As noted in the most recent CBO Budget and Economic outlook, the faster-than-anticipated depletion of the OASI trust fund "…stems primarily from the 8.7 percent … [inflation adjustment] received by Social Security beneficiaries in January 2023 and the 3.2 percent [inflation adjustment] in January 2024."[366] This cumulative 11.9 increase in spending over two years is unsustainable. Put simply, the reckless spending policies of President Biden and Congressional Democrats will lead to, and accelerate the timing of, significant benefit cuts for seniors.

A major part of the problem is the structure of Social Security's Cost of Living Adjustment (COLA), which determines annual benefit adjustments. As inflation increases, COLA automatically adjusts without congressional approval. The Biden inflation crisis is bankrupting Social Security at a faster rate. In fact, of Social Security's estimated $104 billion cost increase in 2024, 77% ($80 billion) of that cost stems from an increase in average benefits, which are largely attributable to the January 2023 and 2024 inflation-induced COLA increases.[367] Another part of the problem is that rather than use the traditional Consumer Price Index (CPI), Social Security relies on the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W). CPI-W is based on costs incurred by urban wage workers, who represent 30% of the population and earn more to accommodate a higher cost of living.[368]

This, in effect, will continue to accelerate the cost of Social Security, in addition to President Biden's heavyweight spending that imperils the U.S. economy.[369]

<u>Social Security's Original Purpose and Current Challenges</u>

"The Act does not provide for everyone in need; it does not provide for those who can provide for themselves. It does not provide for those who are capable of working and would rather not work. But, apart from these classes, we can be sure of providing for the American people an economic foundation for security in old age." - Frank Bane, Executive Director of the Social Security Board (1935)

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[365] Oscar Jorda,Celeste Liu, Fernando Nechio, and Fabian Rivera-Reyes, "Why is U.S. Inflation Higher than in Other Countries?" Federal Reserve Bank of San Francisco, March 28, 2022. https://www.frbsf.org/economic-research/publications/economic-letter/2022/march/why-is-us-inflation-higher-than-in-other-countries/
[366] Congressional Budget Office, "The Budget and Economic Outlook: 2024 to 2034," February 7, 2024, https://www.cbo.gov/system/files/2024-02/59710-Outlook-2024.pdf#page=17
[367] Ibid.
[368] Rebecca Baldridge, "What is the Consumer Price Index (CPI)?," Business Insider, March 14, 2023, https://www.businessinsider.com/personal-finance/consumer-price-index?op=1
[369] Ingrid Jacques, "Bidenomics in action: Democrats' excessive spending, mounting debt earn US credit downgrade," USA Today, August 7, 2023, https://www.usatoday.com/story/opinion/columnist/2023/08/07/biden-economy-national-debt-result-us-credit-rating-downgrade/70520159007/

Social Security's original purpose was to provide stability for those living past their working years through additional income support.[370] However, since President Franklin Delano Roosevelt signed the Social Security Act of 1935, the program's size, scope, and costs have expanded tremendously. This includes the addition of disability benefits, dependents and survivors benefits, and the incorporation of automatic cost-of-living adjustments (COLAs)--among other changes. While the RSC Budget is committed to preserving Social Security and ensuring those eligible to receive benefits will soon get them,

Biden Needs to Stop the Games and Come to the Table

President Biden is a career politician who has served in and around public office since his first election to the Senate in 1972 at the age of 29. Now, at age 80 with 52 years in government, President Biden is using scare tactics to falsely claim Republicans will slash benefits for current retirees. Unfortunately, Biden's reckless rhetoric is a departure from earlier in his career when he seemed to take the solvency of Social Security more seriously. In fact, Joe Biden supported the reforms that led to Social Security's current structure. When President Biden served as a Senator in 1983, "…he was directly involved with one bipartisan compromise that became law and kept Social Security solvent for decades."[371] He, other Democrats, and Republicans came together in a bipartisan fashion to address Social Security's solvency issues at that time.[372] Biden voted to raise the retirement age from 65 to 67, tax Social Security benefits for the first time, and delay cost-of-living adjustments to preserve the solvency of the OASI trust fund.[373] The RSC Budget calls on the President to stop lying, stop the political gamesmanship, and start seriously engaging with Republicans on sensible reforms to save the program.

Social Security Reform's History of Bipartisanship

For decades, lawmakers and experts have acted in a bipartisan fashion to propose and enact various reforms to extend the solvency of the Social Security retirement program. As noted above, President Biden voted for the 1983 Social Security Amendments, which the Social Security Administration regards as a "major milestone in the legislative history of the Social Security program…[and] might fairly be described as the last major Social Security legislation of the twentieth century." The 1983 Amendments were based on recommendations produced by the bipartisan National Commission on Social Security Reform, also known as the Greenspan

[370] Bethany K. Laurence, "Social Security: Why It Was Created and How It Works," Lawyers.com, February 3, 2023, https://legal-info.lawyers.com/social-security/social-security-basics/social-security-why-it-was-created-and-how-it-works.html
[371] Andrew G. Biggs, James C. Capretta, "How Biden helped Congress cut Social Security 40 years ago." The Washington Post, March 2, 2023, https://www.washingtonpost.com/opinions/2023/03/02/biden-compromise-social-security-reform-1983/
[372] The United States Social Security Administration, "Legislative History: Summary of P.L. 98-21, (H.R. 1900), Social Security Amendments of 1983-Signed on April 20, 1983." November 26, 1984, https://www.ssa.gov/history/1983amend.html#:~:text=The%20law%20made%20other%20changes,will%20be%20ma%20de%20in%20January
[373] Social Security Administration, "Vote Tallies - 1983 Amendments." Accessed March 17, 2023, https://www.ssa.gov/history/tally1983.html

Commission.[374] Among other things, the Biden-approved 1983 amendments delayed the retirement age, reduced cost of living adjustments, and increased Social Security rates. A notable provision President Biden–then Senator–voted for suspended auxiliary benefits to aliens outside the U.S. for more than 6 consecutive calendar months unless the beneficiary had resided in the U.S. for at least 5 years.[375] The RSC Budget supports measures which ensure that social security benefits are paid to American citizens primarily residing in the United States.

Nearly 30 years later, a majority of the bipartisan National Commission on Fiscal Responsibility and Reform (also known as the Bowles-Simpson Commission), led by former Clinton White House Chief of Staff Erskine Bowles and former Republican Senator Alan Simpson, proposed increasing the retirement age, reducing high-earners' benefits, and increasing benefits for low-income beneficiaries. Recently, the Washington Post's Editorial Board endorsed certain Social Security retirement reforms, such as "gradually indexing up the age, currently 67, at which people may retire at full benefits, to take account of longer retirements due to rising life expectancy; and … tweaking benefit formulas to trim how much high-income households get…"[376] The Post described these and other reforms as a "sensible way to reduce the Social Security gap."[377] While the reforms contained in these proposals have varied, it is noteworthy that had Congress adopted some of these policies in the past, the OASI trust fund would not be approaching bankruptcy and the possibility of 23 percent across the board cuts for retirees.

The Coming Debate Over How to Prevent Insolvency

In the coming years, Congress and the President will be forced to address the insolvency of Social Security to avoid bankruptcy and historic cuts for seniors. While there are many possibilities, broadly speaking, there are three general policy options that will be debated to preserve the Social Security program:

1. Funding transfers from the general fund.
2. Tax increases.
3. Program savings.

General Fund Transfers

One approach that will be discussed is a debt-financed general fund transfer. Authorizing a general fund transfer without reform would do nothing to make the Social Security retirement program more sustainable. This approach would effectively lock in enormous deficit spending that would expose taxpayers to more than $200 trillion of debt (not accounting for interest) from FY 2024 until

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[374] The United States Social Security Administration, "Appendix C of the 1983 Greenspan Commission on Social Security Reform: Chapter 2 – Findings and Recommendations." Accessed April 7, 2023, https://www.ssa.gov/history/reports/gspan5.html
[375] The United States Social Security Administration, "SUMMARY of P.L. 98-21, (H.R. 1900) Social Security Amendments of 1983-Signed on April 20, 1983," Accessed on March 11, 2024, https://www.ssa.gov/history/1983amend.html
[376] Washington Post, "Social Security needs fixing. Fortunately, it doesn't have to be painful." March 16, 2023, https://www.washingtonpost.com/opinions/2023/03/16/social-security-fiscal-reform-solutions/
[377] Ibid.

FY 2096.[378] Alternatively, it would pave the way for massive income tax increases to try to pay for this general fund spending. More fundamentally, this option would solidify the inability of Congress to address America's fiscal insanity. America is over $34 trillion in debt, with nearly the entire projected[379] 2019-2033 estimated increase in deficit–rising from $984 billion to $3.29 trillion–being driven by Social Security and Medicare shortfalls.[380]

A debt-financed general fund transfer compounds the economic threat China poses as the second largest foreign holder of the U.S. debt. Further leveraging our irresponsible debt obligations to foreign countries, especially adversarial nations, bears great risk to the United States. If Social Security approaching bankruptcy does not motivate Washington to make the program sustainable, and instead Congress doubles down on the problem with more deficit spending and taxes, Congress will have forever abdicated its responsibility to restore fiscal sanity.

Tax Hikes

The other option—often proposed by those on the left—is to raise payroll taxes that flow to the OASI trust fund. For example, Democrats have proposed raising the cap on the level of income subject to payroll taxes, which is currently set at $168,600.[381] Applying the payroll tax to all earnings would result in the largest tax increase in U.S. history, fail to make Social Security solvent, and have the effect of eliminating job opportunities in the United States.[382] President Biden and Democrats in Congress continue to mislead the American people into thinking that "tax hikes on the rich" can solve the problem. For example, President Biden has repeatedly promised that he will not raise taxes on anyone making less than $400,000 and that his radical left-wing agenda can be exclusively funded by higher taxes on individuals above that threshold. At his 2023 State of the Union address, the President said, "Let me be crystal clear. I said at the very beginning: Under my plans, as long as I'm President, nobody earning less than $400,000 will pay an additional penny in taxes. Nobody. Not one penny." At best, this would only extend the OASI trust fund for a couple of years, which may be why the proposal was not included in President Biden's FY 2024 budget.[383] Raising taxes on people will further punish them and burden the broader economy–something that the spend and print regime has proven to be disastrous and regressive.

Program Savings

Without enacting a massive increase in taxes that will imperil the economy or a multi-trillion-dollar general fund transfer that worsens our fiscal situation, Congress and the President will have to work

[378] Congressional Budget Office, "CBO's 2023 Long-Term Projections for Social Security," June 29, 2023, https://www.cbo.gov/system/files/2023-06/59184-SocialSecurity.pdf
[379] Brian Riedl, "Spending Taxes and Deficits: A Book of Charts," November 2023, https://media4.manhattan-institute.org/wp-content/uploads/BudgetChartBook-2023.pdf
[380] Ibid.
[381] The United States Social Security Administration, "Contribution and Benefit Base." Accessed March 16, 2023. https://www.ssa.gov/oact/cola/cbb.html#:~:text=We%20call%20this%20annual%20limit,for%20employees%20and%2%200employers%2C%20each
[382] https://www.heritage.org/social-security/report/removing-social-securitys-tax-cap-wages-would-do-more-harm-good
[383] Alexander Bolton, "Sen. Cassidy to Yellen at hearing: "That's a Lie." The Hill, March 16, 2023. https://thehill.com/business/budget/3903915-sen-cassidy-to-yellen-at-hearing-thats-a-lie/

in bipartisan fashion to consider options that create savings for Social Security. The unfortunate truth is that OASI trust fund expenditures as they are currently structured are unsustainable. The RSC Budget is committed to protecting and strengthening Social Security for those that need it most and staving off 23 percent across-the-board cuts for current retirees. The RSC Budget & Spending Task Force cannot be more clear: we will not now or ever support cutting or delaying retirement benefits for any senior in or near retirement. With insolvency approaching in the 10-year budget window, Congress has a moral and practical obligation to address the problems with Social Security. These common-sense, incremental reforms will simply buy Congress time to come together and negotiate policies that can secure Social Security solvency for decades to come. Every Social Security retirement reform supported by the RSC Budget was previously offered in a bipartisan fashion.

For instance, the RSC Budget would make modest changes to the primary insurance amount (PIA) benefit formula for individuals who are not near retirement and earn more than the wealthiest PIA benefit factor. It would also make modest adjustments to the retirement age for future retirees to account for increases in life expectancy. Finally, for these individuals, it would limit and phase out auxiliary benefits for high income earners.[384] Again, the RSC Budget does not cut or delay retirement benefits for any senior in or near retirement. Additionally, the RSC Budget would promote trust fund solvency by increasing payroll tax revenues through pro-growth tax reform,[385] pro-growth energy policy that lifts wages,[386] work requirements that move Americans from welfare to work,[387] and regulatory reforms that increase economic growth.[388]

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[384] The RSC FY2024 Budget uses intermediate estimates from the 2023 Annual Report of the Boards of Trustees of the Federal Old-Age and Survivors Insurance and Federal Disability Insurance Trust Funds for estimates of net Social Security Spending.

[385] See "Creating Opportunity Through Tax Reform" section of this budget.

[386] Parker Sheppard, Richard Stern and Kevin Dayaratna, "Policies in the Lower Energy Costs Act will Lower Energy Costs and Increase GDP." The Heritage Foundation, March 30, 2023, https://www.heritage.org/energy-economics/report/policies-the-lower-energy-costs-act-will-lower-energy-costs-and-increase

[387] "The Top Two Reforms to Restore Federal Fiscal Sanity," Foundation for Government Accountability, May 2, 2023. https://thefga.org/one-pagers/the-top-two-reforms-to-restore-federal-fiscal-sanity/

[388] Patrick McLaughlin, Nita Ghei, and Michael Wilt, "Regulatory Accumulation and Its Costs," Mercatus Center, May 4, 2016, https://www.mercatus.org/research/policy-briefs/regulatory-accumulation-and-its-costs

RSC

BUDGET PROCESS REFORM

The federal budget process is certainly broken, but perhaps more disheartening is the reality that the federal government has simply abandoned any semblance of attempting to follow the budget process.

It is noteworthy that while the RSC is the only congressional organization that annually produces a budget that balances, House Budget Committee Chairman Jodey Arrington (R-TX) should be commended for producing a budget for FY24 that balances in ten years and moving it through committee.

The last time Congress enacted a budget and met all the appropriations deadlines on time was **1996.** This sad reality begs many questions, but conversations regarding reforms to the budget process that make Congress and the President more accountable to the American taxpayer are of vital importance.

This section contains reforms to the federal budgeting process that would help address our nation's debt crisis.

Cut Spending

Constitutional Requirement for a Balanced Budget - Forty-nine states have adopted balanced budget requirements.[389] The widespread adherence to balanced budget requirements among the states demonstrates how essential fiscal responsibility is for prosperity. In the same manner a family makes adjustments in their budget to ensure that there is food on the table and a roof over their heads, most state governments responsibly operate within the revenues they accrue. If the Constitution constrained the federal government from spending money it does not have, all Americans would enjoy greater prosperity. The RSC Budget supports the adoption of a federal Balanced Budget Amendment (BBA) and applauds the following RSC members for each offering legislation to achieve this: Reps. Jodey Arrington (R-TX), Nathaniel Moran (R-TX), August Pfluger (R-TX), Rudy Yakym (R-IN), Jay Obernolte (R-CA), and Zachary Nunn (R-IA).

Additionally, the RSC Budget supports refined long-term fiscal controls to limit tax collection and balance the budget, including former House Judiciary Committee Chairman and RSC member Bob Goodlatte's BBA.[390] This proposal would bar annual spending in excess of 20 percent of GDP and prevent Congress from relying on tax increases to balance the budget, which is key to preserving a dynamic and innovative economy. There are also mechanisms that are similar to a BBA that account for market cycles by tying spending caps to a percentage of potential GDP. Former Ways & Means Ranking Member Kevin Brady (R-TX) and Senator Mike Braun's (R-IN) MAP Act and the Swiss debt brake utilize this approach.[391]

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[389] Jared Walczak, "State Strategies for Closing FY 2020 with a Balanced Budget." Tax Foundation, April 2, 2020. https://taxfoundation.org/fy-2020-state-budgets-fy-2021-state-budgets/

[390] Congress.gov, H.J.Res. 2, https://www.congress.gov/bill/112th-congress/house-joint-resolution/2

[391] Ryan Bourne, Cato Institute, "Budget Restraints That Work: Lessons from Chile, Switzerland, the United Kingdom, and the United States", CATO Institute, February 21, 2018, https://www.cato.org/tax-budget-bulletin/budget-restraints-work-lessons-chile-switzerland-united-kingdom-united-states

Expedite Budget Cuts

The RSC Budget applauds Rep. Ralph Norman's (R-SC) legislation to expedite coordination between the Executive and Legislative branches by requiring a vote on President-recommended spending cuts. Under current law, the President can submit recommended rescissions to Congress, but there is no mechanism to require Congress to act on those requests. The AFTER Act would correct this by ensuring the House or Senate majority leader (or designee) introduce an approval bill with the President's rescissions and require a fast-tracked, up-or-down vote with no amendments, filibusters, or motions to reconsider. This only requires a vote, protecting the balance of power between the Executive and Legislative branches and retaining Congress' power of the purse, it provides for an efficient way to cut spending, and remove funding for wasteful programs and earmarks.

Reversing the Baseline Bias

Under current law, CBO's baseline spending projections automatically assume higher spending each year. The RSC Budget recommends the inflation-adjusted, pro-spending bias for discretionary spending be removed from the baseline by adopting zero-baseline budgeting. Further, the rules governing the CBO require it to assume that expiring programs continue in the baseline. Similarly, CBO is required to assume entitlement programs continue to provide benefit payments at current levels even if the trust fund is depleted. These assumptions should be removed so that the baseline shows the real current-law trajectory.

Trust Funds Reforms

The federal government has a destructive habit of borrowing from trust funds to finance other government spending programs.[392] This does nothing but fuel a cycle of irresponsibility. The RSC Budget would support congressional rules prohibiting the financial resources of these trust funds from being used for non-trust fund programs. In other words, the federal government should be prohibited from evading fiscal reality by robbing from one pocket to replenish the other.

Federal trust funds are often required to "invest" all or most of their assets into federal debt. Of course, the debtor and creditor are both the federal government. The RSC Budget would require that federal reports on the status of each of these trust funds include an analysis of the lost investment growth caused by this practice.

To provide clarity and transparency, bailouts of these trust funds would be viewed as new spending by the RSC Budget. Also, the RSC Budget would require CBO and JCT scores to show any negative impact from a bill on a federal trust fund and incorporate how that would change the long-term unfunded liabilities that taxpayers may be expected to eventually bail out.

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[392] Debt to the Penny, Accesses April 13, 2022, https://fiscaldata.treasury.gov/datasets/debt-to-the-penny/debt-to-the-penny

Long Term Spending and Revenue Controls

The RSC Budget supports implementing a joint revenue and spending growth cap to limit how much of the nation's resources the federal government can consume and to avoid future fiscal disaster. Such a reform would cap all revenues as a percentage of nominal GDP to force the federal government to spend within its means. In the event of a breach of this cap, Treasury would be required to refund a percentage cut that equals the over-collected revenues. This refund would go to any person or entity that paid federal taxes and would be related to the total amount of taxes they paid. In this way the mechanism could not be used to force wealth redistribution.

The RSC Budget applauds states that implemented similar common-sense controls on spending, such as the Conservative Texas Budget.[393]

Reauthorization Vote Triggered When CBO Estimate is Inaccurate

The RSC Budget would statutorily require a vote to reauthorize a mandatory spending program when actual spending exceeds expectations by a certain percentage. When a program costs more to implement than CBO modeling suggested, the authorization of such a program should be reconsidered with the new information. This rule would exclude entitlements, such as Social Security and Medicare, because those are programs supported by specific trust funds.

Require CBO to Use More Accurate Estimates[394]

While it's challenging to predict what Congress will reauthorize or cut in a ten year window, CBO scoring is fundamental in painting a picture of what lies ahead and impacts policy decisions. Oftentimes, estimates are inaccurate, owed to a confluence of economic events and congressional decisions. The RSC budget supports requiring the CBO to employ more precise macroeconomic predictions, integrate debt servicing expenses, employ fair value estimates for credit programs, and provide updated assessments more frequently. Fair value estimates provide a more comprehensive and accurate representation of the overall impact of a particular policy, which could be used to reign-in spending rather than see unaccounted dollars waste away. The RSC Budget applauds Rep. Ralph Norman's (R-SC) Fair-Value Accounting and Budget Act, which would require the CBO to include fair-value estimates in its Budget and Economic Outlook, provide the option for Congress to use fair-value estimates to determine budget compliance and enforcement, and require the Office of Management and Budget (OMB) to provide an annual report on fair-value estimates and the costs of federal credit programs. The RSC Budget also applauds Rep. Ashley Hinson's (R-IA) bill which requires the CBO to provide inflation estimates for direct spending legislation that is projected to cause an annual gross budgetary effect of at least 0.25% of projected GDP.

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[393] Vance Ginn, Ph.D., Rod Bordelon, The Honorable Talmadge Heflin, "2022-23, Conservative Texas Budget." Texas Public Policy Foundation, Accessed April 29, 2022, https://www.texaspolicy.com/2022-23-conservative-texas-budget/

[394] Matthew Dickerson, "Strengthening the Congressional Budget Office," Economic Policy Innovation Center, January 30, 2024, https://epicforamerica.org/publications/strengthening-the-congressional-budget-office/

Earmarks

Earmarks have been abused to divert taxpayer resources to special interests, greasing the wheels of Washington's spending machine.

According to Citizens Against Government Waste's 2023 Congressional Pig Book, "since 1991, CAGW has identified 124,212 earmarks costing $437.5 billion."[395] In the past, earmarks have flowed to the districts of the most powerful and connected members of Congress. "In the 111th Congress, when the names of members who requested earmarks were included in the appropriations bills, 61 percent of the earmarks and 51 percent of the money went to members of the House and Senate Appropriations Committees. In other words, 81 appropriators (50 in the House and 31 in the Senate), who constituted 15 percent of the entire Congress, received more than half of the earmarks. As the late Sen. John McCain (R-AZ.) said about members of Congress who wanted to bring back earmarks in 2014, 'The problem with all their arguments is the more powerful you are, the more likely you get the earmark in. Therefore, it is a corrupt system."

