

**TESTIMONY OF
SHALANDA D. YOUNG
DIRECTOR
OFFICE OF MANAGEMENT AND BUDGET
BEFORE
HOUSE COMMITTEE ON THE BUDGET**

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Chairman Yarmuth, Ranking Member Smith, Members of Committee:

Thank you for this opportunity to testify on President Biden's Fiscal Year 2023 Budget.

Under the President's leadership, our country has made historic progress in the face of unprecedented challenges. We created more than 6.5 million jobs in 2021, the most our country has ever recorded in a single year. Our economy grew at 5.7%, the strongest growth in nearly 40 years. The unemployment rate has fallen to 3.8%, the fastest decline in recorded history. And the deficit is on track to drop by more than \$1.3 trillion this year, the largest-ever one-year decline.

This progress was not an accident. It is a direct result of the President's strategy to combat the pandemic and grow our economy from the bottom up and the middle out.

The President's FY 2023 Budget details his vision to expand on that progress and deliver the agenda he laid out in his State of the Union address—to build a better America, reduce the deficit, reduce costs for families, and grow the economy from the bottom up and middle out.

Since taking office, the President has put forth proposals to Congress that would lower health care, child care, energy, and other costs for families, reduce the deficit, and expand our economy's productive capacity. The Budget reflects his commitment to working with Congress to pass legislation that achieves these goals.

This Budget advances a bipartisan unity agenda—including proposals to combat the opioid epidemic, tackle the mental health crisis, support our veterans, and accelerate progress against cancer.

It builds on the bipartisan funding bill Congress passed earlier this month and makes key investments in the American people: from expanding economic capacity and improving our public health infrastructure, to combating the climate crisis and advancing equity, dignity, and security for all Americans.

And during what will be a decisive decade for the world, the Budget strengthens our military and leverages America's renewed strength at home so our nation is prepared to meet pressing global challenges and manage crises as they arise. With robust investments in our diplomatic and development agencies, the national security Budget as a whole will deepen partnerships and alliances and position the United States to compete with China and any other nation from a position of strength. As we've seen over the past month, our renewed partnerships and alliances have been vital to countering Russian aggression in Europe, and I'd like to thank Congress for the supplemental funding to support Ukraine and our regional partners.

The Budget makes these investments in a fiscally responsible way—reducing deficits by more than \$1 trillion and improving our country's long-term fiscal outlook.

That's because the Budget's investments are more than fully paid for through tax reforms that ensure corporations and the wealthiest Americans pay their fair share. That includes a new proposal requiring the richest Americans to pay a tax rate of at least 20 percent on all of their income—including investment income that currently goes untaxed. The Budget also fulfills the President's promise that no one earning less than \$400,000 a year will pay a single penny in new taxes. And it would reduce deficits to less than half of last year's levels as a share of the economy, while keeping the economic burden of debt low.

Overall, the Budget puts forward an economically and fiscally responsible path forward—addressing our country's long-term fiscal challenges while making smart investments that will produce stronger growth and broadly shared prosperity for generations to come.

Thank you for the opportunity to appear before the committee today, and I look forward to your questions.

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