



HOUSE
BUDGET
REPUBLICANS

Rep. Jason Smith
Republican Leader

THE BIDEN BAILOUT BILL

WRONG PLAN - Harmful to America's Working Class

WRONG TIME - Inappropriate & Unnecessary According to CBO and Obama's Economist

WRONG REASONS - Politically Motivated to Reward the President's Allies

WRONG PLAN - Harmful to Workers

- **\$510 billion to incentivize continued state and local lockdowns:**
 - Bailout for Governors whose policies have led to the closure of more than 100,000 small businesses and kept K-12 schools closed, harming kids and working parents
- **Includes the \$15 Washington Mandate which:**
 - Raises consumer prices – hurting those on fixed incomes, including 31 million seniors
 - Destroys millions of jobs – 1.4 million according to CBO
 - Disproportionately harms low-wage workers, disabled workers, and less educated workers
- **Cuts healthcare for seniors on Medicare**
 - Under Statutory PAYGO, the plan will cause an approximately \$30 billion cut to the Medicare program every year starting in 2022 and continuing for next 10 years.
- **Ignores the threat of President Biden's Executive Orders that destroy jobs and increase the cost of living:**
 - Stopping the Keystone XL Pipeline – loss of 11,000 jobs, including 8,000 union jobs
 - Banning mineral leasing and permitting on federal lands – loss of approximately 1 million jobs
 - Rejoining the failed Paris Agreement
 - Terminating the Emergency Declaration on the Southern Border and Border Wall – wastes \$15 billion in taxpayer dollars and costs thousands of jobs
 - Reversing requirement to eliminate two regulations for every new regulation issued – ignores contribution of regulatory relief to economic growth
- **Hurts American Jobs – Spends \$471 Billion on policies which REDUCE employment:**
 - 25% of total bill cost is on policies which directly hurt job creation
 - Unemployment insurance expansion would mean more than half of Americans would earn more from unemployment benefits than from work

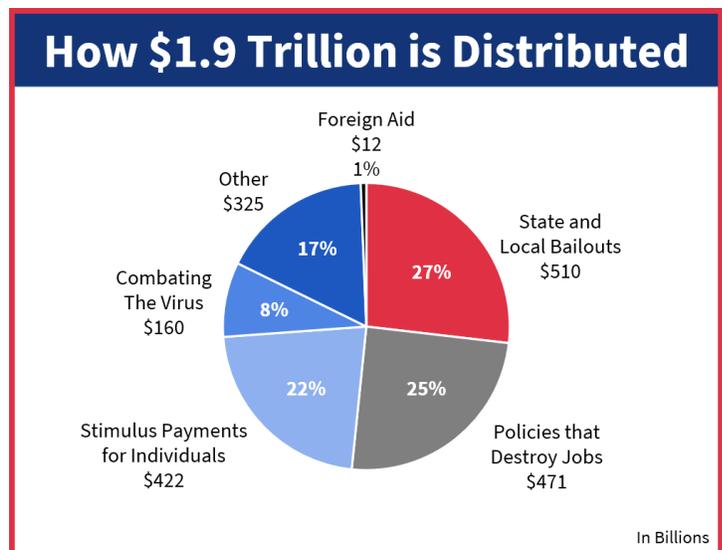
- Enhances Obamacare subsidies which leads to fewer hours worked
- Establishes a form of universal basic income which can lead to fewer hours worked
- Hundreds of billions to state governments to continue to reward job killing lockdowns

WRONG TIME - Inappropriate & Unnecessary

- CBO's Overview of the Economic Outlook for 2021 to 2031 (published 2/1/21) projects that by the middle of this year, the economy will have returned to a pre-pandemic level of real GDP, **absent any further stimulus spending**. This same report also showed that with no further action, unemployment would continue to steadily decline over the next several years and that 2021 is poised for our largest GDP growth in 15 years.
- “The Biden spending bill is the **wrong remedy for an economy that is growing**. The best economic stimulus is to end the lockdowns and accelerate the vaccine rollout.” – [WSJ Editorial Board, 2/5/21](#)
- “...recent Congressional Budget Office estimates suggest that with the already enacted \$900 billion package — but without any new stimulus — the gap between actual and potential output will decline from about \$50 billion a month at the beginning of the year to \$20 billion a month at its end. The proposed stimulus will total in the neighborhood of \$150 billion a month, even before consideration of any follow-on measures. **That is at least three times the size of the output shortfall.**” – [Larry Summers, Clinton Treasury Secretary & Obama Economic Advisor, 2/4/21](#)
- When combined with already enacted stimulus legislation, the total COVID-19 stimulus price tag would be almost \$6 trillion:
 - Over \$17,000 per person; \$69,000 for a family of four; or
 - **More than the GDP of every country other than China and the United States.**

WRONG REASONS - Politically Motivated

- **Less than 9%** of the \$1.9 trillion plan goes to combatting COVID-19 through public health spending (such as a national vaccination program, tracking, and more testing)
- Hundreds of billions in **bailouts to blue state governors** that rewards their lockdowns – including a biased spending formula that disproportionately rewards states that have shutdown thousands of small businesses
- Billions more in **foreign aid on top of the more than \$30 billion enacted** just in December



- **Uses a global pandemic** to push for an increase in the minimum wage, expanded Obamacare subsidies, the establishment of a form of universal basic income – not to mention millions in spending on things such as:
 - the National Endowment for the Arts
 - the National Endowment for the Humanities
 - the Institute of Museum and Library Sciences
- **Only 5% of the \$130 billion for K-12 schools is actually spent in FY21. When does the White House think schools should open?**
 - *“The American Rescue Plan has resources – \$130 billion of resources – to facilitate and help schools get there and that’s really why we’re pushing for the rescue plan so that we can facilitate getting those schools all of those mitigation measures so that they can open safely”*
-CDC Director, Rochelle Walensky
- **During debate within the committees in the House of Representatives on their respective parts of the broader bill, 229 amendments were considered – only 2 or less than 1% were accepted.**