After an 11-year moratorium, earmarks were revived for fiscal year FY 2022. In the 117th Congress, RSC's Steering Committee took an official position opposing congressional earmarks and supported now-Senator Ted Budd's (R-NC) letter, which outlined opposition to the return of earmarks.[396] RSC also issued a memorandum on restoring congressional Article I Authority while opposing earmarks.[397]

<u>Reclaim Article I</u>

Article I, Section 9 of the Constitution entrusts the power of the federal purse to Congress. Unfortunately, under current practice, the legislative branch often abdicates its responsibility to agencies staffed with liberal bureaucrats. The RSC Budget includes the following reforms to restore Article I authority:

Limit the Executive Branch from Making Spending Decisions

Too often, and with disastrous results, Congress has allowed the executive branch to spend money collected from fees and other revenue streams virtually unchecked. The RSC Budget supports Rep. Gary Palmer's (R-AL) Agency Accountability Act, which would require explicit congressional authority before offsetting collections could be spent. Further, the RSC Budget calls for all reprogramming and transfer actions to be reported to Congress, made available publicly in advance, and subject to a congressional disapproval framework.

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395 Citizens Against Government Waste, "2022 Congressional Pig Book," Accessed March 8, 2023, https://www.cagw.org/reporting/pig-book

396 Republican Study Committee, Official Steering Position, https://mailchi.mp/990d91758d71/first-edition-the-chairman-elects-memo-309681

397 Republican Study Committee, "Restoring Congressional Article I Authority While Opposing Earmarks," https://banks.house.gov/uploadedfiles/rsc_memo_proposals_to_restore_article_i_authority_to_congress_jf.pdf

Report to Congress on Financial Stability

The RSC Budget supports Rep. Blake Moore's (R-UT) Fiscal State of the Nation Act, which would require the Comptroller General to present the Financial Report of the United States Government to an annual joint hearing of the House and Senate Budget Committees, open to all Members of Congress. This would ensure Congress is provided with an annual report on the nation's fiscal health and our country's long-term financial stability. It is important for Congress to stay informed of the most pressing spending problems so that it may use its power of the purse to steer the United States back on course.

Rescind Excess Budget Authority

The RSC Budget strongly supports the use of the Impoundment Control Act to rescind excess budget authority, particularly the massive amounts of pandemic-spurred spending, most of which had nothing to do with protecting the public health. Additionally, under the CBO's scoring conventions, an appropriations bill can offset increases in discretionary spending if it also rescinds previously appropriated but unobligated funds. In many cases, funds rescinded in appropriations bills were not planned to be spent and the rescission has no effect on actual spending. The appropriators have abused this CBO scoring rule to spend more while falsely appearing deficit neutral on paper. Leaving these unused funds alone will only perpetuate this budgetary gimmick. Therefore, the RSC Budget would support the practice of rescinding excess budget authority.

Unauthorized Spending

Since 1835, the Rules of the House have required that appropriations go to only authorized purposes. This rule is rarely enforced because appropriations bills are routinely considered under legislative procedures that waive existing budget rules. CBO estimates[398] that in FY 23, the federal government appropriated $510 billion on unauthorized programs. CBO also found 1,108 expired authorizations prior to the start of FY 23, along with an additional 111 authorizations which expired throughout the fiscal year. The RSC Budget applauds the new point of order against unauthorized spending and supports Energy and Commerce Chair Cathy McMorris Rodgers's (R-WA) Unauthorized Spending Accountability Act, which would address these "zombie appropriations" by sunsetting them and creating a commission to review all discretionary programs.

Ensure Reconciliation Prevents Tax Increases

The reconciliation process has been used by Democrats to increase taxes and spending – most recently the disastrous Inflation Reduction Act. The RSC Budget supports preventing the use of this process to pass legislation that would increase net spending or tax burdens. The RSC Budget also supports providing an expedited process for congressional consideration of a reconciliation package that would carry out a budget resolution's spending cuts.

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[398] Congressional Budget Office, "Expired and Expiring Authorizations of Appropriations for Fiscal Year 2023," April 2023, https://www.cbo.gov/publication/59112

Set Appropriated Limits on Non-Entitlement Mandatory Spending Programs

Mandatory spending programs operate on budgetary autopilot and do not allow Congress to deliberate and decide if the funds should be spent each year. The RSC Budget would ensure all mandatory, non-retirement programs are treated in a similar fashion to appropriated entitlements and subject to annual appropriations.

Move to a Calendar-Year Budget Cycle

The fiscal year should be re-aligned with the calendar year to modernize the process and to synchronize federal budgeting with common economic measurement practices.

Establishing a Regulatory Appropriations Process

Congress should limit regulatory actions in a manner like the appropriations process. Congressional authorizing committees could be granted the ability to produce annual legislation limiting the economic impact of all regulatory actions undertaken by agencies under their jurisdiction. These could also include specific limitations or requirements related to certain regulatory actions, related to such actions from a particular office, or in relation to enforcing a specific bill.

Follow the Budget

This section of the RSC Budget supports the following reforms to strengthen budget enforcement and make it more difficult to deviate from the Congressional Budget Resolution:

Provide Oversight of the President's Budget - For too long, the President has missed his unenforceable February deadline to submit his budget request, which is the first step in the federal budget process. This year, President Biden was 35 days late[399] in producing his disastrous budget. As a result, Congress often finds itself behind schedule in submitting its budget resolution, marking up appropriations legislation, and finalizing this process within the fiscal year. Rep. Buddy Carter's legislation would require the President to submit his budget request and a National Security Strategy before the State of the Union address is given, which the President never misses.[400] It is time to prioritize federal budgeting and it's well overdue to hold the President accountable to both Congress and the American people.

Give Budget Resolutions the Force of Law

For Congress to live within its means, the budget process must be taken seriously. Congressional budget resolutions should be signed into law by the President after being passed by both

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[399] U.S. House of Representatives Budget Committee, "Biden's Budget Bust: Biden's Budget Misses 2024 Deadline," February 5, 2024, https://budget.house.gov/press-release/bidens-budget-bust-bidens-budget-misses-2024-deadline#:~:text=Under%20the%20Congressional%20Budget%20Act,%2C%202024%20%E2%80%93%2035%20days%20late.

[400] Kurt Couchman, "What is the SUBMIT IT Act?" Americans for Prosperity (AFP), March 4, 2024, https://americansforprosperity.org/what-is-the-submit-it-act/

chambers of Congress and carry the weight of law. Currently, budget resolutions lack the enforceability necessary to hold Congress accountable to agreed upon spending limits.

Set Long-Term Deficit Limits

Current congressional fiscal constraints generally focus on the ten-year budget window. This narrow view gives lawmakers and the public an inaccurate picture of the nation's long-term fiscal health and encourages budget gimmicks that would balloon spending beyond the ten-year budget window. H. Con. Res. 71, the Concurrent Resolution on the Budget for FY 2018, established a point of order in the House against legislation that would increase direct spending (or deficits in the Senate) by more than $2.5 billion in any of the four consecutive 10-year periods following the end of the period covered by the budget resolution. The RSC Budget would codify this point of order.

Budget Waiver Transparency and Disapproval

The House will often waive the application of the rules and statutes meant to stop lawmakers from violating their own budget. Often these special rules are a blanket waiver of all points of order against the consideration of a bill or amendment. The RSC Budget would amend House rules to require that any rule providing consideration of a bill specifically identify all individual budget waivers. Additionally, any Member should be able to make a motion to strike any such waiver included in a rule.

Emergency Designation Reforms

The RSC Budget would provide greater accountability for the use of "emergency spending." It would require legislation containing emergency spending to be accompanied by a statement explaining why an emergency designation is necessary and require a three-fifths majority vote to approve such legislation. Moreover, emergency funding should be timely and targeted. Thus, the RSC Budget would create a separate point of order against emergency spending legislation that would produce outlays beyond two fiscal years.

Transparency

Account for Debt Service Costs

This budget would adopt Rep. Michael Cloud's (R-TX) bill, the Cost Estimates Improvement Act, to require the CBO to include the projected debt service costs in its legislative cost estimates.

Annual Statement of Federal Finances

The RSC Budget supports Budget Committee Chairman Jodey Arrington's (R-TX) Taxpayer Receipt Act, which would require the federal government to send each taxpayer an annual statement demonstrating how the taxpayer's money was spent in the last year. The RSC Budget would add estimates of the debt level, and the size of spending, revenues, and debt per family to these statements.

Disclose the Real Costs of Federal Credit Programs

The RSC Budget supports using fair-value accounting for federal insurance programs to accurately assess their cost.

Reports on the Cost of Legislation Passed by Congress

The CBO is required to report to the Congressional Budget Committees on legislation reported by committees or adopted by either the House or by the Congress at least monthly. The RSC Budget supports making public these reports on the costs of legislation in each chamber.

Require OMB to Report Unobligated and Reprogrammed Balances

The RSC Budget would require OMB to provide Congress and the public with up-to-date information about unobligated balances. Each month, OMB should be required to produce a public report that includes a detailed description of unobligated balances in each account with details including the years from which the balances were originally made available. This reform would have been particularly helpful in tracking the trillions of dollars in funding provided by Congress in recent years to supposedly address the pandemic. Members of Congress and the public have found it particularly difficult to determine just how much money has and has not been spent from those funds.

Welfare Disclosure in the President's Budget

In the 113th and 114th Congresses, the House rules required budget resolutions in the House to provide a 10-year outlook of means-tested welfare spending. The RSC Budget would extend that rule to presidential budget submissions.

Budgetary Treatment of Highway Programs

The budgetary treatment of the highway program contributes to overspending and unaccountability. Normal discretionary spending is limited by the budget resolution, while mandatory spending is limited by the House and Senate CUTGO and PAYGO rules and statutory pay-as-you-go requirements. Under current law, the budget authority for transportation programs is treated as mandatory spending, while outlays from the Highway Trust Fund are treated as discretionary spending. This has the effect of exempting transportation programs from any of the standard budget enforcement procedures.[401] The RSC Budget would fix this problem by accounting for highway spending as discretionary.

Count All Programs in the Budget

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[401] Committee for a Responsible Federal Budget, "Why Lawmakers Should Fix The Budgetary Treatment Of The Highway Trust Fund", July 26, 2014. http://crfb.org/blogs/why-lawmakers-should-fix-budgetary-treatment-highway-trust-fund

Under current law, several major programs, including Social Security, the Postal Service, Fannie Mae and Freddie Mac, are all considered "off-budget" for purposes of the budget resolution. In reality, these programs all have significant impacts on the budget and taxpayers would likely bailout these programs if they exhaust their resources. The RSC Budget supports including these programs in the budget resolution.

Transparency from the Budget Scorers

The CBO, JCT, and OMB have failed to be transparent in their methodology and their modeling. The CBO Show Your Work Act, introduced by Rep. Warren Davidson (R-OH), would implement this important reform. The RSC Budget would also require these entities to publish the confidence intervals related to their findings.

Transparency for Appropriations Bills

When most legislation is considered in the House, CBO releases a report to Congress and to the public estimating the fiscal impact of the bill. But this practice is not often followed during the consideration of appropriations bills.[402] The RSC Budget would require CBO to give this information, as well as information on changes in mandatory programs contained in appropriations bills, to each member of Congress and to the public.[403]

CBO Reports for Unreported Measures

House Rule XXI, Clause 8 ensures all points of order in the Budget Act also apply to legislation not reported by a committee, filling a loophole in the Budget Act. The RSC Budget supports codifying this rule.

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[402] Congressional Budget Office, "How CBO Prepares Cost Estimates", February 2018. https://www.cbo.gov/system/files/115th-congress-2017-2018/reports/53519-costestimates.pdf

[403] Many appropriations bills include changes in mandatory programs (CHIMPS). Because of CBO scoring conventions, an appropriations bill can offset increases in discretionary spending by reducing mandatory spending in the first year of the budget window. These CHIMPS are often just gimmicks that shift the timing of mandatory spending and allow increases in discretionary spending year after year using the same "offset" repeatedly. CBO scores CHIMPS in appropriations bills, but neither CBO nor the House Appropriations Committee generally disclose this information publicly.

OTHER MANDATORY SPENDING

In 2023, total mandatory spending made up 73 percent of the federal budget.[404] Mandatory spending is on budgetary autopilot and receives little congressional review and effectively zero annual oversight. This is in direct conflict with the Constitution's edict that "No Money shall be drawn from the Treasury, but in Consequence of Appropriations made by Law." Since 2000, "other mandatory spending" (which includes mandatory categories outside of Social Security, Medicare and Medicaid) has risen above CBO baseline projections by $837 billion, more than any other category of spending.[405]

The RSC Budget offers sensible and needed reforms to bring federal spending back to reasonable levels and increase Congressional accountability.

Agriculture

America's farmers would thrive under the RSC Budget's package of pro-growth tax reforms and deregulatory measures. These changes include repealing the estate tax, indexing capital gains, extending the pass-through tax deduction of the TCJA, making bonus depreciation permanent, permanently applying the EBITDA (earnings before interest, tax, depreciation, and amortization) definition of income for determining the net interest deduction, and accelerating the current depreciation schedule for nonresidential construction. The RSC Budget also would also advance de-regulatory reforms to the Clean Air Act, Clean Water Act, and Endangered Species Act, all of which have been weaponized by the Biden Administration to advance a radical climate agenda.

The agricultural industry and rural America have become the target of the left's radical regulatory agenda. This is best illustrated by the Left's vilification of agriculture in the Democrats' Green New Deal,[406] as well as the Biden administration's emphasis on "climate smart" agriculture. To make matters worse, this administration has increasingly limited trade opportunities for farmers. USDA's Economic Research Service projects an agricultural trade deficit of $30.5 billion in 2024.[407] This stands in contrast to President Trump's leadership on agriculture, which was characterized by the renegotiation of the USMCA in 2018, supporting farmers[408] while holding China accountable for unfair practices, and rolling back regulations.

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[404] Brian Riedl, "Spending, Taxes & Deficits: A Book of Charts." November 2023, https://media4.manhattan-institute.org/wp-content/uploads/BudgetChartBook-2023.pdf

[405] Ibid

[406] U.S. House of Representatives, "Cosponsors - H.Res.319 - 118th Congress (2023-2024): Recognizing the duty of the Federal Government to create a Green New Deal," Accessed March 11, 2024, https://www.congress.gov/bill/118th-congress/house-resolution/319/cosponsors?s=3&r=5

[407] "Outlook for U.S. Agricultural Trade: U.S. Agricultural Exports in Fiscal Year 2024 Forecast at $170.5 Billion. Imports at $201.0 Billion." USDA Economic Research Service. February 28, 2024. https://www.ers.usda.gov/topics/international-markets-u-s-trade/u-s-agricultural-trade/outlook-for-u-s-agricultural-trade/

[408] "USDA Announces Details of Assistance for Farmers Impacted by Unjustified Retaliation." USDA. August 27, 2018. https://www.usda.gov/media/press-releases/2018/08/27/usda-announces-details-assistance-farmers-impacted-unjustified

Farmers depend on trade. However, this administration's refusal to negotiate with foreign partners on new trade agreements and roll back barriers to entry have placed farmers in a bind. As such, farmers have become increasingly dependent on the agricultural safety net.

It is important for a conservative budget to reduce regulatory burdens on the agricultural industry, as well as balance the budget. The RSC budget thus adopts many of the reforms proposed by the Trump administration to reform and streamline federal spending on agricultural programs.

Streamline Commodity Subsidy Programs

While well intentioned, policy changes in recent years have resulted in a bigger percentage of commodity payments being made to wealthier farmers. In 1991, the percent of commodity payments made to non-family farms and family farms worth more than $500,000 was 20 percent. By 2009, that percentage had more than doubled to 46 percent.[409] President Trump's 2021 budget proposal noted, "It is hard to justify to taxpayers why the Government should provide assistance to farmers with incomes over half a million dollars. Doing so undermines the credibility and purpose of farm programs." Part of the reason for this increase was the 2014 Farm Bill, which created two new farm support programs, allowing producers to choose their preferred subsidy:

- Price Loss Coverage (PLC) – This program pays farmers when the nationwide price for a commodity falls below a threshold (even if a particular farmer sells his crop for a higher price); and
- Agriculture Risk Coverage (ARC) - This program pays farmers when revenues fall below their recent levels.

Part of the reason these programs were created was to respond to provide farmers income support as a result of low crop prices and revenue. Since these programs are designed to guarantee a certain price or level of revenue, more of the benefits accrue to larger farms with higher levels of sales and revenues. The RSC Budget would support capping payments from ARC and PLC to only farms with an adjusted gross income below $500,000. This was a policy proposed in the FY 2021 Trump Budget[410] and would ensure that commodity support payments are going to smaller farms that may struggle obtaining capital from private lenders. This proposed policy is estimated to save taxpayers $1.306 billion over 10 years.[411]

Limit the Secretary's Discretionary Authority Over the Commodity Credit Corporation

The RSC Budget would require any action by the Commodity Credit Corporation (CCC) to have congressional approval. The Biden administration has abused the Secretary's discretionary authority over the CCC to achieve its climate agenda. This is best illustrated with USDA's creation of the

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[409] White, K. and Hoppe, R. "Government Commodity Payments Continue to Shift to Larger Farms, Higher Income Households." USDA Economic Research Service. March 1, 2012. https://www.ers.usda.gov/amber-waves/2012/march/government-commodity-payments/
[410] Office of Management and Budget, "A Budget for America's Future," Accessed March 11, 2024, https://trumpwhitehouse.archives.gov/wp-content/uploads/2020/02/msar_fy21.pdf#page=139
[411] Ibid

Climate Smart Commodities program, which has been used to funnel $3.1 billion to the private organizations and universities to promote "climate smart" agriculture.[412] In addition to limiting the Secretary's discretionary authority over the CCC, the RSC Budget would also defund USDA's Climate Smart Commodities program.

Reform Crop Insurance

The Federal Crop Insurance Program provides subsidized insurance for farmers to insulate them from losses due to poor crop yields. Farmers pay about 40 percent of premiums for crop insurance and taxpayers cover the remaining 60 percent.[413] While the insurance policies are offered by private companies, the federal government reimburses them for administrative costs and reinsures them to guarantee against losses.

The RSC Budget recognizes the importance of this program and the important role it plays in protecting family farms. However, in recent years crop insurance payments have accrued disproportionately to wealthier farmers. According to the American Enterprise Institute, "In 2013, for example, 10 percent of Federal crop insurance indemnities went to farms with household incomes greater than $1,428,545…50 percent of indemnities went to farms with household incomes greater than $143,806 in 2015."[414] The RSC Budget would adopt President Trump's proposal to modestly reduce the federal share of crop insurance premiums by 14 percent. This proposal is estimated to save taxpayers roughly $23 billion over ten years. As President Trump's last budget proposal pointed out, "According to the Government Accountability Office, data show that the impact on a farmer's average per-acre production costs would be limited to between one and two percent depending on the crop."[415] The RSC Budget would also halt administrative expense reimbursements to crop insurance companies, as well as implement President Trump's proposal to cap payments to crop insurance companies for underwriting gains.[416] These reforms would save taxpayers more than $27.6 billion the next 10 years.[417]

Additionally, under the RSC Budget, federal crop insurance subsidies would only be offered to pay for catastrophic policies. Crop insurance subsidies were originally intended to ensure farmers could recover from a bad crop year and replant. The program currently pays, in addition to the costs of the catastrophic policies, most, and sometimes all, of the costs of increasing coverage levels beyond this standard.

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[412] U.S. Department of Agriculture, "Partnerships for Climate-Smart Commodities," https://www.usda.gov/climate-solutions/climate-smart-commodities
[413] Congressional Research Service, "Farm Bill Primer: Federal Crop Insurance Program," August 26, 2022, https://crsreports.congress.gov/product/pdf/IF/IF12201
[414] Jonathan R. McFadden and Robert A. Hoppe, "The Evolving Distribution of Payments From Commodity, Conservation, and Federal Crop Insurance Programs." United States Department OF Agriculture – Economic Research Service. November 2017, https://www.ers.usda.gov/webdocs/publications/85834/eib-184.pdf?v=7001.3#page=40
[415] Office of Management and Budget, "A Budget For America's Future: Major Savings and Reforms – Fiscal Year 2021,", February 10, 2020. https://trumpwhitehouse.archives.gov/wp-content/uploads/2020/02/msar_fy21.pdf
[416] Ibid.
[417] "USDA Mandatory Baseline." CBO. February 2024. https://www.cbo.gov/system/files/2024-02/51317-2024-02-usda.pdf

The RSC Budget also supports President Trump's 2018 budget proposal to cap the overall amount of crop insurance subsidies a single farmer may receive to $40,000. This reform is estimated to save taxpayers $16.2 billion over ten years.[418]

Eliminate the Milk Program

The federal government simultaneously runs programs to pay dairy farmers when prices decline, buy products from the market to maintain price levels, and limit the importation of dairy products. These programs use taxpayer dollars, create an unstable dairy industry and increase the price of milk. As Americans struggle with skyrocketing inflation, the federal government should not continue programs that increase the price of essential goods. Eliminating federal dairy subsidy programs would save taxpayers $2.5 billion over the next decade.[419]

Phase Out the Sugar Program

The U.S. sugar program consists of price supports, production limits for domestic sugar producers, and import restrictions and tariffs for imported sugar. These restrictions have achieved their aim of higher American sugar prices, which are more than 100 percent higher than world prices.[420] While well-intentioned, the sugar program is forcing Americans to deal with significantly higher food prices during a period of record inflation. While the RSC Budget supports reforms to the sugar program, it also acknowledges that many foreign interests are subsidized at the expense of American producers. For this reason, the RSC Budget commends efforts led by Rep. Kat Cammack (R-FL) to highlight the unfair practice of foreign sugar subsidies worldwide. The resolution notes that should foreign countries stop subsidizing sugar production, the federal sugar program should be eliminated. Free trade ideally allows producers around the world to compete to produce the highest quality and most affordable commodities. Sadly, when it comes to sugar, many foreign governments subsidize their production of sugar to artificially drive down costs and unfairly undercut American sugar producers. It is important for President Biden to seek better trade deals that allow American producers to compete on equal footing.

Eliminate Waste within USDA Energy Programs

USDA has long administered several programs that are designed to support rural energy--primarily focused on renewable energy and energy efficiency. However, many of these programs, however, have proven to waste taxpayer dollars[421], with recipients of money failing to carry out projects.

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[418] Office of Management and Budget, "Budget of the U.S. Government: A New Foundation For American Greatness – Fiscal Year 2018," https://trumpwhitehouse.archives.gov/sites/whitehouse.gov/files/omb/budget/fy2018/budget.pdf#page=39

[419] "USDA Mandatory Baseline." CBO. February 2024. https://www.cbo.gov/system/files/2024-02/51317-2024-02-usda.pdf

[420] John C. Beghin, "Recapping the Effects of the US Sugar Program." American Enterprise Institute, February 2022. https://www.aei.org/wp-content/uploads/2022/01/Recapping-the-Effects-of-the-US-Sugar-Program.pdf?x91208

[421] Senator Rand Paul, "USDA Rural Development Money Goes Off Course," Accessed March 11, 2024, https://www.paul.senate.gov/news-usda-rural-development-money-goes-course/

Additional Agriculture Subsidy Reforms

The RSC Budget also supports the following common-sense reforms:

- *Conservation Reserve Program* - The RSC Budget would prohibit new enrollments in the Conservation Reserve Program, saving taxpayers more than $310 million over ten years according to the CBO.[422] This mirrors proposals from President Trump to streamline conservation programs.[423]
- *Conservation Stewardship Program* - The RSC Budget would prohibit new enrollment in the Conservation Stewardship Program, saving taxpayers more than $3.86 billion over ten years according to the CBO.[424] This mirrors proposals from President Trump to streamline conservation programs.[425]
- *Eliminate the Conservation Technical Assistance Program* - The USDA's Conservation Technical Assistance Program uses taxpayer dollars to provide subsidies to landowners for conservation purposes. The RSC Budget would eliminate this program, which liberals hope to use to push their radical climate agenda.[426] This proposal would save taxpayers $1.264 billion over ten years.[427]
- *Eliminate the Agricultural Trade Promotion and Facilitation Program* – This program consists of several underlying programs work to replicate the work of private actors to expand their business reach and customer base by providing taxpayer subsidies to federally hand-picked businesses. This program has provided billions to agricultural trade associations[428] with little oversight on how the funds are spent. Eliminating the Agriculture Trade Promotion and Facilitation Program—and all underlying programs—would save taxpayers $2.54 billion over ten years.[429]
- *Repeal Specialty Crop Block Grant Program* - This budget would eliminate this program, which provides extra subsidies to federally hand-picked producers.
- *Eliminate the National Sheep Industry Improvement Center* - The National Sheep Industry Improvement Center provides grants to support sheep and goat producers, including financing annual trips to Australia. This budget would end subsidies for this mature industry that does not require taxpayer dollars to enhance its production and marketing.
- *Enact the Agriculture Civil Rights and Equality (ACRE) Act* - Rep. Tom Tiffany's (R-WI) ACRE Act would prohibit the Department of Agriculture from intentionally discriminating against

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[422] USDA Mandatory Baseline–02-2024 (cbo.gov)
[423] "A Budget for America's Future: Major Savings and Reforms – Fiscal Year 2021." Office of Management and Budget, February 10, 2020. https://trumpwhitehouse.archives.gov/wp-content/uploads/2020/02/msar_fy21.pdf
[424] CBO "Limit Enrollment in the Department of Agriculture's Conservation Programs." Accessed April 2, 2023., https://www.cbo.gov/budget-options/56813
[425] "A Budget for America's Future: Major Savings and Reforms – Fiscal Year 2021." Office of Management and Budget, February 10, 2020. https://trumpwhitehouse.archives.gov/wp-content/uploads/2020/02/msar_fy21.pdf
[426] Philip Brasher, "Dems add $2B in conservation technical assistance to Build Back Better plan." AgriPulse, December 4, 2021, https://www.agri-pulse.com/articles/16904-dems-add-2b-in-conservation-technical-assistance-to-build-back-better-plan
[427] "USDA Mandatory Baseline." CBO. February 2024. https://www.cbo.gov/system/files/2024-02/51317-2024-02-usda.pdf
[428] U.S. Department of Agriculture, "MAP Funding Allocations – 2023," Foreign Agriculture Service, https://fas.usda.gov/programs/market-access-program-map/map-funding-allocations-fy-2023
[429] "USDA Mandatory Baseline." CBO. February 2024. https://www.cbo.gov/system/files/2024-02/51317-2024-02-usda.pdf

any person based on race, color, national origin, or sex in connection with programs, hiring, contracting, subcontracting. This budget would also extend this prohibition against overtly racist policies to Department of Agriculture subcontractors.

Energy and Commerce

Power Marketing Administrations and Tennessee Valley Authority (TVA) Assets

The RSC Budget would auction off all assets of the four remaining Power Marketing Administrations. It would also auction off Tennessee Valley Authority (TVA) assets not related to the nuclear triad. Those TVA assets related to the nuclear triad would be transferred to the Department of Energy.

Extend authority for Federal Communications Commission (FCC) Spectrum Auctions

The FCC's authority to hold spectrum auctions lapsed on March 9 of 2023.[430] The RSC Budget would provide access to wireless spectrum to private sector innovators by extending the FCC's auction authority.

Corporation for Travel Promotion

The RSC budget would eliminate the Corporation for Travel Promotion, also known as Brand USA, saving taxpayers $391 million over the next ten years.[431]

Allow the Affordable Connectivity Program (ACP) to sunset

The RSC budget stands against corporate welfare and government handouts that disincentivize prosperity, known as the welfare cliff. Joe Biden's Affordable Connectivity Program (ACP)[432] provides a monthly taxpayer-funded payment to broadband service providers to deliver high-speed internet services to qualifying low-income households. In theory, this program was intended to help low-income households afford broadband internet services, rationalized by 'digital equity' as a mobilizer for economic opportunity during the pandemic. Originally, the $3.2 billion Emergency Broadband Benefit Program (EBB) was signed into law at the end of President Biden's first year in office. This was lauded as a $50 per month subsidy to help households[433] amid the pandemic where remote learning was a reality in primary and secondary education. However, upon the passage of Biden's Infrastructure Investment and Jobs Act (IIJA) the following year, EBB became known as the ACP. The

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[430] Linda Hardesty, "Congress lets FCC spectrum auction authority lapse for first time in 30 years." FIERCE Wireless, March 10, 2023. https://www.fiercewireless.com/wireless/congress-lets-fcc-spectrum-auction-authority-lapse-first-time-30-years

[431] Republican Study Committee, "Protecting America's Economic Security," https://hern.house.gov/uploadedfiles/202306141135_fy24_rsc_budget_print_final_c.pdf#page=103

[432] Federal Communications Commission, "Affordable Connectivity Program," Accessed March 11, 2024, https://www.fcc.gov/acp

[433] Brian Naylor, "Here Is What's In The COVID-19 Relief Package," NPR, December 28, 2020, https://www.npr.org/2020/12/21/948744901/here-is-whats-in-congress-covid-19-relief-package

IIJA eliminated language sunsetting the program and provided it with an additional $14.2 billion. RSC supports sunsetting Biden's ACP for the following reasons:

- Private industry captures some of the benefits while passing on higher prices to all consumers;
- 80 percent[434] of ACP beneficiaries had high-speed internet before receiving the subsidy; and
- Sunsetting ACP would cut broadband costs, saving households money.

Education and Workforce

During the previous Congress, the RSC's American Worker Task Force released Reclaiming the American Dream: Proposals to Empower the Workers of Today and Tomorrow. Chaired by Rep. Andy Barr (R-KY), the report included more than 100 proposals to empower American workers and modernize education. Many of its proposals fall within the jurisdiction of the House Education and Workforce Committee and are supported by the RSC Budget. The RSC's key proposals include the following:

Higher Education Financing

- The RSC Budget would adopt Rep. Bob Good's (R-VA) Congressional Review Act resolution which would permanently end President Biden's costly and regressive student loan bailout, which the Supreme Court found unconstitutional and which would cost $420 billion,[435] force working-class Americans to subsidize high-income taxpayers with college and graduate degrees[436] and increase inflation.[437] The RSC Budget would also adopt Rep. Lisa McClain's (R-MI) Congressional Review Act resolution which would permanently end President Biden's radical income-driven repayment scheme, which would be the most expensive federal regulation in history and is estimated by Penn Wharton to cost taxpayers up to $559 billion over 10 years.[438] Biden's IDR scheme represents another regressive "free college" scheme that would fuel inflation and drive tuition even higher.[439]
- The RSC Budget would end Public Student Loan Forgiveness for high-income earners by adopting Rep. Ken Buck's (R-CO) PSLF Fairness Act. This bill would ensure hard working

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[434] Paul Winfree, Ph.D. "Bidenomics Goes Online: Increasing the Costs of High-Speed Internet," Economic Policy Innovation Center, January 8, 2024, https://epicforamerica.org/wp-content/uploads/2024/01/Bidenomics-Goes-Online_01.08.24-1.pdf

[435] Congressional Budget Office, "Cost of Suspending Student Loan Payments and Cancelling Debt." September 26, 2022. https://www.cbo.gov/system/files/2022-09/58494-Student-Loans.pdf

[436] Committee for a Responsible Federal Budget, "Is Biden's Student Debt Cancellation Plan Still Regressive?" October 3, 2022. https://www.crfb.org/blogs/bidens-student-debt-cancellation-plan-still-regressive

[437] Committee for a Responsible Federal Budget, "Student Debt Changes Would Boost Inflation." August 26, 2022. https://www.crfb.org/blogs/student-debt-changes-would-boost-inflation

[438] Penn Wharton Budget Model, "Biden's New Income-Driven Repayment ("SAVE") Plan: Budgetary Cost Estimate, July 17, 2023, https://budgetmodel.wharton.upenn.edu/issues/2023/7/17/biden-income-driven-repayment-budget-update

[439] Committee for a Responsible Federal Budget, "Student Loan IDR Changes Are Highly Problematic, Report Shows." September 21, 2022. https://www.crfb.org/blogs/student-loan-idr-changes-are-highly-problematic-report-shows

taxpayers are not forced to subsidize higher income professionals who are more than capable of paying back loans they willingly took out.

- The RSC Budget would tie student loan repayment rates to program enrollment rather than the institution. This would remove incentives to use taxpayer money to acquire an education that is not likely to result in better earnings. This reform is contained in Education and Workforce Chairwoman Virginia Foxx's (R-NC) PROSPER Act.
- The RSC Budget would allow colleges to limit federal loans based on field of study to ensure taxpayer dollars do not fund academic pursuits that are unlikely to result in future earnings.
- The RSC Budget urges lawmakers to recalibrate undergraduate borrowing caps to promote responsible borrowing, discourage tuition hikes, and more accurately reflect the cost of attaining a four-year college degree. The borrowing cap should also be adjusted to account for the significantly lower cost of remote instruction.
- The RSC Budget would limit borrowing in the Parent PLUS and Grad PLUS loan programs, which encourage students and their parents to borrow large amounts of money, fuel tuition inflation, and leave many families saddled with crippling debt.
- The RSC Budget urges lawmakers to clarify that Income Sharing Agreements (ISAs) are not student loans but rather should be entitled to their own legal treatment. This would allow ISAs to flourish and, among other things, would provide tax treatment clarity for students and ISA providers. The RSC opposes the recent guidance from the Department of Education that falsely labels ISAs as loans.[440]
- The RSC Budget would clarify fair lending requirements to allow Cohort Default Rates (CDRs) and similar metrics to be used in private education lending. Doing so would foster innovation in lending and reduce reliance on traditional criteria that may disadvantage students from low-income backgrounds.
- The RSC Budget would create a single income driven repayment (IDR) plan to replace the litany of current IDR plans. This would make enrollment and repayment simpler and more predictable for future borrowers. The RSC Budget would end a loophole for higher-income enrollees by eliminating the standard repayment cap.
- The RSC Budget would limit the overly generous nature of current federal forgiveness programs. It would cap the total amount of student loans that can be forgiven through the Public Service Loan Forgiveness Program at $57,000, require payments for 25 years instead of 20 before forgiving debt and increase the maximum amount for payments from 10 to 15 percent of the income of the debtor.
- The RSC Budget would eliminate the Pell Grant mandatory spending add-on, which has been used by schools to raise tuition or shift aid elsewhere and would save taxpayers $54.2 billion over the next decade.[441] The RSC Budget would also ensure that Pell Grants are targeted to those who need them by limiting eligibility to students from families with

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[440] Inside Higher Ed, "Education Department Clarifies Rules on Income-Share Agreements." March 4, 2022. https://www.insidehighered.com/news/2022/03/04/education-department-clarifies-rules-income-share-agreements

[441] Congressional Budget Office, "Options for Reducing the Deficit: 2023 to 2032," December, 2022. https://www.cbo.gov/budget-options/58643

income below 250% of the federal poverty line. These reforms would lower tuition since every dollar increase in the maximum Pell grant increases tuition costs by 37 cents.[442]

- The RSC Budget would eliminate in-school subsidies for undergraduates. Every taxpayer dollar spent on these subsidies increases tuition by 58 cents.[443]
- The RSC Budget would require post-secondary institutions to repay a percentage of graduates' debt if defaults are too high as a way of ensuring that these schools have "skin in the game."
- The RSC Budget would eliminate account maintenance fee payments to guarantee agencies who participated in the now defunct Federal Family Education Loan (FFEL) Program.
- The RSC Budget would implement Rep. Brett Guthrie's (R-KY) Empowering Students Through Enhanced Financial Counseling Act, which would require universities and colleges to provide financial counseling services to federal loan recipients.
- The RSC Budget would require use of Fair Value Accounting for federal student loan budgeting.
- The RSC Budget opposes liberal elite proposals for "free" college, which fundamentally ignores the root causes of tuition inflation while shifting increasing costs to taxpayers who don't have a college degree.[444]
- Additionally, the RSC Budget would rescind the Education Stabilization Fund. The Education Stabilization Fund was signed into law as part of the CARES Act and was further expanded in the Coronavirus Response and Relief Supplemental Appropriations Act. The goal of the fund was to provide funding for elementary, secondary, and postsecondary education institutions as they reopen and adapt to COVID-19. With COVID-19 behind us, this program is outdated and needs to be rescinded. Rescinding the remaining amount of money in the fund would save taxpayers $28.576 billion.[445]

Connecting Educators and Employers

- To ensure that necessary workplace skills are being passed along to students, the RSC Budget would require school accreditation boards to include business representation, as proposed in Education and Workforce Chairwoman Virginia Foxx's (R-NC) PROSPER Act.
- The RSC Budget would allow schools to partner with skills-focused organizations, such as private businesses, to allow these organizations to teach up to 100 percent of a program.

To encourage the incorporation of more real-world experience into education, the RSC Budget supports several PROSPER Act amendments to the Federal Work-Study (FWS) program. These reforms would remove the cap on how much federal work study funding can go to students employed by private entities, require all employers to meet the same federal match obligation, and eliminate the requirement that institutions spend 7 percent of their federal work-study funding on

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[442] Republican Study Committee, "Protecting America's Economic Security," https://hern.house.gov/uploadedfiles/202306141135_fy24_rsc_budget_print_final_c.pdf#page=105
[443] Ibid.
[444] Republican Study Committee, "Reclaiming the American Dream", https://banks.house.gov/uploadedfiles/fy23_budget_final_copy.pdf#page=98
[445] CBO Baseline

students that are employed in community service positions. Several of these reforms are contained in former Rep. Fred Keller's (R-PA) Federal Work Study Improvement Act.

The RSC Budget also supports Rep. Rick Allen's (R-GA) Employee Rights Act of 2023. This legislation would protect the rights of American workers and provide them with maximum workplace flexibility and choice. Specifically, the bill would prevent intimidation by union officials by reserving the secret ballot in union elections, prevent union dues from being used to advance left-wing political causes, and protect independent contractors, gig workers and franchisees from job-killing left-wing schemes designed to enrich liberal donors.[446]

Financial Services

End the Government Sponsored Enterprises Fannie Mae and Freddie Mac and Reform the Federal Housing Administration - The U.S. housing finance system supports more than $12.9 trillion in outstanding mortgage debt, with Fannie and Freddie responsible for a large portion of that debt.[447] Taxpayers have already been forced to bail out Fannie Mae and Freddie Mac to the tune of $187 billion. Since being bailed out, these government-sponsored entities have continued to loom large in the housing market. In the third quarter of 2023, 65 percent—or $9 trillion—of the U.S. Single Family Mortgage Market consisted of Agency Mortgage-Backed Securities (MBS) issued by government sponsored entities.[448]

The RSC Budget recommends repealing Fannie Mae and Freddie Mac's federal charters and winding down their outsized role in the housing and securities markets over time. Further, the Federal Housing Administration should be reformed so it can operate on a self-sufficient basis. This proposal is based on the Protecting American Taxpayers and Homeowners Act introduced by former representative and RSC Chairman Jeb Hensarling.

Eliminate the Federal Insurance Office

Created by the Dodd-Frank Wall Street Reform and Consumer Protection Act, the Federal Insurance Office regulates the private insurance markets. However, Congress should question the existence of this office considering that states should be the ones conducting oversight of these markets. Furthermore, the Biden administration has weaponized this office to gather data from businesses and homeowners' insurance plans to determine how "climate-related risks" may impact them.[449] Therefore, this RSC Budget would eliminate this office, proposing language like that included the

[446] Rachel Greszler, "California's 'Pro-Worker' Law is Killing Jobs Left and Right." The Heritage Foundation, January 8, 2020. https://www.heritage.org/jobs-and-labor/commentary/californias-pro-worker-law-killing-jobs-left-and-right "
[447] Urban Institute, "Housing Finance at a Glance – A Monthly Chartbook. January 2024." https://www.urban.org/sites/default/files/2024-01/Housing%20Finance-%20At%20A%20Glance%20Monthly%20Chartbook%20January%202024.pdf
[448] Ibid
[449] Michael Ginsberg, "EXCLUSIVE: House Republicans Move To Eliminate Regulatory Office Pushing 'Green New Deal' Climate Policy," Daily Caller, April 27, 2023, https://dailycaller.com/2023/04/27/ben-cline-republicans-eliminate-federal-insurance-office/

Federal Insurance Office Elimination Act introduced by Budget & Spending Task Force Chairman Ben Cline (R-VA).

Increase and Extend Guarantee Fees

While Congress works to responsibly wind down GSEs, it should also implement reforms to restore competition with the private sector. The RSC Budget would double the 0.1 percent Guarantee Fee the GSEs are required to charge, matching former President Trump's request.

End Dodd-Frank Bailout Authority for Big Banks

The Dodd-Frank financial reform law authorized the Federal Deposit Insurance Corporation (FDIC) to use taxpayer dollars to bail out the creditors of large, "systemically significant" financial institutions. Taxpayers should not be the emergency piggy bank for poor decision-making by financial institutions and corporations. The RSC Budget would repeal this authority. Additionally, the RSC Budget stands against the elimination of limits on FDIC insurance coverage. Raising or eliminating the current $250,000 cap will divert scarce capital to riskier investments and expose taxpayers to endless amounts of bailouts.

Audit and Reform the Federal Reserve

Article I of the Constitution gives Congress the authority to coin money and to regulate the dollar's value. To comply with this constitutional standard, the RSC Budget would remove the Federal Reserve's mandate relating to employment by enacting Rep. French Hill's (R-AK) Price Stability Act of 2023, which would remove its employment mandate while retaining the mandate for stable prices. The employment related aspects of the Federal Reserve's so-called Dual Mandate are often used to justify Keynesian stimulus policies and money printing schemes that kill jobs, stoke inflation, and increase debt.

Under current law, Congress is prohibited from accessing all the Federal Reserve's records. The GAO, which serves as Congress's non-partisan watchdog, should be allowed to review and inspect the Federal Reserve just as it does any other agencies. This commonsense proposal is based on Rep. Thomas Massie's (R-KY) Federal Reserve Transparency Act.

The RSC Budget also recommends the creation of a Centennial Monetary Commission, such as the one proposed in former Ways and Means Chairman Kevin Brady's (R-TX) Centennial Monetary Commission Act. This commission would examine how the Federal Reserve's policies have affected the U.S. economy and make recommendations to Congress for potential reforms.

Finally, the Federal Reserve should be required to adopt a transparent, rules-based monetary strategy. As described by monetary economist John Taylor, "Sound rules-based monetary policy and good economic performance go hand in hand."[450]

Eliminate the SEC Reserve Fund

The Security and Exchange Commission's (SEC) so-called "Reserve Fund" is simply a slush fund created by the Dodd-Frank financial regulations law, allowing regulators to spend without oversight by Congress. This fund should be eliminated, as was requested by former President Trump—especially in light of recent efforts by the SEC to start targeting fossil fuel companies.[451] This would save $503 million over the next 10 years.[452]

Natural Resources

Reduce the Federal Government's Footprint

The federal government's physical footprint is staggering. According to the CRS, "The federal government owns roughly 640 million acres, 28 percent of the landmass of the United States. The federal government owns over 80 percent of the land in Nevada and 45.9 percent, on average, of the contiguous western states."[453] This tremendous hold over our country stifles growth and inflates land prices, a burden that hits working class Americans hardest. This budget would prohibit the net acquisition of new federal land, unless necessitated by a national emergency.

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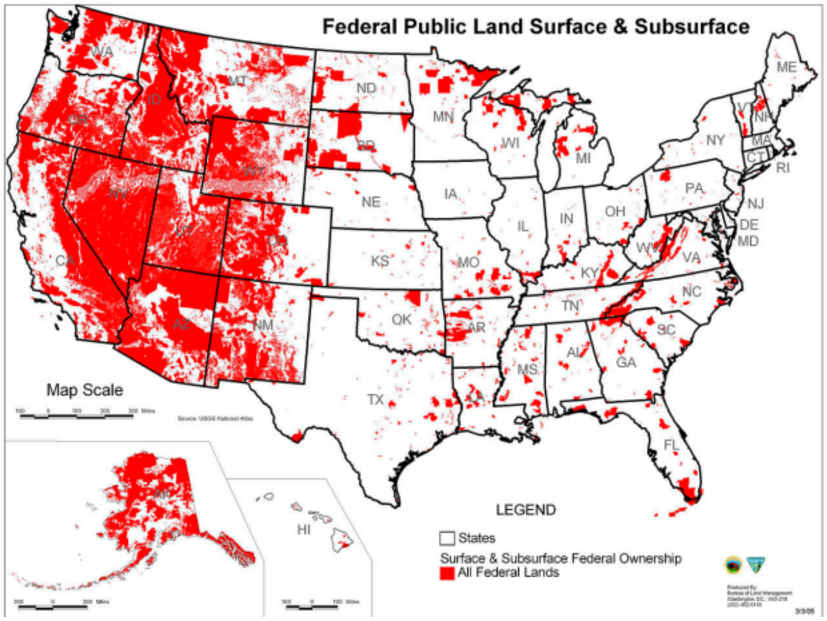
[450] John B. Taylor, Hoover Institution at Stanford University, Blueprint for America edited by George Schultz, "National and International Monetary Reform", July 8, 2016, http://www.hoover.org/sites/default/files/research/docs/george_shultz_blueprint_for_america_ch6.pdf

[451] Thomas Franck, CNBC, "SEC proposes broad climate rules as Chair Gensler says risk disclosure will help investors." March 21, 2022, https://www.cnbc.com/2022/03/21/sec-proposes-climate-disclosure-rules-as-gensler-broadens-market-oversight.html

[452] CBO, "The Budget and Economic Outlook: 2024 to 2034," Congressional Budget Office, February 7, 2024, https://www.cbo.gov/system/files/2024-02/59710-Outlook-2024.pdf

[453] Ibid.



Additionally, the federal government owns more than 272,000 buildings that cost tens of billions to operate.[454] The government's estimated replacement value for these assets is $1 trillion.[455] The RSC Budget supports reforms to make it easier to sell off unneeded space and expand enhanced leasing authority. The RSC Budget supports Rep. Gary Palmer's (R-AL) Transparency in Federal Buildings Projects Act, which would require the GSA to make prospectuses and associated information on federal building projects available to the public.

Reform the Antiquities Act

The Antiquities Act of 1906 was enacted to give the president authority to protect archeological sites from looting. Unfortunately, this authority has been abused, most notably by President Obama.[456] The RSC Budget supports amending the Act to require congressional approval prior to a designation becoming effective.

Reform Wilderness Study Area Process and Expand Timber Harvesting

While Congress has charged the Bureau of Land Management (BLM) with preserving more than 10 million acres of designated Wilderness Areas, the BLM also oversees 11.1 million acres of

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[454] CRS "Federal Land Ownership: Overview and Data" Updated February 21, 2020, https://fas.org/sgp/crs/misc/R42346.pdf#page=2
[455] Ibid.
[456] Juliet Eilperin and Brady Dennis, "With new monuments in Nevada, Utah, Obama adds to his environmental legacy", Washington Post, December 28, 2016, https://www.washingtonpost.com/national/health-science/with-new-monuments-in-nevada-utah-obama-adds-to-hisenvironmental-legacy/2016/12/28/e9833f62-c471-11e6-8422-eac61c0ef74d_story.html?utm_term=.5ea265d1e108

Wilderness Study Areas (WSA).[457] WSAs, as the name implies, were meant to remain under WSA status for a short duration of time to determine whether to include them as permanent Wilderness Areas. However, most of these lands remain in limbo status for many years and are regulated as Wilderness Areas. As such, these valuable lands are locked away from the American people. Moreover, the forest land in WSA status cannot be properly maintained. The lack of proper forest management on these lands not only restricts access to valuable timber but also allows these areas to turn into tinder boxes, intensifying the loss of life and property when forest fires occur. The RSC Budget would implement proposals similar to the Unlocking Public Lands Act and the Protect Public Use of Public Lands Act introduced by former Rep. Greg Gianforte (R-MT) to quickly review and process WSAs, as well as allow increased forest management and timber harvesting on federally held and managed lands.

Oversight and Reform

The RSC Budget incorporates many of the critical reforms supported by the RSC's Government Efficiency, Accountability, and Reform (GEAR) Task Force of the 116th Congress, chaired by former Rep. Greg Gianforte (R-MT), who now serves as the Governor of Montana. Rep. Gianforte (R-MT) focused the GEAR Task Force on assembling proposals designed to reign in the administrative state and promote efficiency in the federal government. Many of these related to the hiring, removal, and compensation of federal employees.

Reforms to the Removal Process for Federal Employees

It has become virtually impossible to remove most federal employees. A review by the GAO found that the dismissal process is estimated to take 170 to 370 days.[458] According to the Heritage Foundation, of 2.1 million federal employees, only 11,046 (0.5 percent) were fired in 2017.[459] This system is so absurd that the courts have actually ruled that federal employees have a property right to continued employment.[460] Even worse, under the Trump administration, we witnessed "another level of resistance to the new president that is less visible and potentially more troublesome to the administration: a growing wave of opposition from the federal workers charged with implementing any new president's agenda."[461]

The biggest losers in this system are hardworking taxpayers who are forced to subsidize the bloated salaries of unqualified and unelected bureaucrats working to force a liberal agenda on a country

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[457] BLM "Wilderness and Wilderness Study Areas" Accessed April 3, 2023, https://www.blm.gov/programs/national-conservation-lands/wilderness

[458] Government Accountability Office, "Federal Workforce Improved Supervision and Better Use of Probationary Periods Are Needed to Address Substandard Employee Performance", February 2015. http://www.gao.gov/assets/670/668339.pdf

[459] John W. York, Ph.D. "Firing a Bad Federal Employee May Get a Little Easier" Heritage Foundation, July 19, 2018 https://www.heritage.org/government-regulation/commentary/firing-bad-federal-employee-may-get-little-easier

[460] Jared Cole, Congressional Research Service, "The Civil Service Reform Act: Due Process and Misconduct-Related Adverse Actions", March 29, 2017. https://fas.org/sgp/crs/misc/R44803.pdf

[461] Juliet Eilperin, Lisa Rein and Marc Fisher, "Resistance from within: Federal workers push back against Trump", Washington Post, January 31, 2017. https://www.washingtonpost.com/politics/resistance-from-within-federal-workers-push-back-against-trump/2017/01/31/c65b110e-e7cb-11e6-b82f-687d6e6a3e7c_story.html

that does not want it. The RSC Budget therefore supports several commonsense proposals to improve the removal of federal employees:

- The MERIT Act, sponsored by Rep. Barry Loudermilk (R-GA), which would shorten the timeframe necessary to remove a bad employee to 30 days, limit the retirement compensation awarded to a federal employee removed for committing a felony in abuse of their official duties, rein in unnecessary appeals, and grant managers authority to recoup bonuses paid to employees who were later found to have committed certain workplace violations.
- Congress should require the mandatory removal of federal employees that commit crimes.[462]
- The Anti-Deficiency Reform and Enforcement Act, sponsored by former Rep. Paul Mitchell (R-MI), which would expand grounds for removing employees under the Anti-Deficiency Act to include misusing an official vehicle or aircraft for personal travel.
- Congress should prohibit federal employees from using paid time off for exercising union duties and end the practice of the federal government serving as the dues collector for the unions. Former Rep. Jody Hice (R-GA) has sponsored two bills that would be steps in the right direction and are supported by the RSC Budget. The Official Time Reform Act and the Official Time Reporting Act would ban federal employees from lobbying while on official time and require OPM to report to Congress on all agency personnel conducting union duties at work, respectively.
- The HERCULES Act, sponsored by RSC Chairman Kevin Hern (R-OK), which would limit adverse employment action appeals. The HERCULES Act would limit outside appeals to formal disciplinary actions, such as removal or demotion, and not compensation decisions. It would also limit the venue for outside appeals to one office in response to disciplinary action.
- The RSC Budget also supports RSC Chairman Kevin Hern's (R-OK) Union Accountability Act, which would rescind a Biden executive order expanding federal government related labor union powers and make it harder to fire workers for misconduct.

Reforms to Employee Pay

The federal government's current compensation framework largely ignores the more efficient compensation approach used in the private sector. Federal government employees receive an average of 17 percent more in total compensation, when benefits are included, than their counterparts in the private sector.[463] This is an additional $36.55 billion burden borne by American taxpayers. The RSC Budget supports the following compensation reforms:

- Reform federal worker paid leave policies to match the value of benefits paid by the private sector. This reform alone would save taxpayers more than $75 billion over 10 years.

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[462] Republican Study Committee, "Protecting America's Economic Security," https://hern.house.gov/uploadedfiles/202306141135_fy24_rsc_budget_print_final_c.pdf#page=109

[463] Congressional Budget Office, "Comparing the Compensation of Federal and Private-Sector Employees, 2011 to 2015", April; 25, 2017. https://www.cbo.gov/publication/52637

- Automatic raises for federal employees should be eliminated. Pay increases for federal employees should be merit-based. This would save taxpayers $57 billion over 10 years.[464]
- Congress should require that agencies only award bonuses when employees meet the standard for "exceeds fully successful." Exceeds Fully Successful, according to the OPM guidance is "reserved for the individuals who are delivering measurable outcomes for the American public in a way that is measurably beyond the standard set for fully successful."
- Congress should impose reasonable limits on the size of bonuses that can be awarded and the number of senior employees who can receive an award. More than $1 billion in bonuses for federal employees were paid by the taxpayers in 2016. This included $1.7 million in bonuses to IRS employees who were sanctioned by the agency for misconduct.[465] The RSC Budget would require disclosure of all bonuses for federal employees and require reports to Congress on all large cash bonuses.
- Congress should repeal current law restrictions that prohibit basing bonus decisions on the relative performance of an employee compared to their peers.
- Congress should reform the federal pay scale to attract and reward high skilled, highly productive federal workers, and stop overpaying less qualified employees.

Reform Federal Employee Pension Plans

Federal employees hired since 1984 are entitled to a two-part retirement program, including the Federal Employee Retirement System (FERS) defined benefit plan and a 401k-style plan with up to a 5 percent government matching contribution. This budget recommends a number of common-sense reforms to bring federal employee retirement costs in line with the private sector. This includes: requiring new federal workers to be enrolled in the defined contribution TSP system rather than the defined benefit FERS pension system - which would give workers needed control over their retirement savings, ensure solvency for federal pensions and save taxpayers more than $235 billion over 10 years;[466] computing a retiree's benefit based on their highest five, and not three, years of earnings; increasing the share of employee contributions to FERS over time; reducing or eliminating the COLA for FERS and the Civil Service Retirement System (CSRS); eliminating the Special Retirement Supplement (SRS), which provides additional benefits for retirees younger than 62 but who had a long federal work history; and reforming the interest rate provided by the G Fund in the Thrift Savings Plan (TSP) to more accurately reflect the yield on a short-term T-bill rate.

While the Middle-Class Tax Relief and Job Creation Act of 2012 required new federal employees to contribute more towards their retirement, no changes were made for current federal employees. This proposal would equalize the treatment for all federal workers.

Federal Employee Health Care

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[464] Congressional Budget Office, "Options for Reducing the Deficit, 2023-2032 – Volume II: Smaller Reductions." December 7, 2022. https://www.cbo.gov/budget-options/58672

[465] NAOMI JAGODA, "Watchdog: IRS issued bonuses to employees with conduct issues." The Hill, February 15, 2018. https://thehill.com/policy/finance/374115-watchdog-irs-issued-bonuses-to-employees-with-conduct-issues/

[466] Heritage Foundation FY 2023 Budget Blueprint, "Federal Personnel Reform: Bring Retirement Benefits in Line with the Private Sector." The Heritage Foundation, Accessed April 3, 2022, https://www.heritage.org/budget/pages/recommendations/2.600.157.html

The Federal Employee Health Benefits Program (FEHBP) provides health insurance coverage for federal employees and their dependents. The portion of these costs covered by the taxpayer does not change with the higher-priced coverage options. As such, federal employees have the incentive to choose the more expensive plans on the taxpayer's dime.

The RSC Budget would transition to a premium support system for the FEHBP. The government would offer a standard federal contribution towards the purchase of health insurance and employees would be responsible for paying the rest. This option would encourage employees to purchase plans with the appropriate amount of coverage that fits their needs. The government should also reduce its contributions to federal workers' premiums to align with the private sector more closely.

The RSC Budget would also eliminate FEHB retirement benefits for new hires. As noted by the Heritage Foundation, federal employees are able to participate in the FEHB plan even after retirement while having large parts of the cost subsidized by taxpayers.[467] This is a benefit unavailable to virtually all private sector workers.

Use a More Accurate Measure of Inflation, Government Wide

The RSC Budget would adopt a different measure of inflation across all government programs with the exception of Social Security and Medicare (see respective Medicare and Social Security sections). Many federal programs rely on different measures of inflation to determine benefit levels. This is typically done using changes in the Consumer Price Index for All Urban Consumers (CPI-U) or the Consumer Price Index for All Urban Wage Earners and Clerical Workers (CPI-W). Both measures track the changes in prices of goods and services. However, these measures do not consider when a cheaper and more innovative product is available that causes consumers to change their spending habits. This would be like assuming households spend their money in the same proportions on the same goods and services they did a century ago. To account for real-world changes in product preferences, the BLS has published a more accurate measure of inflation since 2002 called the Chained Consumer Price Index (chained CPI or C-CPI-U). This budget proposes using the more accurate measure for inflation, chained CPI.

Leverage Common Contracts

The RSC Budget supports a proposal contained in the Performance Plan crafted by the Trump Administration's OMB for agencies to leverage common contracts to allow for taxpayer savings and increased efficiency. The elimination of fragmented buying by agencies and duplicative contracts to the same vendor for largely the same work is estimated to lead to savings of billions of taxpayer

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[467] Heritage Foundation FY 2023 Budget Blueprint, "Federal Personnel Reform: Eliminate FEHB Retirement Benefits for New Hires," The Heritage Foundation, Accessed April 3, 2022, https://www.heritage.org/budget/pages/recommendations/2.600.157.html

dollars.[468] Congress should require agencies to use common contracting techniques when such practice is feasible.

Require Disclosure on Taxpayer-Funded Advertisements

Until we eliminate all federal advertisements, in the interest of transparency and accountability, the public should know when taxpayer dollars are used to promote government projects. These advertisements should include a disclaimer identifying this fact, as well as the cost of the advertisement to taxpayers.

Limit Federal Employee Conferences

Spending limits should be put in place for federal employee conferences, and the heads of federal agencies should be required to personally approve the most expensive conferences.

Prohibit the Federal Government from Bailing Out Irresponsible States, Territories and Local Governments

Taxpayers in financially healthy states should not be responsible for the reckless behavior and mistakes of other parts of the country. The RSC Budget condemns all forms of bailouts to state and local governments. One area where state and local governments have been particularly irresponsible is public pensions. The RSC Budget supports the State and Local Pensions Accountability and Security Act, sponsored by Rep. Brian Babin (R-TX), which would prohibit the Department of the Treasury and the Federal Reserve Board from providing any form of financial assistance to a state or local pension plan. The RSC Budget also opposes efforts to amend existing federal bankruptcy law to allow state governments to access federal bankruptcy proceedings.

Defund EcoHealth Alliance

The RSC Budget supports Rep. Guy Reschenthaler's (R-PA) Defund EcoHealth Alliance Act. This bill would prohibit any federal funding of the EcoHealth Alliance, the nonprofit research organization that partners with the Wuhan Institute of Virology to study coronaviruses and whose research may have been responsible for the outbreak of COVID-19.

Transportation and Infrastructure

Return Transportation and Infrastructure Policy to the States

Quality infrastructure is an important component of a growing economy. Unfortunately, the federal government has badly mismanaged the federal highway program, which forces hardworking Americans to send their tax dollars to Washington and beg to have some of it returned to their state to fix roads and bridges. This budget would transfer the federal government's control over

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[468] General Services Administration, "Category Management: Leveraging Common Contracts and Best Practices to Drive Savings and Efficiencies" January. 2021, https://assets.performance.gov/archives/action_plans/jan_2021_Category_Management.pdf

most highway and transit programs to state and local governments while limiting federal transportation spending to core federal duties. These responsibilities would center primarily on the Interstate Highway System and transportation infrastructure on federal land. This model closely resembles the Transportation Empowerment Act introduced by Senator Mike Lee (R-UT)[469] and former Representative and current Governor of Florida Ron DeSantis (R-FL).[470]

Phase Out the Mass Transit Account

Each year, billions of Highway Trust Fund dollars are taken away from programs that would normally support roads and bridges and allocated instead to the Mass Transit Account. This account supports programs and initiatives purely local in nature, such as subways, buses, and ferries.[471] In FY 2023, $1.065 billion was redirected from the Highway Trust Fund—funded by hardworking taxpayers through the federal gas tax—to the Mass Transit Account (MTA).[472] Diverting taxpayer funds from the HTF cynically moves funds from being used on the highways that connect our states to projects that should be financed at the state or local level. Shifting funds also contributes to shortfalls in the HTF, and eventually results in bailouts of the trust fund. The RSC Budget would phase out the MTA. Additionally, this budget would rescind unobligated mass transit funds provided by President Biden's Infrastructure Investment and Jobs Act.[473]

Eliminate Transportation Alternatives Funding

The Transportation Alternatives (TA) program receives money diverted from the Surface Transportation Block Grant (STBG) program. President Biden's Infrastructure Investment and Jobs Act increased funding for this program from $850 million per year to $1.384 billion in 2022.[474] The program is set to receive significant increases in taxpayer funding through 2026, when it will have budget authority of $1.498 billion. The RSC Budget would eliminate this program, which is used to fund liberal pet projects in urban areas – including so-called "green infrastructure" to advance the left's radical climate agenda.[475]

Eliminate the Congestion Mitigation and Air Quality

[469] Mike Lee, Senator from Utah, "The Transportation Empowerment Act." Accessed April 19, 2022, https://www.lee.senate.gov/the-transportation-empowerment-act
[470] Mike Lee, Senator from Utah, "Lee, DeSantis Introduce Transportation Empowerment Act," Accessed April 19, 2022, https://www.lee.senate.gov/2015/6/lee-desantis-introduce-transportation-empowerment-act
[471] Joseph Kile, Director of Microeconomic Analysis – Congressional Budget Office, "Testimony on Addressing the Long-Term Solvency of the Highway Trust Fund," April 14, 2021, https://www.cbo.gov/publication/57138#:~:text=In%202019%2C%20%2445%20billion%20in,billion%20to%20the%2%200transit%20account
[472] Congressional Budget Office, "Highway Trust Fund Accounts," February 2024, https://www.cbo.gov/system/files/2024-02/51300-2024-02-highwaytrustfund.pdf
[473] Committee for a Responsible Federal Budget, "Infrastructure Plan Will Add $400 Billion to the Deficit, CBO Finds," August 5, 2021, https://www.crfb.org/blogs/infrastructure-plan-will-add-400-billion-deficit-cbo-finds
[474] U.S. Department of Transportation – Federal Highway Administration, "Bipartisan Infrastructure Law – Fact Sheets: Transportation Alternatives (TA)," https://www.fhwa.dot.gov/bipartisan-infrastructure-law/ta.cfm
[475] Georgetown Climate Center, "Green Infrastructure Toolkit – Federal Funding: Overview." Accessed April 3, 2023, https://www.georgetownclimate.org/adaptation/toolkits/green-infrastructure-toolkit/federal-funding.html

The Congestion Mitigation and Air Quality (CMAQ) Program diverts highway funding to a variety of non-highway programs that are supposed to reduce congestion and improve air quality. The CMAQ Program is set to receive increased funding due to enactment of the Infrastructure Investment and Jobs Act, with the program's authorization increasing from $2.538 billion in 2022 to $2.746 billion in 2026.[476] The RSC Budget would eliminate this program because it does little more than use taxpayer dollars to fund local projects favored by liberals in urban areas.[477]

Gas Tax Increase Opposition

While liberals favor an increase in the gas tax to allow for increased levels of spending on their pet projects, any tax increase would hurt hardworking Americans at the pump, harm the economy, and would be especially harmful today given the rise in gas prices caused by President Biden's war on fossil fuels. The RSC Budget would prohibit any gas tax increase.

Reducing the Regulatory Burden on Infrastructure

When carrying out the federal highway program, states are forced to comply with a variety of complex environmental regulations that can delay the completion of important transportation projects for years, such as the Clean Air Act (CAA), the Clean Water Act (CWA), the Endangered Species Act (ESA) and the National Environmental Policy Act (NEPA).

The RSC Budget supports codification of a rule from President Trump that streamlined the NEPA permitting process, improved transparency, and produced short and reliable timelines for being able to go through the NEPA permitting process.[478] [479] However, President Biden has finalized a regulation overturning President Trump's common-sense reform to NEPA. President Biden's executive order would needlessly delay infrastructure projects, including pipelines, highways, and other projects, by requiring federal agencies to include so-called "climate impacts" of projects.[480] While this rule will do nothing to reduce greenhouse gas emissions, it will needlessly delay highway and pipeline projects that would promote economic growth. The RSC Budget also opposes efforts by the Biden Administration to appease far-left climate activists by intentionally delaying highway-expansion project funding opportunities created by the Infrastructure Investment and Jobs Act.[481]

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[476] U.S. Department of Transportation – Federal Highway Administration, "Bipartisan Infrastructure Law – Fact Sheets: Congestion Mitigation and Air Quality," https://www.fhwa.dot.gov/bipartisan-infrastructure-law/cmaq.cfm

[477] David Ditch, "Washington's Devious Detours for Drivers." Heritage Foundation, April 19, 2022. https://www.heritage.org/transportation/commentary/washingtons-devious-detours-drivers

[478] Federal Register, July 16, 2020, "Update to the Regulations Implementing the Procedural Provisions of the National Environmental Policy Act", https://www.govinfo.gov/content/pkg/FR-2020-07-16/pdf/2020-15179.pdf

[479] The White House, "Legislative Outline for Rebuilding Infrastructure in America," February 12, 2018. https://www.transportation.gov/sites/dot.gov/files/docs/briefing-room/304441/legoutline.pdf

[480] Dino Grandoni, Anna Phillips, "Biden restores climate safeguards in key environmental law, reversing Trump." Washington Post, April 19, 2022, https://www.washingtonpost.com/climate-environment/2022/04/19/biden-nepa-climate-trump/

[481] WSJ Editorial Board, "Highway Funding Bait-and-Switch," Wall Street Journal, Jan. 30, 2022, https://www.wsj.com/articles/highway-funding-bait-and-switch-agencies-bipartisan-infrasctructure-new-capacity-cars-public-transportation-11643576500

The RSC Budget supports Rep. Bob Good's (R-VA) bill to repeal the Davis-Bacon Act, a job-killing Big Labor regulation that requires that an inflated level of wages be paid for all construction and contracting jobs that use any federal dollars. Removing this job-killing requirement would significantly reduce the cost of infrastructure projects and promote good paying construction jobs. This commonsense policy would save taxpayers more than $88.4 billion.[482] In the meantime, the RSC Budget supports Rep. Paul Gosar's (R-AZ) Responsibility in Federal Contracting Act, which would require prevailing wage rates to be more accurately calculated by the Bureau of Labor Statistics (BLS).

Additionally, the RSC Budget supports President Trump's initiative to have a single federal agency be designated as the lead agency for handling a permit request. This is similar to a process outlined in Rep. Tom McClintock's (R-CA) Water Supply Permitting Coordination Act. This policy was also included in the Fiscal Responsibility Act, which became law in June of 2023.

Reduce Infrastructure Costs

When the federal government funds a transportation project, it is subject to several different federal labor regulations that drive up the cost of the project. When projects cost more than necessary because of special interest regulatory requirements, taxpayers and commuters are harmed. These requirements should be eliminated to give taxpayers the best deal possible.

The RSC Budget also supports former RSC Chairman Jim Banks' (R-IN) bill that would allow state governments to run concession areas at state government-owned concession areas. The current regulation against this practice only hinders the abilities of state governments to operate their own rest areas and fund legitimate functions of the states' governments.

Equalize Cost-Sharing for Disasters

To ensure states are not incentivized to rely on federal coffers for disaster relief, the RSC Budget proposes reducing the federal cost share to 50 percent, equalizing the cost to both the federal and state governments.

Privatizing the Air Traffic Control Functions of the Federal Aviation Administration - The RSC Budget supports the goal of working towards privatizing the Air Traffic Control (ATC) functions of the Federal Aviation Administration (FAA) and reducing associated aviation taxes. As many countries have moved toward similar reforms,[483] privatization would promote public safety while producing less expensive and better-quality services.

Judiciary

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[482] Heritage Foundation, Accessed February 22, 2024. ""Budget Blueprint for Fiscal Year 2023 Repeal the Davis-Bacon Act. https://www.heritage.org/budget/pages/recommendations/4.multiple.3.html

[483] Brianna Fernandez, Is it Time for the U.S. to Privatize its Air Traffic Control?" American Action Forum, September 12, 2017, https://www.americanactionforum.org/insight/time-u-s-privatize-air-traffic-control/

Rescind unobligated balances form the Crime Victims Fund-- The Crime Victims Fund provides money to victims and survivors of crime, provides support, and responds to victims' needs. Funding is raised from the payment of fines and penalties by people charged with select crimes. Congress has placed an annual cap on obligations out of this fund since 2000, and the current year's cap[484] is $1.9 billion. However, the CVF carries a large unobligated balance that Congress has tapped into for "changes in mandatory spending," thereby clawing back funds to create "savings" for the annual appropriations bills. Instead of using the fund to offset annual spending, the CVF's unobligated balance[485] of $1.084 billion should be completely rescinded.

[484] Office for Victims of Crime, "Crime Victims Fund – Overview," Accessed March 11, 2024, https://ovc.ojp.gov/about/crime-victims-fund

[485] Office of Victims for Crime, "FY 2007-FY 2024 Crime Victims Fund End of Year Balance," Accessed March 11, 2024, https://ovc.ojp.gov/about/crime-victims-fund/fy-2007-2024-cvf-balance.pdf

NON-DEFENSE DISCRETIONARY SPENDING

President Biden famously asked Republicans in Congress "what would they have me cut?" when advocating for $1.9 trillion in stimulus spending in 2021. Biden's rhetoric and policies befit the chief executive of a federal government who is content that the nation is over $34 trillion in debt. In his first two years in office, President Biden and Congressional Democrats enacted over $10 trillion in record breaking new spending.

Discretionary spending is simply out of control. According to CBO, FY 2022 discretionary outlays totaled $1.7 trillion, with non-defense spending eclipsing defense spending.[486] CBO also estimates outlays to exceed $1.8 trillion in FY 2024.[487] Similarly, growth in non-defense spending has outpaced defense spending for over 50 years, according to the Cato Institute.[488]

The FY 2024 House-drafted appropriations bills marked a step in the right direction in reducing non-defense discretionary spending. These bills were marked to $1.471 trillion in base budget authority—using rescissions and CHIMPs to help bring these bills to FY 2022's topline level of spending. While $826 billion went to defense spending, the remaining $645 billion ($704 billion with rescissions and CHIMPs) was allocated to non-defense discretionary spending.[489] Compared to FY 2023, the NDD spending in the House-drafted appropriations bills would have served as a $132 billion cut.[490] On the other hand, President Biden requested $843 billion in base NDD spending in his FY 2024 budget request.

The RSC Budget rejects President Biden's woke and wasteful non-defense budget request and seeks to fund only those NDD programs and activities that fall within Congress's explicitly delegated authorities. Additionally, this RSC budget would reduce funding for agencies that have become weaponized by the Biden administration to unfairly target, investigate, and censor the American people. Overall, this budget would shrink the bloated federal bureaucracy by reducing NDD spending by more than $3.8 trillion over the next decade.

Below is a non-exhaustive list of NDD spending reductions and reforms advocated for in the RSC budget:

<u>Within the Jurisdiction of Multiple House Appropriations Subcommittees:</u>

Prohibit Funds for Government Promotion

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[486] Congressional Budget Office, "Discretionary Spending in Fiscal Year 2022: An Infographic," https://www.cbo.gov/publication/58890
[487] An Analysis of the Discretionary Spending Proposals in the President's 2024 Budget (cbo.gov)
[488] Romina Boccia, President Biden's Budget Misses the Mark Cato.org (2023), https://www.cato.org/blog/presidential-budget-misses-mark (last visited Apr 3, 2023).
[489] FY24 House Subcommittee Allocations 6.13.23_0.pdf
[490] U.S. Senate Committee on Appropriations, "Chairman Patrick Leahy (D-Vt.) Releases Fiscal Year 2023 Omnibus Appropriations Bill," December 20, 2022, https://www.appropriations.senate.gov/news/majority/chairman-patrick-leahy-d-vt-releases-fiscal-year-2023-omnibus-appropriations-bill

According to the GAO, the federal government spends roughly $1.5 billion of taxpayer money on public relations activities a year.[491] The RSC Budget would eliminate government spending that is meant to simply promote more government while protecting funds used for military recruitment.

Global Change Research

The U.S. Global Change Research (USGCRP) is a federal program operating across multiple federal agencies that is charged with coordinating, "…federal research and investments in understanding the forces shaping the global environment, both human and natural, and their impacts on society."[492] This program is using taxpayer dollars to further the Left's climate agenda. The RSC Budget would eliminate funding for the program.

Agriculture, Rural Development, Food and Drug Administration and Related Agencies:

Repeal United States Department of Agriculture (USDA) Catfish Inspection Program

The USDA Catfish Inspection Program should be repealed. The Food and Drug Administration (FDA) is charged with inspecting all seafood and fish, but catfish is inexplicably the responsibility of the USDA. GAO has made it clear such an arrangement is nonsensical, issuing a report titled "Responsibility for Inspecting Catfish Should Not Be Assigned to USDA."[493] The RSC Budget would repeal the program.

Eliminate Land Acquisition by the Forest Service

The federal government should be finding ways to reduce its land holdings and associated costs, not expand them. The Forest Service already manages 193 million acres of land, more than six times the size of North Carolina.[494] The federal government owns more than 640 million acres.[495] This budget would cease land acquisition by the Forest Service. In FY 2023, the federal government spent $124.438 million on these activities.

Reduce Funding for the Animal and Plant Health Inspection Service

Certain functions of the Animal and Plant Health Inspection Service (APHIS) program should be carried out by the industries this service regulates. This RSC budget would reduce funding commensurately.

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[491] GAO "Selected Agencies' Activities Supported by Contracts and Public Affairs Staff" September 12, 2017 https://www.gao.gov/products/GAO-17-711

[492] "About USGCRP. U.S. Global change Research Program. Accessed March 9, 2024. https://www.globalchange.gov/about-us

[493] Government Accountability Office, "Seafood Safety: Responsibility for Inspecting Catfish Should Not Be Assigned to USDA", June 8, 2012. http://www.gao.gov/products/GAO-12-411

[494] U.S. Forest Service, Accessed on March 29, 2023, "By the Numbers", https://www.fs.usda.gov/about-agency/newsroom/by-the-numbers

[495] Congressional Research Service, February 21, 2020, "Federal Land Ownership: Overview and Data", https://fas.org/sgp/crs/misc/R42346.pdf

Eliminate the Forest Products Laboratory

The goal of this entity is to produce new products from forestry resources to aid in the conservation of forest land.[496] This is duplicative of private sector industries that operate in forested areas. It has also been used by the Biden Administration to promote woke concepts such as "Tree Equity."

Eliminate the Rural Water and Waste Disposal Program Account

The Rural Water and Wastewater Loan and Grant program provides funding for sewage and sanitation services in certain local communities but is best handled by the private sector or local and state governments. President Trump proposed eliminating this program, citing duplication with other efforts. In FY 2023, $909 million was appropriated to this account.

Reduce funding for USDA's Rural Business Cooperative Service

The Rural Business Cooperative Service provides training and resources to individuals in rural areas to help grow businesses and the local economy. Some of the programs[497] funded by the Rural Cooperative Service are tailored toward advancing green energy, such as the Advanced Biofuel Payment Program. Additionally, the Rural Business Cooperative Service carries out other programs like the Healthy Food Financing Initiative and Rural Cooperative Development, which were defunded in Trump's 2018 budget.

Repeal funding for Agricultural Research Climate Hubs

USDA Climate hubs use taxpayer dollars to further the left's radical climate agenda through "climate research" and "climate-smart solutions." The USDA should be focused on helping American farmers, not subsidizing the priorities of liberal special interests. The RSC Budget would eliminate funding for climate hubs.[498]

Eliminate the McGovern-Dole International Food for Education and Child Nutrition Program

The McGovern-Dole program provides donations of U.S.-produced agricultural commodities. Several Trump Budgets proposed eliminating the McGovern-Dole program, suggesting that the program lacked proof that it is being effectively implemented to reduce food insecurity.[499][500] Furthermore, some experts have argued that importing free food from countries like the U.S. reduces local prices for agricultural commodities and suppresses developing nation's farmers. This program was eliminated in the FY 2023 RSC Budget, and this budget would do the same.

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[496] Forest Products Laboratory, Accessed March 29, 2023. https://www.fpl.fs.usda.gov/
[497] U.S. Department of Agriculture, Energy Programs, Accessed March 11, 2024, https://www.rd.usda.gov/programs-services/energy-programs
[498] Karen Dawn, "The End of Animal Farming is Not an Impossible Dream." The Progressive Magazine, September 1, 2018. https://progressive.org/latest/the-end-of-animal-farming-is-not-an-impossible-dream-181209/
[499] 2018 USDA Budget Summary
[500] USDA FY 2021 Budget Summary

Eliminate Food for Peace

Funding for this program is provided by USDA and administered by the U.S. Agency for International Development. Several Trump budget requests eliminated funding for this program.[501][502] Foreign assistance needs to be streamlined across the federal government, and aid could be more efficiently and narrowly allocated to foreign countries through international disaster assistance.

Commerce, Justice, Science and Related Agencies:

Eliminate the Economic Development Administration

The Economic Development Administration (EDA) is a program that subsidizes private companies. Local economic development is best handled by state and local governments, and this budget would eliminate this duplicative program. In FY 2023, the federal government spent $1.604 billion on this program.

Eliminate the National Technical Information Service

The National Technical Information Service (NTIS) is an outdated agency that physically distributes government documents and data. Most of these documents are available to the public for free online.

Eliminate the Hollings Manufacturing Extension Partnership

The Hollings Manufacturing Extension Partnership (MEP) provides financial support to local centers that provide technical services to small manufacturing companies. Originally meant to be self-sustaining, the program is dependent on annual federal subsidies and should more appropriately be funded solely at the state and federal level. This budget's pro-growth tax reforms will significantly increase manufacturing investment, making this program, which received $239 million in discretionary funding for FY2023, unnecessary.

Eliminate the Legal Services Corporation

The Legal Services Corporation (LSC) engages in taxpayer-funded advocacy for liberal political causes and lobbying. In fact, the Reagan Administration tried to eliminate this subsidy to liberal special interests only to be foiled by Hillary Clinton and other liberal activists.[503] The LSC is also marked by misuse of taxpayer money and redundancy as many of LSC's programs are offered by the states. The LSC received $580 million in FY 2023.

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[501] 2018 USDA Budget Summary
[502] USDA FY 2021 Budget Summary
[503] Robert Stilson, "The Legal Services Corporation: A History of Political Advocacy." Capital Research Center, January 14, 2020, https://capitalresearch.org/article/the-legal-services-corporation-part-2/

Reduce Funding for the International Trade Administration

The International Trade Administration (ITA) provides export assistance services to private companies in a way that is duplicative with services available from private entities. The ITA has also used taxpayer funds to advance the radical climate change agenda pushed by the left, including the implementation of a "Clean Technologies Export Competitiveness Strategy" and working to implement President Biden's radical Executive Order 14008: Tackling the Climate Crisis at Home and Abroad.[504] The RSC Budget would reduce funding for this program, which received $613 million in FY 2023.

Eliminate Woke Funding at the National Science Foundation

The National Science Foundation—meant to promote scientific breakthroughs that increase the nation's health and prosperity—has increasingly used taxpayer dollars to advance a diversity, equity, and inclusion (DEI) agenda that divides Americans based on race and gender. One study from the Center for the Study of Partisanship and Ideology found that, "As of 2020, 30.4% of all grants had one of the following politicized terms: "equity," "diversity," "inclusion," "gender," "marginalize," "underrepresented," or "disparity." This is up from 2.9% in 1990."[505] The RSC Budget would reduce discretionary funding for the NSF to prevent taxpayer dollars from being used to promote radical left-wing ideologies that divide Americans.

Eliminate Certain National Oceanic and Atmospheric Administration (NOAA) Grants and Education

National Oceanic and Atmospheric Administration (NOAA) currently operates several grants and programs that do not provide significant support to the core mission of NOAA, including several that align with the left's climate agenda. These include the Sea Grant program, the National Estuarine Research Reserve System, Coastal Zone Management Grants, the Office of Education within NOAA and the Pacific Coastal Salmon Recovery Fund. The RSC budget would eliminate these programs and return the NOAA to its original mission. The RSC Budget would reduce NOAA funding to prevent:

- Discriminatory and quota-based employment practices based on radical and divisive "diversity, equity, and inclusion" ideology.
- "Climate products and services."
- Subsidies for inefficient and unreliable wind energy.[506]

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[504] International Trade Administration, "Congressional Budget Submission: Budget Estimates Fiscal Year 2023." March, 2022, https://www.commerce.gov/sites/default/files/2022-03/FY2023-ITA-Congressional-Budget-Submission.pdf

[505] Leif Rasmussen, "Increasing Politicization and Homogeneity in Scientific Funding: An Analysis of NSF Grants, 1990-2020," Center for the Study of Partisanship and Ideology, November 16, 2021, https://cspicenter.org/wp-content/uploads/2021/11/CSPI.No4_.pdf

[506] "National Oceanic and Atmospheric Administration budget Estimates: Fiscal Year 2023." National Oceanic and Atmospheric Administration. https://www.noaa.gov/sites/default/files/2022-04/FY23_NOAAPresidents_Budget_508Compliant.pdf

Prevent Funding for Woke Activities at the Environmental and Natural Resources Division and the Civil Rights Division within the Department of Justice

The DOJ's Environmental and Natural Resources Division has been linked with the practice of sue-and-settle to reward left-wing special interests. Taxpayer dollars should not be used to support the left's "environmental justice" agenda.

Eliminate the Community Relations Service of the Department of Justice

The DOJ's Community Relations Services Program deviates from the core purpose of the DOJ to investigate and prosecute violations of federal law. Instead, the entity attempts to act as "peacemaker" in local disputes and has been used by the Biden Administration to push its woke gender and CRT ideologies.[507] In FY 2023, the federal government spent $25 million on this program.

Prevent funding for woke activities at the Office of Justice

The Office of Justice has used taxpayer dollars to provide funding to sanctuary cities and fund organizations that support cashless bail and DEI ideology.[508] The RSC Budget would reduce funding for these woke programs.

Reduce funding for Community Oriented Policing Services (COPS)

COPS was created in the 1990s as a means to support state and local law enforcement agencies with expenses like salaries, court programs, and juvenile justice programs.[509] Conservatives support our men and women and blue but should question whether the government should involve itself in state and local law enforcement, even if it is only a matter of funding. In recent years, we have seen elected officials in urban areas vilifying their law enforcement officers, disincentivizing any new police recruits. While COPS funding goes to small towns and big cities alike, it is unfair to provide funding to larger cities that championed major cuts to their police budgets. In one example, San Francisco's mayor announced[510] that she would cut the city's police budget by $120 million. Later in 2021, San Francisco received a $6.25 million COPS Hiring Program grant.[511] The same story applies to D.C. In 2020, the city council approved a $15 million cut[512] to the city's police budget only later

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507 "Fiscal Year 2020 Annual Report: U.S. Department of Justice – Community Relations Service." Accessed April 14, 2023. https://www.justice.gov/file/1461451/download

508 Lynch, S. "EXCLUSIVE U.S. Justice Department ends Trump-era limits on grants to 'sanctuary cities'" Reuters. April 28, 2021. https://www.reuters.com/world/us/exclusive-us-justice-department-ends-trump-era-limits-grants-sanctuary-cities-2021-04-28/

509 Community Oriented Policing Services (COPS) Program (congress.gov)

510 Alix Martichoux and Cornell Barnard, "San Francisco Mayor London Breed announces cuts to police in new city budget," ABC7 News, July 31, 2020, https://abc7news.com/san-francisco-budget-announcement-defund-sfpd-the-police-london-breed-press-conference/6345069/

511 U.S. Department of Justice, "COPS Award Announcement Map", Accessed March 11, 2024, https://cops.usdoj.gov/AwardAnnouncementMap

512 Andrea Swalec, "DC Council Committee Approves $15M Cut to Police Budget," NBC Washington, June 26, 2020, https://www.nbcwashington.com/news/local/dc-council-committee-approves-15m-cut-to-police-budget/2344969/

to receive a $3.125 million[513] COPS Hiring Program grant. The federal government should not bail out cities that wish to cut their police budgets, so the RSC Budget would support a reduction to this program.

Energy and Water Development and Related Agencies:

Eliminate Department of Energy Climate Funding

The Department of Energy has numerous programs that use taxpayer dollars to promote the left's radical climate agenda. As documented by the Center for Renewing America, the Department also houses the Office of Economic Impact and Diversity, which is responsible for implementing the Biden Administration's Justice40 initiative, which exploits disadvantaged communities to subsidize "green" special interests with taxpayer dollars.[514] As such, the office recently rebranded itself to the "Office of Energy Justice and Equity."[515] The Department of Energy is also pushing the Administration's radical climate agenda through the Office of Science. In the Departments FY 2024 Budget Request, it requested $8.8 billion for the Office of Science for "increased investments in Administration priorities including basic research on climate change and clean energy . . ."[516]The Department's request also notes that the Office of Environmental Management is taking a lead role in implementing the Justice40 initiative.[517] The RSC Budget would limit the amount of taxpayer funding financing this radical climate agenda.

Eliminate funding for the Office of Clean Energy Demonstrations

This office[518] was established by the IIJA to "deliver clean energy demonstration projects at scale in partnership with the private sector to accelerate deployment, market adoption, and the equitable transition to a decarbonized energy system." Taxpayer dollars should not be used to subsidize private sector investments in politically favored energy technologies.

Applied Energy Programs

The RSC Budget recognizes that a pro-energy independence agenda needs deregulation and pro-growth tax reform, not economically distortionary federal subsidies. Relying on private market forces will increase supply, enhance efficiency, and reduce consumer costs—the opposite approach

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513 U.S. Department of Justice, "COPS Award Announcement Map", Accessed March 11, 2024, https://cops.usdoj.gov/AwardAnnouncementMap
514 "Justice40." The White House. Accessed March 29, 2023. https://www.whitehouse.gov/environmentaljustice/justice40/
515 "DOE's Office of Economic Impact and Diversity Changes Its Name to Office of Energy Justice and Equity." Department of Energy. October 31, 2023. https://www.energy.gov/justice/articles/does-office-economic-impact-and-diversity-changes-its-name-office-energy-justice
516 U.S. Department of Energy, "FY 2024 Budget in Brief," https://www.energy.gov/sites/default/files/2023-06/doe-fy2024-budget-in-brief-v5.pdf#page=28
517 U.S. Department of Energy, "FY 2024 Budget in Brief," https://www.energy.gov/sites/default/files/2023-06/doe-fy2024-budget-in-brief-v5.pdf#page=70
518 Office of Clean Energy Demonstrations, "Who We Are," Accessed March 11, 2024, https://www.energy.gov/oced/mission#:~:text=To%20deliver%20clean%20energy%20demonstration,to%20a%20decarbonized%20energy%20system.

of the Biden Administration. The RSC Budget would apply these principles to eliminate the Department of Energy's applied energy programs as also recommended in the past by President Trump's budget. For instance, the RSC Budget would eliminate the Office of Energy Efficiency and Renewable Energy (EERE), which provides taxpayer support to inefficient and expensive green energy sources favored by liberal elites. EERE received $3.46 billion in FY 2023.[519] Similarly, the RSC Budget would eliminate the Advanced Research Projects Agency – Energy (ARPA-E) program, which was created by the failed 2009 stimulus law and uses taxpayer dollars to fund high-risk green energy projects. Taxpayers should not bear the burden for research projects that not even the most speculative and daring members of the energy industry will take on themselves. ARPA-E received $470 million in FY2023.

Eliminate funding for DOE Federal Energy Management Program

These subsidies force taxpayers to subsidize renovations for higher-income Americans. In FY 2023, the federal government spent $43million on these grants.[520] While cost and energy efficiency at federal facilities are laudable goals, this program is being used to advance an unrealistic net-zero agenda. Investments in federal facilities should focus on cost-savings and reliability, not green electrification projects.

Eliminate funding for DOE State and Community Energy Programs

This office carries out wasteful subsidy and grant programs, including weatherization grants and home energy efficiency rebates that received significant funding through the Inflation Reduction Act. This RSC budget would eliminate this office.

Eliminate Title 17 Innovative Technology Loan Guarantee Program

The Title 17 Innovative Technology Loan Guarantee Program provides loans to green energy projects. This is the program that gave us the Solyndra scandal where taxpayers lost more than $500 million after the Obama Administration gambled on a politically favored company.[521] The RSC Budget would eliminate this program, which received $31.2 million in FY 2023.[522]

Eliminate the Advanced Technology Vehicle Manufacturing (ATVM) Loan Program

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[519] U.S. Department of Energy, "FY 2024 Budget in Brief," https://www.energy.gov/sites/default/files/2023-06/doe-fy2024-budget-in-brief-v5.pdf#page=13

[520] U.S. Department of Energy, "FY 2024 Budget in Brief," https://www.appropriations.senate.gov/imo/media/doc/Division%20D%20-%20Energy%20&%20Water%20Statement%20FY23.pdf#page=153

[521] Kellen Howell and Stephen Dinan, "Solyndra misled government to get $535M solar project loan: report," The Washington Times, August 16, 2015, https://www.washingtontimes.com/news/2015/aug/26/solyndra-misled-government-get-535-million-solar-p/

[522] U.S. Congress,
"Division D--Energy and Water Development and Related Agencies Appropriations Act," 2023, https://www.appropriations.senate.gov/imo/media/doc/Division%20D%20-%20Energy%20&%20Water%20Statement%20FY23.pdf#page=172

The Advanced Technology Vehicle Manufacturing (ATVM) Loan program provides subsidies to vehicle manufacturing companies to produce greener cars. The RSC Budget would eliminate this program, which received $10 million in FY 2023.[523]

Eliminate Regional Commissions

The RSC Budget recommends cutting regional commissions, which are duplicative of other federal initiatives as well as state and local programs. The commissions received $353 million in taxpayer funding in FY2023.[524] President Trump proposed eliminating these commissions in his FY 2018 budget request.[525]

Reduce Funding for the Department of Energy's Biological and Environmental Research Program

This program moves well past basic research and is duplicative of private sector efforts. This budget would reduce funding to focus on core responsibilities and basic research, not on the program's climate research objectives.

Financial Services and General Government

Stop Unfair IRS Enforcement

Along with rescinding the unused mandatory budgetary authority from the Inflation Reduction Act to hire 87,000 new IRS agents, the RSC Budget would additionally reduce discretionary funding for IRS enforcement. This budget would simplify the tax code which would significantly reduce the need for enforcement funds and would protect lower- and middle-class Americans from these intrusive audits,[526] and would stop politically driven harassment.[527]

Eliminate the Community Development Financial Institutions (CDFI) Fund

The CDFI Fund "was created for the purpose of promoting economic revitalization and community development," a task more appropriately funded by the private sector—not the woke Biden

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[523] Ibid

[524] U.S. Congress,
"Division D--Energy and Water Development and Related Agencies Appropriations Act," 2023, https://www.appropriations.senate.gov/imo/media/doc/Division%20D%20-%20Energy%20&%20Water%20Statement%20FY23.pdf#page=256

[525] Office of Management and Budget, America First: A Budget Blueprint to Make America Great Again," Accessed March 11, 2024, https://www.govinfo.gov/content/pkg/BUDGET-2018-BLUEPRINT/pdf/BUDGET-2018-BLUEPRINT.pdf

[526] "CBO: New IRS Audits Will Grab at Least $20B from Lower- & Middle-Income Families." House Ways and Means Committee Republicans. August 12, 2022. https://waysandmeans.house.gov/cbo-new-irs-audits-will-grab-at-least-20b-from-lower-middle-income-families/

[527] Ari Blaff, "'I'm Going to Have to Refer You to the IRS': White House Remains Quiet on Surprise Visit to Taibbi's House." National Review, March 29, 2023. https://news.yahoo.com/m-going-refer-irs-white-213400454.html

Administration.[528] The CDFI Fund received $324 million in funding in FY2023. President Trump also supported eliminating this program.[529]

Eliminate funding for the GSA's Technology Modernization Fund

GSA's Technology Modernization Fund is a full cost recovery fund that finances the transition of IT systems for Federal agencies to modern IT platforms. The House-drafted FY 2024 FSGG Appropriations bill eliminated funding for this account. The committee report highlights that this fund "functions as the Federal Government's developer and landlord."[530] As such, the RSC Budget would also eliminate the GSA's Technology Modernization Fund.

Eliminate funding for the Barry Goldwater Scholarship and Excellence in Education Foundation

According to the foundation's website, "[t]he Barry Goldwater Scholarship and Excellence in Education Foundation was established by Congress in 1986 to serve as a living memorial to honor the lifetime work of Senator Barry Goldwater . . . By providing scholarships to college sophomores and juniors who intend to pursue research careers in the natural sciences, mathematics and engineering, the Goldwater Foundation is helping ensure that the U.S. is producing the number of highly-qualified professionals the Nation needs in these critical fields."[531] While students should be encouraged to pursue STEM careers, there are plenty of scholarships available for students, let alone federal aid programs that already exist. The House-drafted FSGG appropriations bill eliminated funding for the Foundation, and this RSC Budget would do the same.

Reduce funding for the Consumer Product Safety Commission (CPSC)

The CPSC has been weaponized to advance Biden's radical climate agenda, including attempting to ban gas stoves.[532] The RSC Budget would support a funding reduction for CPSC.

Reduce funding for the Federal Trade Commission (FTC)

The FTC under Chair Lina Khan has weaponized antitrust laws to harass businesses and perpetuate woke capitalism.[533] Her aggressive and at times illegal efforts to expand antitrust law beyond the traditional consumer welfare standard has been rejected by the federal courts in several major

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[528] U.S. Department of the Treasury "Equity Action Plan Statement" https://www.whitehouse.gov/wp-content/uploads/2022/04/Treasury-EO13985-equity-summary.pdf
[529] Office of Management and Budget, "A Budget for a Better America: Major Savings and Reforms", Fiscal Year 2020 https://www.govinfo.gov/content/pkg/BUDGET-2020-MSV/pdf/BUDGET-2020-MSV.pdf#page=92
[530] https://www.congress.gov/118/crpt/hrpt145/CRPT-118hrpt145.pdf#page=286
[531] The Barry Goldwater Scholarship and Excellence in Education Foundation, Accessed March 11, 2024, https://goldwaterscholarship.gov/
[532] Daniella Genovese, "Gas stoves: CPSC asks for public input on health impact," Fox Business, March 2, 2023, https://www.foxbusiness.com/lifestyle/cpsc-approves-request-for-information-on-gas-stove-hazards-and-potential-solutions-what-this-means
[533] Mark Jamison, "Economics Lost: The Unraveling of Antitrust at the DOJ and FTC," National Review, December 6, 2023, https://www.nationalreview.com/2023/12/economics-lost-the-unraveling-of-antitrust-at-the-doj-and-ftc/?mkt_tok=NDc1LVBCUS05NzEAAAGP3pei2jLsYPk_fZokY_Wng0SNvYaz6sM7NWFtNPXYVy24Oo4ack_9RDuk1WoQYZS8cpxSxXO8Z9LWbf_ArUmx

cases.[534] Additionally, Chair Khan's leadership has been marked by major ethics lapses, including her refusal to recuse herself from matters where she had a conflict of interest.[535] As a referendum on the Biden administration's posture towards businesses, this RSC budget would support a funding reduction to the FTC.

Reduce funding for the Securities and Exchange Commission (SEC)

The SEC under Chair Gary Gensler has pursued a radical agenda, including pushing an illegal, burdensome, and costly climate disclosure proposal.[536] This radical proposal would force public companies to gather and disclose detailed information about carbon emissions throughout their supply chains. Congress did not authorize the SEC to act as a climate regulator, and this burdensome rule would harm many businesses across the country and discourage them from going public. As such, the RSC would propose reduced funding for the SEC and eliminate funding for any woke ESG regulations.

Eliminate the Entrepreneurial Development Program

This program provides technical assistance and education for business owners deemed to be able to rapidly expand their business. It is not the government's role to determine which businesses should expand, especially as the Biden Administration continue their efforts to subsidize their radical woke agenda with taxpayer dollars. This program received $320 million in FY 2023.

Reduce Funding for the Election Assistance Commission

As noted by then-Congressman Gregg Harper (R-MS), "The existence of the EAC is not necessary to conduct federal elections and is a waste of taxpayer funds. The EAC was only meant to run temporarily following the 2000 election. Instead, this organization has taken federal resources for a decade and a half. To date, most of its functions have ended, and those remaining are easily transferable to the Federal Elections Commission. What taxpayers are left with is an agency that has outlived its usefulness, mismanaged its resources, and cost taxpayers millions."[537] The RSC Budget would reduce funding for this commission, which received $101 million in funding for FY 2023.

Homeland Security:

Reduce funding for the Cybersecurity and Infrastructure security Agency (CISA)

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534 David McGarry, "The FTC's Antitrust Radicals Are Rebuked Again in Federal Court," Reason, February, 8, 2023, https://reason.com/2023/02/08/the-ftcs-antitrust-radicals-are-rebuked-again-in-federal-court/

535 The WSJ Editorial Board, "Lina Khan's Recusal Coverup," The Wall Street Journal, June 18, 2023, https://www.wsj.com/articles/lina-khans-recusal-coverup-ftc-meta-merger-within-ethics-1a0eb52c

536 Richard Vanderford, "SEC's Gensler Bracing for Lawsuits Over Climate Rule," The Wall Street Journa, February 13, 2024, https://www.wsj.com/articles/secs-gensler-bracing-for-lawsuits-over-climate-rule-60165fec?page=1

537 Committee on House Administration, "Harper: Time to Eliminate Obsolete Election Assistance Commission & Presidential Election Campaign Fund." February 8, 2017. https://cha.house.gov/press-release/harper-time-eliminate-obsolete-election-assistance-commission-presidential-election

CISA performs stakeholder outreach, develops policies and implementing guidance for federal agency cybersecurity, and deploys tools for cybersecurity. In addition to cybersecurity, it is tasked with advising private entities on securing critical infrastructure. However, the Biden administration has weaponized CISA to secure people's "cognitive infrastructure"—people's thoughts, beliefs, and opinions.[538] It is for this reason that they began meeting with social media companies on misinformation and flagging content that they deemed to be mis-,dis-, or misinformation. This RSC budget would support a reduction in funding to CISA by eliminating funding for Biden's weaponized policies, which go beyond the purpose of the agency.

Eliminate funding for DHS's Citizenship and Integration Grant Program

The Citizenship and Integration grant program was created in 2009 to "provide funding to organizations that prepare immigrants for naturalization and promote civic integration through increased knowledge of English, U.S. history and civics."[539] The INA prohibits federally-funded legal representation for aliens. However, this program has been known to provide grants to entities for "free legal services"[540] and "deportation defense." This program was eliminated in the House-passed FY 2024 Homeland Security Appropriations bill. The RSC Budget would also eliminate this program.

Eliminate funding for USCIS application processing

At present, USCIS will waive fees for immigration applications, forcing taxpayers to cover the cost rather than immigrant applicants. Thus, the House-passed Homeland Security appropriations bill eliminated funding for USCIS application processing,[541] and this change would be replicated in this RSC budget.

Eliminate funding for select Biden Administration's catch and release programs

While detention should be the priority, the Biden administration has abused Alternatives to Detention when ICE has reached capacity for detention. For years, the Intensive Supervision Appearance Program (ISAP) has served as an ATD program that requires migrants enrolled in the program to be tracked by GPS monitoring. The focus of the program is to ensure migrants are checking in with ICE and complying with their court proceedings. The Biden Administration, however, has created two new ATD programs—Case Management Pilot Program and the Young Adult Case Management Program. These—as well as the Shelter and Services program—focus on

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[538] Interim Staff Report of the Committee on the Judiciary and the Select Subcommittee on the Weaponization of the Federal Government, "The Weaponization of CISA: How a "Cybersecurity" Agency Colluded with Big Tech and "Disinformation" Partners to Censor Americans," June 26, 2023, https://judiciary.house.gov/sites/evo-subsites/republicans-judiciary.house.gov/files/evo-media-document/cisa-staff-report6-26-23.pdf

[539] U.S. Citizenship and Immigration Services, "Fiscal Year 2023 Citizenship and Integration Grant Program," https://www.uscis.gov/citizenship-resource-center/civic-integration/fiscal-year-2023-citizenship-and-integration-grant-program

[540] UNC Greensboro 2022 Impact Report, https://nypost.com/2023/05/25/dhs-funded-college-program-tying-fox-nra-rnc-to-neo-nazis/

[541] U.S. House of Representatives, Department of Homeland Security Appropriations Bill, 2024, https://docs.house.gov/meetings/AP/AP00/20230621/116152/HMKP-118-AP00-20230621-SD002.pdf#page=147

providing social services to aliens instead of their compliance with their court proceedings.[542] The FY 2023 Pelosi Omnibus bill provided $20 million for the Case Management Program and $800 million for the Shelter and Services program. The House-passed FY 24 Homeland Security appropriations bill defunded the Case Management Program and the Shelter and Services Program.[543] The RSC Budget would also eliminate this program.

Eliminate funding for the Targeted Violence and Terrorism Prevention Grants

The Targeted Violence and Terrorism Prevention (TVTP) Grant Program was created to provide funding for state, local, tribal, and territorial governments; nonprofits; and institutions of higher education with funds to establish or enhance capabilities to prevent targeted violence and terrorism. However, under the Biden administration grants have been awarded in recent years to fight domestic extremism—particularly "right wing extremism."[544] The FY 2023 Omnibus provided $20 million to this program. The House-passed FY 24 Homeland Security appropriations bill defunded this program.[545] The RSC Budget would also eliminate this program.

Interior, Environment and Related Agencies:

Reduce Funding for the EPA

The Biden Administration is working to implement the most radical environmental agenda in the history of the country.[546] The President has used the EPA to pursue a far reaching agenda, including a new $180 billion rule on emissions standards for light-duty and heavy-duty motor vehicles,[547] new methane rules that will increase the cost of energy, and a more harmful version of the Obama Administration's Clean Power Plan.[548] These regulations will cost jobs, reduce wages and force middle-class Americans to pay higher prices for energy. This budget would significantly reduce the EPA's funding, rolls back the regulatory excess of the Biden Administration, and returns the agency to its much more limited original purpose. This will save the taxpayers billions of dollars per year while significantly reducing wage-lowering regulations.

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[542] Simon Hankinson, "Alternatives to Detention" for Illegal Aliens: Effective with Mandatory Tracking for Entire Process," The Heritage Foundation, May 12, 2023, https://www.heritage.org/immigration/report/alternatives-detention-illegal-aliens-effective-mandatory-tracking-entire

[543] U.S. House of Representatives, Department of Homeland Security Appropriations Bill, 2024, https://www.congress.gov/118/crpt/hrpt123/CRPT-118hrpt123.pdf#page=176

[544] Josh Christenson, "DHS funded college program linking Fox News, NRA, RNC to neo-Nazis," New York Post, May 25, 2023, https://nypost.com/2023/05/25/dhs-funded-college-program-tying-fox-nra-rnc-to-neo-nazis/

[545] U.S. House of Representatives, Department of Homeland Security Appropriations Bill, 2024, https://www.congress.gov/118/crpt/hrpt123/CRPT-118hrpt123.pdf#page=176

[546] Kevin Dayaratna, Katie Tubb and David Kreutzer, "The Unsustainable Costs of President Biden's Climate Agenda." The Heritage Foundation, June 16, 2022. https://www.heritage.org/energy-economics/report/the-unsustainable-costs-president-bidens-climate-agenda

[547] American Action Forum, "Regulation: Revised 2023 and Later Model Year Light-Duty Vehicle Greenhouse Gas Emissions Standards," https://www.federalregister.gov/documents/2021/12/30/2021-27854/revised-2023-and-later-model-year-light-duty-vehicle-greenhouse-gas-emissions-standards

[548] Environmental Protection Agency, "Climate Change Regulatory Actions and Initiatives." Accessed March 31, 2023. https://www.epa.gov/climate-change/climate-change-regulatory-actions-and-initiatives

Reduce EPA Research and Development Funding

The RSC Budget would reduce research and development (R&D) funding within the EPA. It would limit funding to basic and early-stage R&D and prohibit any research subsidies that force taxpayers to subsidize mature green energy sectors.

Eliminate the Surface Water Protection Program

States are much better equipped to manage bodies of water within their jurisdictions. Allowing states to manage these bodies of water will ensure better management of resources as states have a better understanding of the needs of their communities and can benefit from flexibility. This program received $224.492 million in FY 2023.[549]

Eliminate the Federal Vehicle and Fuels Standards and Certification Program

This emissions standards program does little to promote a cleaner environment but has been very successful at raising costs for consumers. This budget would eliminate this program, which received $117.341 million in FY 2023.[550]

Eliminate the Integrated Environmental Strategies Programs

This program uses taxpayer dollars to promote the radical green agenda overseas. If liberals want to promote expensive and inefficient energy sources, they should do so out of their own pocket rather than the taxpayers, who provided $11.297 million in funding for this program in FY 2023.[551]

Eliminate EPA Grants, Climate Programs, Regional Offices, and Wasteful Spending

The RSC Budget would eliminate grant programs administered by the EPA that allocate billions of taxpayer dollars annually to finance "Environmental Justice" Initiatives and climate change priorities at the state and local level that do nothing to better the lives of the American people.[552] [553] [554]

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549 https://www.epa.gov/system/files/documents/2023-03/fy-2024-congressional-justification-all-tabs.pdf#page=228

550 U.S. Environmental Protection Agency, "Fiscal Year 2024: Justification of Appropriation Estimates for the Committee on Appropriations," March 2023, https://www.epa.gov/system/files/documents/2023-03/fy-2024-congressional-justification-all-tabs.pdf#page=1326

551 U.S. Environmental Protection Agency, "Fiscal Year 2024: Justification of Appropriation Estimates for the Committee on Appropriations," March 2023, https://www.epa.gov/system/files/documents/2023-03/fy-2024-congressional-justification-all-tabs.pdf#page=1329

552 Heritage Foundation FY 2023 Budget Blueprint, "Reduce EPA Grants to Reflect Progress and Actual Risk." Heritage Foundation, Accessed March 31, 2023, https://www.heritage.org/budget/pages/recommendations/1.300.123.html

553 United States Environmental Protection Agency, Fiscal Year 2020, "Justification of Appropriation Estimates for the Committee on Appropriations," https://www.epa.gov/sites/default/files/2019-03/documents/fy-2020-congressional-justification-all-tabs.pdf#page=%20161ate-change-regulatory-actions-and-initiatives

554 Environmental Protection Agency, "Environmental Justice", Accessed April 5, 2018. https://www.epa.gov/environmentaljustice

Additionally, the RSC Budget's significant rollback of harmful environmental regulations would reduce the need for additional funding to comply with federal regulations.

Under President Obama, the EPA placed additional regulations on ozone standards, a naturally occurring gas also released by power plants, vehicles, and factories. This budget supports reinstating the original 75ppb standard and would oppose more onerous regulatory increases from the EPA.

This budget proposes eliminating the following eight climate programs that kill jobs, needlessly increase the cost of energy, and do almost nothing to promote a clean environment:

- regulation of GHG emissions from vehicles (as well as non-road equipment, locomotives, aircraft and transportation fuels).
- regulation of CO2 emissions from power plants, factory boilers and other stationary sources.
- the Greenhouse Gas Reporting Program.
- the Global Methane Initiative.[555]
- the Climate Resilience Evaluation Awareness Tool.
- the Green Infrastructure Program.[556]
- the Climate Resiliency Water Utilities Initiative.[557]
- Climate research funding for the Office of Research and Development.

Eliminate the Climate Protection Program and leave the Paris Climate Accords

Among other damaging regulatory activities, this program is responsible for enforcing U.S. obligations under the Paris Climate Accord. The RSC Budget would exit the Paris Climate Accords and eliminate funding for this program.

Eliminate Diesel Emissions Reduction Act Grants

Grants made under Diesel Emissions Reduction Act (DERA) have gone to wasteful projects involving cherry pickers, electrifying parking spaces at rest stops, and retrofitting old tractors. DERA grants are wasteful, do nothing to protect the environment, and should be eliminated.

Eliminate Land Acquisition at the Bureau of Land Management, Fish and Wildlife Service, and National Park Service

According to CRS, "The federal government owns roughly 640 million acres, 28 percent of the land mass of the United States. The federal government owns over 80 percent of the land in Nevada and

[555] Environmental Protection Agency, "Learn About the Global Methane Initiative", Accessed April 3, 2018. https://www.epa.gov/gmi/learn-about-global-methane-initiative
[556] U.S. Government Accountability Office Report, "Stormwater Management EPA Pilot Project to Increase Use of Green Infrastructure Could Benefit from Documenting Collaborative Agreements", September 2017. https://www.gao.gov/assets/690/687478.pdf
[557] This program is now known as the Climate Ready Water Utilities Initiative

45.9 percent, on average, of the contiguous western states."[558] Simply put, the federal government does not need more land. The RSC Budget would prohibit any new land acquisition by the Bureau of Land Management, the Fish and Wildlife Service, and the National Park Service.

Eliminate the National Endowment for the Arts and the National Endowment for the Humanities

Taxpayers should not be forced to fund art that the private market is unwilling to support, especially when that art pushes the left's ideological agenda. In FY 2023, the federal government spent $414 million on these programs.[559]

Eliminate Subsidies for the D.C. Opera House (The John F. Kennedy Center)

The Kennedy Center's website lists 21 corporate and foundation donors who provide annual commitments of $1,000,000 or greater. This list even includes the Embassy of the UAE.[560] FY 2023, the federal government spent $46 million on this program.[561]

Reduce Taxpayer Funding for the Smithsonian

The Smithsonian is paid for, and meant to be enjoyed by, all Americans regardless of their political beliefs. Unfortunately, in recent years the Smithsonian has increasingly used taxpayer funding to promote a liberal ideological agenda. For example, according the American Center for Law and Justice, pro-life students visiting the museum this January were subject to harassment by Smithsonian staff and threatened with expulsion from the museum unless they removed their hats that read "Rosary PRO-LIFE."[562] This budget applauds Representatives Chip Roy (R-TX), Josh Brecheen (R-TN) and Senators Ted Cruz (R-TX), Lindsey Graham (R-SC) and Tim Scott (R-SC) for highlighting this incident and demanding answers.[563] Additionally, the Smithsonian's African American History Museum published guidance in 2020—during the height of the George Floyd riots—listing off assumptions on "white culture," of which included individualism, the nuclear family, and power as elements of "whiteness."[564] Taxpayer dollars should not be used to subsidize harassment and discrimination. Accordingly, the RSC Budget would reduce taxpayer funding for the Smithsonian.

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[558] CRS "Federal Land Ownership: Overview and Data" Updated February 21, 2021, https://fas.org/sgp/crs/misc/R42346.pdf#page=2

[559] United States House of Representatives, "Department of the Interior, Environment, and Related Agencies Appropriations Bill, 2024," https://www.congress.gov/118/crpt/hrpt155/CRPT-118hrpt155.pdf#page=252

[560] The Kennedy Center, Accessed on May 23, 2022, "Support: Thank you to our donors!", https://www.kennedy-center.org/Support/donor-listings/donors/

[561] United States House of Representatives, "Department of the Interior, Environment, and Related Agencies Appropriations Bill, 2024," https://www.congress.gov/118/crpt/hrpt155/CRPT-118hrpt155.pdf#page=251

[562] Jordan Sekulow, "Outrageous: In Profanity-Laced Tirade, Smithsonian National Air & Space Museum Berates and Kicks Out Students for Wearing Hats With Pro-Life and Christian Messages." American Center for Law and Justice, January 27, 2023. https://aclj.org/pro-life/outrageous-in-profanity-laced-tirade-smithsonian-national-air-space-museum-berates-and-kicks-out-students-for-wearing-hats-with-pro-life-and-christian-messages

[563] "Rep. Chip Roy leads members of Congress in demanding answers from the Smithsonian for kicking out pro-life students." Office of Congressman Chip Roy, February 7, 2023. https://roy.house.gov/media/press-releases/rep-chip-roy-leads-members-congress-demanding-answers-smithsonian-kicking-out

[564] https://www.newsweek.com/smithsonian-race-guidelines-rational-thinking-hard-work-are-white-values-1518333

Prohibit funding for American Climate Corps

After failing to establish a Green New Deal-style "Civilian Climate Corps" through the Build Back Better Act, President Biden established the American Climate Corps program by executive action. The program would utilize appropriated funds from various agencies, such as the EPA, Department of Interior, and AmeriCorps.[565] The RSC Budget would prohibit funds from being used by these agencies to carry out the ACC.

Eliminate the National Capital Arts and Cultural Affairs grant program

The National Capital Arts and Cultural Affairs Grant program provides funding to organizations that perform, exhibit, and present art in D.C.[566] The FY 2023 appropriations bill provided $5 million for this program. Funding for this program only supports local interests, so the RSC budget eliminates funding for this program.

Prohibit and rescind funding for San Francisco's Presidio Trust

America's National Parks belong to the people, and several highly visited parks are in need of maintenance to ensure visitor enjoyment and safety. Instead, the NPS has directed $200 million towards the Presidio Trust in former Speaker Pelosi's district.[567] This funding came from the Inflation Reduction Act and is combined with an additional $90 million included in the FY 2023 Pelosi Omnibus.[568] These funds should be clawed back and directed towards priority needs, not luxury amenities for San Franciso's elite.

Eliminate funding for the Stratospheric Ozone Multilateral Fund

The EPA is charged with regulating ozone-depleting substances under the Clean Air Act and as part of the Montreal Protocol, which was ratified in 1988. The Multilateral Fund was created to assist developing countries to reduce their use of ozone-depleting substances. However, the U.S. has historically paid a disproportionate share of funding. In FY 2023, Congress provided $9.244 billion

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[565] The White House, "FACT SHEET: Biden-Harris Administration Announces American Climate Corps Listening Sessions, New Actions to Mobilize the Next Generation of Clean Energy, Conservation, and Resilience Workers," December 19, 2013, https://www.whitehouse.gov/briefing-room/statements-releases/2023/12/19/fact-sheet-biden-harris-administration-announces-american-climate-corps-listening-sessions-new-actions-to-mobilize-the-next-generation-of-clean-energy-conservation-and-resilience-workers/

[566] National Capital Art and Cultural Affairs Program, Accessed March 11, 2024, https://www.cfa.gov/sites/default/files/2023ncaca.pdf

[567] "Pelosi Announces $200 Million Investment for the Presidio: Funding will Modernize the Park's Utility Systems," Presidio, Accessed March 11, 2024, https://presidio.gov/about/press/pelosi-announces-landmark-200-million-new-federal-investment-for-the-presidio

[568] "U.S. Congress, Division G - Department of the Interior, Environment, and Related Agencies Appropriations Act, 2023," https://www.appropriations.senate.gov/imo/media/doc/Division%20G%20-%20Interior%20Statement%20FY23.pdf#page=76

to the Stratospheric Ozone Multilateral Fund.[569] This RSC budget would recommend eliminating funding.

Eliminate funding for the Woodrow Wilson International Center for Scholars

The Wilson Center was created by the Woodrow Wilson Memorial Act of 1968 to serve as a nonpartisan policy forum and independent research institution. Roughly a third of its annual budget comes from congressional appropriations, the rest being funded by private donations. Funding a think tank that does not directly support Congress (ex. CBO and CRS) should not be a priority for the federal government. In FY 2023, Congress appropriated $15 million to the Wilson Center. This RSC budget would eliminate federal funding for the think tank.

Reduce funding for BLM and BOEM's Renewable Energy Programs

These programs inform the siting and development of renewable energy on federal lands. The FY 2023 Omnibus appropriations bill provided $41 million to BLM's program[570] and $43 million to BOEM's program.[571] The RSC Budget would reduce funding for these programs.

Labor, Health and Human Services, Education and Related Agencies

Eliminate the National Labor Relations Board

The DOJ already oversees a wide variety of civil, criminal, and administrative issues, including antitrust and voting rights. DOJ is certainly capable of handling claims of illegal labor practices and could do so without the pro-union boss bias and partisanship endemic to the National Labor Relations Board (NLRB). The NLRB received $299 million in funding for FY 2023.[572]

Eliminate the Job Corps

The Job Corps program, while well-intentioned, simply does not produce the results it was created to achieve despite $1.76 billion in funding for FY 2023.[573] As noted by the Heritage Foundation,

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[569] U.S. Environmental Protection Agency,
"Fiscal Year 2024 Justification of Appropriation Estimates for the Committee on Appropriations," https://www.epa.gov/system/files/documents/2023-03/fy-2024-congressional-justification-all-tabs.pdf#page=225

[570] "U.S. Congress, Division G - Department of the Interior, Environment, and Related Agencies Appropriations Act, 2023," https://www.appropriations.senate.gov/imo/media/doc/Division%20G%20-%20Interior%20Statement%20FY23.pdf#page=228

[571] "U.S. Congress, Division G - Department of the Interior, Environment, and Related Agencies Appropriations Act, 2023," https://www.appropriations.senate.gov/imo/media/doc/Division%20G%20-%20Interior%20Statement%20FY23.pdf#page=242

[572] U.S. Congress, "Division H - Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2023," https://www.appropriations.senate.gov/imo/media/doc/Division%20H%20-%20LHHS%20Statement%20FY23.pdf#page=464

[573] U.S. Congress, "Division H - Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2023," https://www.appropriations.senate.gov/imo/media/doc/Division%20H%20-%20LHHS%20Statement%20FY23.pdf#page=396

Job Corps participants are less likely to complete high school and attend or complete college.[574] Meanwhile, wage gains for participants are negligible.

Eliminate the Senior Community Service Employment Program

The DOL's Senior Community Service Employment Program (SCSEP) provides job training for unemployed seniors, including through subsidized community service activities. President Trump proposed eliminating this ineffective program.[575] In FY 2023, the federal government spent $405 million on this program.[576]

Eliminate the Office of Federal Contract Compliance Programs

The DOL's Office of Federal Contract Compliance Programs (OFCCP) was originally created to enforce President Johnson's executive order prohibiting discrimination by federal contractors. At the time, the Equal Employment Opportunity Commission (EEOC) did not exist. Now, strong anti-discrimination laws apply to all employers. This Office is duplicative and should be eliminated to spare taxpayers from ideological witch hunts carried out by woke bureaucrats who wish to force their ideological agenda on contractors. In FY 2023, the federal government spent $111 million on this Office.[577]

Eliminate the International Labor Affairs Bureau

The DOL's International Labor Affairs Bureau's (ILAB) works to promote onerous and duplicative labor regulations among the nations of the world and received $116.125 million in funding in FY 2023.

Eliminate funding for the Women's Bureau

DOL's Women's Bureau examines challenges facing women in the workforce. It was created in 1920 when few women worked outside the home. However, today, more women have entered the workforce, due in part to the number of women pursuing higher education quadrupling from 1970 to 2020.[578] The Women's Bureau has served the purpose for which it was created in 1920 and is no longer necessary. The House drafted FY 24 Labor HHS appropriations bill eliminated funding for the DOL's Women's Bureau. This RSC Budget would do the same.

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[574] David Muhlhausen, "Job Corps: An Unfailing Record of Failure." The Heritage Foundation, May 5, 2009. https://www.heritage.org/jobs-and-labor/report/job-corps-unfailing-record-failure

[575] "A Budget for America's Future: Major Savings and Reforms." The White House, Accessed March 31, 2023. https://trumpwhitehouse.archives.gov/wp-content/uploads/2020/02/msar_fy21.pdf

[576] Ibid

[577] U.S. Congress, "Division H - Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2023," https://www.appropriations.senate.gov/imo/media/doc/Division%20H%20-%20LHHS%20Statement%20FY23.pdf#page=400

[578] "Women in the labor force: a databook," BLS Reports, March 2022, https://www.bls.gov/opub/reports/womens-databook/2021/home.htm

Reduce funding for DOL Wage and Hour Division

DOL's Wage and Hour Division has been enforcing Biden's radical labor agenda that hurts businesses and opportunities for American workers. For example, the Wage and Hour Division has issued an unfair and economically damaging joint employer proposal that would significantly expand liability, undermine the franchise business model, discourage entrepreneurship, and cause significant job loss across major sectors of the economy. The Wage and Hour Division also issued a radical proposal that would undermine the freedom and flexibility of Americans to work for themselves as independent contractors and significantly increase compliance burdens on businesses by forcing those workers to be designated as employees under federal labor law. The House-drafted Labor-HHS-ED bill provided approximately $156 million for the WHD, which is $75 million below the FY 2023 Omnibus.[579]

Reduce funding for the Occupational Safety and Health Administration (OSHA)

OSHA often imposes burdensome regulations on businesses, including Biden's unconstitutional and tyrannical COVID-19 vaccine mandate, which would have forced millions of American workers to get vaccinated or otherwise lose their jobs. The Biden administration has weaponized OSHA to target and harass businesses instead of focusing on actually improving worker safety and providing compliance assistance to employers. The House-drafted Labor-HHS-ED bill provided approximately $537 million for this agency, which is $95 million below the FY 2023 Omnibus.[580]

Convert Health Resources and Services Administration Funding into Block Grants and Eliminate Title X Family Planning Funding

The RSC Budget would convert funding for the Health Resources and Services Administration (HRSA) into block grants, which would empower communities by allowing primary care centers to operate free of federal dictates. Additionally, the RSC Budget would eliminate funding for Title X, known as the family planning federal grant program, which provides abortion providers with federal funds to terminate pregnancies and end the lives of hundreds of thousands of innocent babies each year. Planned Parenthood has historically been the largest recipient of Title X grants. In FY 2023, the federal government spent $286.5 million on Title X grants.[581]

Devolve Energy Assistance

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[579] U.S. Congress, "Division H - Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2023," https://www.appropriations.senate.gov/imo/media/doc/Division%20H%20-%20LHHS%20Statement%20FY23.pdf#page=400

[580] U.S. House of Representatives, "Rules Committee Print 118-13 Text of H.R. 5894, Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2024," https://www.govinfo.gov/content/pkg/CPRT-118HPRT54089/pdf/CPRT-118HPRT54089.pdf#page=23

[581] "H.R.2617 - Consolidated Appropriations Act, 2023." Accessed March 31, 2023, https://www.congress.gov/117/bills/hr2617/BILLS-117hr2617enr.pdf#page=399

The GAO has found that LIHEAP is at risk of fraud and improper payments.[582] This type of assistance would be more appropriately handled by state and local governments, or the private sector. This budget's policies unleashing American energy production will significantly reduce utility costs and significantly reduce the need for this fraud-prone assistance. In FY 2023, the federal government spent $6.1 billion on LIHEAP.

Eliminate all woke offices or officers in HHS

The Department of Health and Human Services has multiple offices or officers with titles and responsibilities relating to diversity, climate, equity, and LGBTQ-related activities. Examples include HHS Health Disparities Council and the Office of Climate Change and Health Equity (OCCHE). This RSC Budget would propose eliminating woke, divisive positions and offices within HHS.

Eliminate Duplicative Activities of the Agency for Healthcare Research and Quality

The Agency for Healthcare Research and Quality's (AHRQ) looks to conduct research to improve the quality and safety of healthcare and received $374 million in funding for FY 2023. Similar health services research is already conducted in the National Institutes of Health (NIH) and by the private sector.

Consolidate the National Institutes of Health

The NIH itself has become bloated and has strayed from its core basic science mission. Not only does the NIH fund questionable research, but it also failed to provide proper oversight of funding that eventually made its way to the Wuhan Institute of Virology.[583] The RSC Budget supports reducing funding for the NIH and consolidating the NIH's 27 institutes to allow the agency to operate more efficiently. For example, experts have long endorsed merging the National Institute on Drug Abuse (NIDA) and the National Institute on Alcohol Abuse and Alcoholism (NIAAA) which cover similar scientific research.

Controlling Indirect Costs for NIH Grants

Under current law, recipients of NIH grants cannot spend more than 25 percent of an award on indirect costs. Yet universities, particularly elite universities, have managed to work the system resulting in the agency allocating 52 percent of its research dollars on such costs. This budget would more effectively cap indirect costs to ensure such funds are not funneled to politically favored woke institutions. Further, Congress should consolidate authority for indirect rate negotiations for NIH grants in a single office at the NIH and implement reporting requirements for such costs.

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[582] Government Accountability Office, "Low-Income Home Energy Assistance Program Greater Fraud Prevention Controls Are Needed", June 2010, https://www.gao.gov/assets/gao-10-621-highlights.pdf

[583] "The National Institutes of Health and EcoHealth Alliance Did Not Effectively Monitor Awards and Subawards, Resulting in Missed Opportunities to Oversee Research and Other Deficiencies." U.S. Department of Health and Human Services Inspector General, January 25, 2023, https://oig.hhs.gov/oas/reports/region5/52100025.asp

"Means test" NIH indirect costs grants

In addition to the RSC budget's proposal for more effective allocation of "indirect costs" in NIH grants, this FY25 budget would also apply a phase-out of indirect costs for universities and institutions with more assets than smaller, more agile institutions. For instance, Harvard's endowment is worth more than $50 billion as of 2023.[584] The school should be able to fund their own indirect costs (i.e. administrative expenses, payroll, etc.) instead of the federal government.

Ensuring NIH Funds Do Not Go to Adversarial Nations

The pandemic highlighted the lack of accountability for funds going overseas, including funds flowing to research supported by the Chinese Communist Party. This budget would ensure American research dollars do not go to companies and entities owned or controlled by the Chinese Communist Party, the Russian Federation, and other adversarial nations.

Eliminate Funding for the Left's Social Agenda at the CDC

This budget would refocus the CDC on its core mission as a public health emergency response agency. It would eliminate funding geared toward the Left's progressive social priorities, including those related to firearms, climate change, and "ending structural racism."[585] The budget would also shift funding for CDC efforts that are duplicative of efforts conducted by NIH, such as those on heart disease and tobacco.

Eliminate the Community Services Block Grant Program

The Community Services Block Grant (CSBG) program provides funding to projects that aim to reduce poverty and address low-income needs. CSBG funding is not tied to performance outcomes and some of the services are already funded through other federal programs or by private or state and local efforts. In FY 2023, the federal government spent more than $770 million on this program.[586]

End Ineffective Education Grant Programs

The federal government should not use taxpayer dollars to manipulate school districts around the country. Education should be managed at the state, local and family levels where parents can be most empowered to be involved in their children's education. Education should not be controlled

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[584] Sarah Wood, "15 National Universities With the Biggest Endowments," U.S. News & World Report, October 2, 2023, https://www.usnews.com/education/best-colleges/the-short-list-college/articles/10-universities-with-the-biggest-endowments#:~:text=Topping%20the%20list%20at%20nearly%20%2450.9%20billion%20at,collected%20by%20U.S.%20News%20in%20an%20annual%20survey.

[585] "Racism and Health." Centers for Disease Control, Accessed April 1, 2023. https://www.cdc.gov/minorityhealth/racism-disparities/index.html

[586] U.S. Congress, "Division H - Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2023," https://www.appropriations.senate.gov/imo/media/doc/Division%20H%20-%20LHHS%20Statement%20FY23.pdf#page=436

by liberal bureaucrats in Washington who want to impose their radical woke ideology on children. Accordingly, this budget would eliminate the Supporting Effective Instruction State Grants Program, the 21st Century Community Learning Centers Program, the Federal Supplemental Educational Opportunity Grant Program, the School Improvement Programs Account, and competitive and project grant programs under Every Student Succeeds Act.

Additionally, the RSC Budget would allow states to completely opt out of the federal government's burdensome and costly education funding mandates and have the option to receive federal education funds in the form of a block grant. This proposal is largely based on the Academic Partnerships Lead Us to Success (A-PLUS) Act sponsored by former Representative and now-Senator Ted Budd (R-NC). States could use funds for any state authorized education expenditure, including school choice initiatives.

Eliminate the Corporation for National and Community Service

The Corporation for National and Community Service (CNCS) operates four major programs: AmeriCorps, Senior Corps, the Social Innovation Fund, and the Volunteer Generation Fund. These types of efforts are not a core responsibility of the federal government and would be more appropriately funded and operated by civil society. In FY 2023, the federal government spent $1.314 billion on the CNCS.

Eliminate Funding for the Corporation for Public Broadcasting

A free society should not have government-supported media outlets, especially ones that so often carry water for the left's agenda. The RSC Budget would eliminate the Corporation for Public Broadcasting (CPB). In FY 2023, the federal government spent $535 million on this program.

Eliminate the Institute of Museum and Library Services

The Institute of Museum and Library Services (IMLS) provides grants to local museums and libraries, a task that can be better handled by the private sector and local governments. The RSC Budget would eliminate the IMLS, which received $295 million in funding in FY 2023.

Rescind the Education Stabilization Fund

The Education Stabilization Fund was signed into law as part of the CARES Act and was further expanded in Joe Biden's American Rescue Plan of 2021 to provide COVID-19 aid to elementary, secondary, and postsecondary education institutions. This program is outdated and rescinding the remaining amount would save taxpayers $28.576 billion in FY25-26.

Controlling federal research indirect costs

The RSC's budget proposal supports Budget & Spending Task Force Chairman Ben Cline's Federal Grant Accountability Act. When it comes to academic research, there are direct costs and indirect costs (i.e. administrative costs that are not associated with any particular research project). There are concerns that colleges and universities are being reimbursed for indirect costs and using the money to advance radical diversity, equity, and inclusion initiatives (DEI). RSC Budget and Spending Task Force Chairman Ben Cline's (R-VA) bill would require colleges and universities to report on how indirect costs, particularly noting how they are spending the money they receive from the federal government.

Eliminate funding for the Department of Education's Office of Communications and Outreach (OCO)

The House-drafted Labor-HHS-ED bill would eliminate funding for this office.[587] The committee report notes that OCO has publicized "inaccurate statements regarding active legislation before Congress."

Reduce funding for student financial assistance

The House-drafted Labor-HHS-ED-bill would reduce funding for student financial assistance by approximately $2.14 billion below the FY 2023 Omnibus level.[588] Conservatives believe in moving beyond the failed "college for all" mentality that has resulted in a shocking and unsustainable $1.7 trillion in outstanding student loan debt and a poor return on investment for many students and taxpayers. Reducing the federal footprint in higher education is particularly necessary given the widespread and concerning reports of woke and divisive ideology, lack of intellectual diversity, and antisemitism on many college campuses. Student loan financing should be handled by the private sector, not federal bureaucrats in the Department of Education.

Reduce funding for higher education programs

Many institutions of higher education have been found to promote critical race theory and other progressive ideology and, troublingly, have failed to properly respond to instances of antisemitism on campus following the brutal and unprovoked attacks against Israel by Hamas. The House-drafted Labor-HHS-ED bill would reduce funding for higher education programs by approximately $758 million below the FY 2023 Omnibus level.

Restrict Pell Grants to Students from Needy Families

Excessive subsidies for the cost of college have led to massive tuition inflation, with colleges pocketing the subsidies and passing on the cost to students and families. In fact, "A 2017 study from the Federal Reserve Bank of New York found that the average tuition increase associated with

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[587] U.S. Congress, "Explanatory Materials for the Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Bill, 2024–H.R. 5894." https://appropriations.house.gov/sites/republicans.appropriations.house.gov/files/FY24-LHHS-Explanatory-Materials.pdf#page=216
[588] U.S. Congress, "Explanatory Materials for the Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Bill, 2024–H.R. 5894," https://appropriations.house.gov/sites/republicans.appropriations.house.gov/files/FY24-LHHS-Explanatory-Materials.pdf

expansion of student loans is as much as 60 cents per dollar."[589] The Pell Grant Program was intended to help people from impoverished families attend college and enter the workforce with marketable skills. By limiting eligibility to students from families with income at or under 250 percent the federal poverty line, we can ensure Pell Grant funding is targeted to students for whom the program was designed.

State and Foreign Operations

Reduce Funding for Foreign Aid Accounts

After accounting for the specific funding reductions outlined below, the RSC Budget would uniformly reduce funding for International Assistance, Multilateral Assistance, Diplomatic Programs and Economic Support Fund accounts to mirror and expand on the proposal in a past President Trump budget. Unfortunately, left-wing ideology has infected large swaths of these programs. As noted by Simon Hankinson of the Heritage Foundation, "the State Department has become distracted by a leftist agenda that weakens its ability to carry out U.S. foreign policy now and in the future. Rather than concentrating on the 'values at the heart of the American way of life,' as the JSP instructs, the State Department has allowed itself to be captured by ephemeral fixations that are tangential to America's core values at best and inimical to them at worst."

Eliminate Certain International Organizations and Programs Funding

The International Organizations and Programs Account provides voluntary contributions to international organizations, many of which do not represent American interests and values. Within this account, the U.N. Population Fund provides abortion funding abroad. Funds should also be withheld from the U.N. Intergovernmental Panel on Climate Change (IPCC), as well as the U.N. Human Rights Council, which is comprised of member nations like Cuba, Venezuela, China and Rwanda, all with abysmal records on human rights.

End Global Green Energy and Climate Change Funding

The plethora of programs and accounts that have spent U.S. taxpayer funds around the world for the radical green agenda must be eliminated. It is bad enough that the Biden Administration foists this upon American citizens.

Enforce Cap on U.N. Peacekeeping Missions

The Foreign Relations Authorization Act caps the amount of U.S. contributions for U.N. peacekeeping operations to no more than 25 percent of the total amount for operations. However, the U.S. is currently paying 26.94 percent of all U.N. peacekeeping operations.[590] Reducing the U.S. contribution for peacekeeping to the amount allowed by law will save taxpayers more than $100

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[589] David Boaz, "Federal Student Loans and Rising Tuition Costs: An Insider Speaks Up." CATO Institute, July 28, 2021, https://www.cato.org/blog/federal-student-loans-rising-tuition-costs-insider-speaks

[590] "United Nations Issues: U.S. Funding of U.N. Peacekeeping." Congressional Research Service, January 20, 2023. https://sgp.fas.org/crs/row/IF10597.pdf

million annually while increasing the vested interest of global partners to more prudently address regional problems.

Cut Emergency Refugee and Migration Assistance Funding

The Emergency Refugee and Migration Assistance Fund operates as a slush fund for liberal bureaucrats to subsidize Biden's open borders agenda and should be reduced.

Reconstitute the U.S. Information Agency and Eliminate the Under Secretary of State for Public Diplomacy and Public Affairs and Most of its Bureaus

The U.S Information Agency (USIA) was the U.S. government agency in charge of public diplomacy, counter-disinformation, and international broadcasting efforts from 1953-1999. However, in 1999, most of the public diplomacy aspects of the USIA were moved to the U.S. Department of State. Rather than improving public diplomacy efforts, the current design has largely failed to advance U.S. interests, especially in an age with rising Russian and Chinese disinformation campaigns. The dismantling of USIA "crippled U.S. public diplomacy operations in ways that have been lasting and profound—a self-inflicted wound from which the United States is still recovering."[591] A reconstituted USIA should have the new express mission of supporting democratic governance, rule of law, human rights, and open markets, and exposing adversarial and authoritarian regimes, such as China, Russia, Venezuela, Iran, North Korea and others.[592]

Eliminate the Inter-American Foundation, the Federal Contribution to the Inter-American Development Bank, the Asia Foundation, the Federal Contribution to the Asian Development Bank, the United States African Development Foundation, and Contribution to the African Development Bank

These programs and contributions represent auto-pilot foreign aid and are duplicative of other State Department and USAID activities. In FY 2023 the federal government spent $384 million on these programs.[593]

Withhold Funding for the Organization for Economic Cooperation and Development

The Organization for Economic Cooperation and Development (OECD) was founded to "promote policies that will improve the economic and social well-being of people around the world."[594] Unfortunately, the OECD has become a forum to push left-wing policies such as value added taxes,

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[591] Johnson, Stephen. "How to Reinvigorate U.S. Public Diplomacy." The Heritage Foundation. Accessed June 8, 2020. https://www.heritage.org/defense/report/how-reinvigorate-us-public-diplomacy
[592] Republican Study Committee, "STRENGTHENING AMERICA & COUNTERING GLOBAL THREATS", https://rsc-hern.house.gov/sites/evo-subsites/republicanstudycommittee.house.gov/files/evo-media-document/final-nstf-report.pdf
[593] U.S. Congress, "Division K - Department of State, Foreign Operations, and Related Programs Appropriations Act, 2023," https://www.appropriations.senate.gov/imo/media/doc/Division%20K%20-%20SFOPS%20Statement%20FY23.pdf
[594] Organisation for Economic Co-operation and Development, "About the OECD". http://www.oecd.org/about/

the Base Erosion and Profit Shifting (BEPS) project and the massively harmful global minimum tax.[595] U.S. taxpayer funds should not go to an organization that works against their interests.

Eliminate the U.S.'s contribution to the WHO

The COVID-19 pandemic revealed how China has corrupted the WHO, specifically in sabotaging investigations into the origins of COVID-19. The House-passed FY 2024 State and Foreign Operations Appropriations bill prohibited funding from being contributed to the WHO.[596] Furthermore, President Trump announced in 2020 that the U.S. would halt funding to the WHO.[597] The RSC Budget would propose maintaining this policy.

Eliminate funding for the UN Relief and Works Agency for Palestine Refugees (UNRWA)

UN's Relief and Works Agency (UNRWA) provides aid to Palestine refugees in times of armed conflict. However, reports recently revealed that 12 of UNRWA's employees were involved in planning and carrying out the October 7 terrorist attacks on Israel. Additionally, roughly 1,200 of its employees were identified as having ties to Hanas or Palestinian Islamic Jihad in the Gaza Strip. The Biden administration has paused funding for UNRWA. The FY 2023 Omnibus provided $75 million for UNRWA.[598] The RSC Budget would propose eliminating all future funding.

Eliminate the Office of the U.S. Special Presidential Envoy for Climate

This office was created by the Biden Administration to lead U.S. diplomacy efforts in addressing climate change and to provide a job for John Kerry. The RSC Budget would propose eliminating it.

Transportation, Housing and Urban Development, and Related Agencies:

Eliminate Partisan Funding in Infrastructure Investment and Jobs Act (IIJA)

While the Infrastructure Investment and Jobs Act was sold as an investment in roads and bridges, in reality it poured billions of dollars into left-wing priorities, including funding for a National Electric Vehicle Formula grant program to subsidize cars purchased by wealthy Americans,[599] funding for low-emission and expensive school buses and ferries,[600] subsidies for expensive and unreliable

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595 Andrew F. Quinlan, "CF&P Letter Calls on Congress to Include OECD with UN Defunding Effort", Center for Freedom and Prosperity, January 9, 2017, http://freedomandprosperity.org/files/OECD/OECD_defunding_letter_01-2017.pdf

596 https://www.congress.gov/118/crpt/hrpt146/CRPT-118hrpt146.pdf#page=30

597 Congressional Research Service, "U.S. Withdrawal from the World Health Organization: Process and Implications," October 21, 2020, https://crsreports.congress.gov/product/pdf/R/R46575

598 598 U.S. Congress, "Division K - Department of State, Foreign Operations, and Related Programs Appropriations Act, 2023," https://www.appropriations.senate.gov/imo/media/doc/Division%20K%20-%20SFOPS%20Statement%20FY23.pdf#page=51

599 "Public Law 117-58." Accessed April 1, 2023. https://www.congress.gov/117/plaws/publ58/PLAW-117publ58.pdf#page=993

600 "Public Law 117-58." Accessed April 1, 2023. https://www.congress.gov/117/plaws/publ58/PLAW-117publ58.pdf#page=893

green energy supply chains,[601] and taxpayer subsidies to fix "racist roads."[602] The RSC Budget would repeal all non-infrastructure and broadband provisions of the IIJA and implement a clean extension of the FAST Act.

Eliminate Funding for the Washington Metropolitan Transit Authority

The federal government should not be subsidizing the public transit system of one of the most affluent metropolitan areas in the U.S. Washington Metropolitan Transit Authority (WMATA), received $150 million in federal funding in FY 2023.[603]

Eliminate Amtrak Operating Grants and Capital Grants

The federal government has subsidized the National Railroad Passenger Corporation - better known as Amtrak - since it was created by Congress in 1970. The railroad service consistently loses money and leaves taxpayers to foot the bill.[604] Taxpayer money should certainly not be used for this activity. Instead of forcing taxpayers to subsidize Amtrak, it should be privatized. The FY 2023 Omnibus provided Amtrak with $2.453 billion through National Network Grants and Northeast Corridor Grants.[605]

Eliminate the New Starts Transit Program The New Starts Transit Program, sometimes called Capital Investment Grants, provides billions in subsidies to local transit for capital improvements. These projects are inefficient and fail to reduce congestion. Because this program subsidizes only new projects, it incentivizes transit agencies to build expensive projects without regard to cost, putting taxpayers on the hook for operating costs down the road and diverting funds from adequately maintaining existing roads and other infrastructure. In FY 2023, the federal government spent $4.235 billion on this program.

Eliminate RAISE Grants RAISE Grants, originally known as TIGER Grants when created by President Obama, were enacted as part of Obama's failed stimulus law. The program is particularly problematic because projects are selected by the Administration, often for political purposes (Democrat districts received 69 percent of funding during the Obama Administration), and go

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[601] "Public Law 117-58." Accessed April 1, 2023. https://www.congress.gov/117/plaws/publ58/PLAW-117publ58.pdf#page=530
[602] "Public Law 117-58." Accessed April 1, 2023. https://www.congress.gov/117/plaws/publ58/PLAW-117publ58.pdf#page=999
[603] U.S. Congress, "Division L - Transportation, Housing and Urban Development, and Related Agencies Appropriations Act, 2023," https://www.appropriations.senate.gov/imo/media/doc/Division%20L%20-%20THUD%20Statement%20FY23.pdf#page=324
[604] Randal O'Toole, "Amtrak Continues to Lie." CATO Institute, November 24, 2020, https://www.cato.org/blog/amtrak-continues-lie
[605] U.S. Congress, "Division L - Transportation, Housing and Urban Development, and Related Agencies Appropriations Act, 2023," https://www.appropriations.senate.gov/imo/media/doc/Division%20L%20-%20THUD%20Statement%20FY23.pdf#page=323

towards projects more appropriately funded by state or local governments.[606] GAO has found problems with the funding decisions made by the Administration under this program.[607]

Prohibit High-Speed Rail Funding

The failed 2009 stimulus law provided $8 billion for high-speed rail projects. President Biden has made high-speed rail a focal point in his agenda. The RSC Budget opposes Biden's efforts to subsidize the development of high-speed rail.

Eliminate the Thriving Communities Initiative

This program stems from the Biden Administration's Justice40 initiative, which directs 40 percent of federal investments in climate and clean energy flow to disadvantaged communities. In this program, funding is provided to state and local transit agencies, metropolitan planning organizations, among others on community development projects in disadvantaged areas. The House-drafted FY 24 Transportation and Housing and Urban Development appropriations bill defunded this initiative.[608] This RSC Budget would do the same.

Reduce funding for the Office of Fair Housing and Equal Opportunity

The Office of Fair Housing and Equal Opportunity is tasked with working to "eliminate housing discrimination, promote economic opportunity, and achieve diverse, inclusive communities" by enforcing fair housing policies and laws. This office, however, has advanced the Biden administration's woke agenda. In 2021, the office issued a directive[609] requiring schools to open sex-specific dormitories to students based on their gender identity instead of biological sex. The RSC Budget would propose reducing funding by 50%. Funding should be reduced to ensure that the office is not carrying out activities that go beyond congressional intent.

Eliminate funding for the Community Development Block Grant program

The CDBG program has provided grants to state and local governments to help provide housing and expand economic opportunities. President Trump's FY 2018 Budget proposed eliminating the CDBG program. Its justification for doing so was that the program does not in fact reach the poorest populations and goes to projects that could instead be funded by state and local governments.

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[606] Baruch Feigenbaum, "Eliminate TIGER Program," Reason Foundation, February 17, 2015, https://reason.org/commentary/eliminate-tiger-program/

[607] Government Accountability Office, "Surface Transportation: Actions Needed to Improve Documentation of Key Decisions in the TIGER Discretionary Grant Program," May 28, 2014, http://www.gao.gov/products/GAO-14-628R

[608] https://www.congress.gov/118/crpt/hrpt154/CRPT-118hrpt154.pdf#page=16

[609] Jeanine M. Worden, Acting Assistant Secretary for Fair Housing & Equal Opportunity, "Implementation of Executive Order 13988 on the Enforcement of the Fair Housing Act, February 11, 2021, https://www.hud.gov/sites/dfiles/PA/documents/HUD_Memo_EO13988.pdf

Eliminate funding for several lower-priority HUD programs, such as the HOME Investment Partnerships

President Trump's FY 2018 budget proposed eliminating several, lower priority programs.[610] The justification was that these programs could be better managed by states and local governments. These programs include:

- HOME Investment Partnerships Program
- Choice Neighborhoods
- Self-help and Assisted Homeownership Opportunity Program

The House-drafted FY 2024 THUD appropriations reduced funding for HOME Investment Partnerships Program and Self-help and Assisted Homeownership Opportunity Program (SHOP). It also eliminated funding for Choice Neighborhoods. [611]

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[610] Office of Management and Budget, "America First: A Budget Blueprint to Make America Great Again," Accessed March 11, 2024, https://trumpwhitehouse.archives.gov/sites/whitehouse.gov/files/omb/budget/fy2018/2018_blueprint.pdf
[611] U.S. House of Representatives, "Report of the Committee on Appropriations: Departments of Transportation, and Housing and Urban Development, and Related Agencies Appropriations Bill, 2024," https://www.congress.gov/118/crpt/hrpt154/CRPT-118hrpt154.pdf

APPENDIX

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SUMMARY TABLES

RSC FY 2025 Budget Figures (in billions of USD)

Nominal $ (in billions)	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034		Total
Revenue	5,100	5,466	5,591	5,804	6,141	6,529	6,846	7,014	7,355	7,660		63,505
Outlays												
Social Security/DI	1,449	1,534	1,617	1,688	1,761	1,844	1,930	2,020	2,108	2,188		18,139
Medicare	909	939	989	1,139	1,052	1,199	1,270	1,334	1,541	1,544		11,913
Medicaid/CHIP/Obamacare	328	342	353	366	379	400	412	427	436	448		3,891
Other Mandatory	638	689	687	687	702	733	746	763	815	813		7,272
Discretionary	1,640	1,534	1,524	1,536	1,552	1,587	1,608	1,625	1,648	1,660		15,915
Net Interest	905	904	901	905	874	840	802	762	745	737		8,375
Total Outlays	5868	5942	6070	6321	6320	6603	6768	6932	7293	7389		65,506
Total Revenues	5,100	5,466	5,591	5,804	6,141	6,529	6,846	7,014	7,355	7,660		63,505
Total Deficit/Surplus	-768	-475	-479	-517	-180	-74	78	82	61	271		(2,001)
Total Mandatory Outlays	3324	3504	3645	3880	3894	4175	4358	4544	4900	4992		41,216
Debt Held by the Public	28,746	29,295	29,852	30,432	30,664	30,773	30,717	30,653	30,574	30,285		301,990
Nominal GDP	29,546	30,952	32,384	33,856	35,370	36,936	38,556	40,222	41,947	43,729		363,498

RSC FY 2025 Budget Figures (as a Percentage of GDP)

% of GDP	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034		Average
Revenue	17.3	17.7	17.3	17.1	17.4	17.7	17.8	17.4	17.5	17.5		18
Outlays												
Social Security/DI	4.9	5	5	5	5	5	5	5	5	5		5
Medicare	3.1	3	3.1	3.4	3	3.2	3.3	3.3	3.7	3.5		3
Medicaid/CHIP/Obamacare	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1	1		1
Other Mandatory	2.2	2.2	2.1	2	2	2	1.9	1.9	1.9	1.9		2
Discretionary	5.6	5	4.7	4.5	4.4	4.3	4.2	4	3.9	3.8		4
Net Interest	3.1	2.9	2.8	2.7	2.5	2.3	2.1	1.9	1.8	1.7		2
Total Outlays	19.9	19.2	18.7	18.7	17.9	17.9	17.6	17.2	17.4	16.9		18
Total Revenues	17.3	17.7	17.3	17.1	17.4	17.7	17.8	17.4	17.5	17.5		18
Total Deficit/Surplus	-2.6	-1.5	-1.5	-1.5	-0.5	-0.2	0.2	0.2	0.1	0.6		(1)
Total Mandatory Outlays	11.2	11.3	11.3	11.5	11	11.3	11.3	11.3	11.7	11.4		11
Debt Held by the Public	97.3	94.6	92.2	89.9	86.7	83.3	79.7	76.2	72.9	69.3		83.1

RSC FY 2025 Budget Figures as Adjustments to Baseline Estimates (in billions of USD)

Nominal $ (in billions)	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034		Total
Revenue	104	116	-92	-66	-6	115	191	124	186	186		857
Outlays												
Social Security/DI	-73	-82	-92	-117	-143	-161	-180	-195	-218	-252		-1514
Medicare	-31	-62	-85	-87	-94	-112	-130	-164	-185	-213		-1163
Medicaid/CHIP/Obamacare	-350	-348	-376	-404	-430	-452	-481	-515	-554	-594		-4504
Other Mandatory	-282	-250	-250	-256	-246	-253	-258	-263	-275	-270		-2602
Discretionary	-116	-257	-301	-330	-341	-349	-367	-391	-418	-446		-3316
Net Interest	-46	-101	-149	-200	-296	-401	-526	-668	-782	-891		-4060
Total Outlays	-899	-1101	-1253	-1394	-1550	-1728	-1942	-2196	-2431	-2664		-17159
Total Revenues	104	116	-92	-66	-6	115	191	124	186	186		857
Total Surplus/Deficit	1,003	1,216	1,161	1,328	1,544	1,843	2,132	2,320	2,618	2,850		18,016
Total Mandatory Outlays	-737	-743	-803	-864	-913	-978	-1049	-1137	-1231	-1327		-9783
Debt Held by the Public	-1003	-2220	-3381	-4709	-6252	-8095	-10227	-12548	-15165	-18016		-81615

RSC FY 2025 Budget Figures as Adjustments to Baseline Estimates (as a Percentage of GDP)

% of GDP	**2025**	**2026**	**2027**	**2028**	**2029**	**2030**	**2031**	**2032**	**2033**	**2034**		**Average**
Revenue	0.20	0.20	-0.60	-0.70	-0.50	-0.20	-0.10	-0.40	-0.40	-0.40		-0.29
Outlays												
Social Security	-0.30	-0.30	-0.40	-0.50	-0.50	-0.60	-0.70	-0.70	-0.80	-0.90		-0.57
Medicare	-0.10	-0.30	-0.30	-0.30	-0.30	-0.50	-0.50	-0.60	-0.60	-0.70		-0.42
Medicaid/CHIP/Obamacare	-1.20	-1.20	-1.20	-1.20	-1.30	-1.30	-1.30	-1.30	-1.50	-1.50		-1.30
Other Mandatory	-0.90	-0.90	-0.90	-0.90	-0.80	-0.80	-0.80	-0.80	-0.80	-0.70		-0.83
Discretionary	-0.40	-0.90	-1.00	-1.10	-1.10	-1.10	-1.10	-1.20	-1.30	-1.30		-1.05
Net Interest	-0.10	-0.40	-0.50	-0.60	-0.90	-1.20	-1.50	-1.80	-2.00	-2.20		-1.12
Total Outlays	-3.20	-3.90	-4.40	-4.60	-5.00	-5.40	-5.80	-6.40	-6.80	-7.20		-5.27
Total Revenues	0.20	0.20	-0.60	-0.70	-0.50	-0.20	-0.10	-0.40	-0.40	-0.40		-0.29
Total Surplus/Deficit	3.50	4.00	3.70	4.10	4.50	5.20	5.70	6.00	6.50	6.80		5.00
Total Mandatory Outlays	-2.70	-2.60	-2.70	-2.90	-3.00	-3.10	-3.30	-3.40	-3.60	-3.80		-3.11
Debt Held by the Public	-4.40	-8.70	-12.5	-16.4	-20.7	-25.4	-30.5	-35.7	-41.1	-46.7		-24.21

RSC FY 2025 Discretionary Budget Authority

Nominal $ (in billions)	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034		Total
Defense (Base)	895	923	952	972	992	994	997	998	999	1,000		9,721
Non-Defense (Base)	534	507	516	528	538	548	556	573	585	605		5,491
TOTAL	1,429	1,430	1,468	1,499	1,530	1,543	1,553	1,571	1,584	1,605		15,212
% of GDP	**2024**	**2025**	**2026**	**2027**	**2028**	**2029**	**2030**	**2031**	**2032**	**2033**		**Total**
Defense (Base)	3	3	2.9	2.9	2.8	2.7	2.6	2.5	2.4	2.3		2.7
Non-Defense (Base)	1.8	1.6	1.6	1.6	1.5	1.5	1.4	1.4	1.4	1.4		1.5

RSC FY 2025 Discretionary Outlays

Nominal $ (in billions)	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034		Total
Defense (Base)	882	874	912	939	962	980	990	991	993	994		9,518
Non-Defense (Base)	756	646	598	574	582	593	603	617	631	648		6,248
TOTAL	1,639	1,519	1,509	1,513	1,544	1,574	1,593	1,608	1,624	1,642		15,766
% of GDP	**2024**	**2025**	**2026**	**2027**	**2028**	**2029**	**2030**	**2031**	**2032**	**2033**		**Total**
Defense (Base)	3	2.8	2.8	2.8	2.7	2.7	2.6	2.5	2.4	2.3		2.6
Non-Defense (Base)	2.6	2.1	1.8	1.7	1.6	1.6	1.6	1.5	1.5	1.5		1.7

RSC