

The Honorable Carlos Gimenez

Budget Process Reform Member Day Hearing

Gimenez Testimony

Thank you, Mr. Chairman and Mr. Ranking Member, for allowing me to give some of my ideas. I am not a businessman. I was former mayor of Miami-Dade County, it's the 5th largest county in the United States at about \$10 billion in revenue, 28,000 employees and I served as strong mayor of Miami-Dade County. In essence I was the CEO.

Budgeting is not hard. Budgeting is how much money do you have and that's how much money you spend. The hard part is how you prioritize that. Unfortunately, I don't believe that since I've been here that we have prioritized the money that we have. There is no silver bullet to the budgeting process that we have. The structural deficits that we have, there are no silver bullets. I want to talk about some of the things that I did when I was the Mayor of Miami-Dade County. I walked in on a \$2 billion operating budget and about a 20% deficit my first year.

So, what are the things that we did? One of things that we did was we looked at the bureaucracy, something that I believe we have not looked at is the bureaucracy here for the entire federal government. We must look at all the workers we have employed across the entire federal government. Most bureaucracies have more employees than they need. Most bureaucracies have employees that create more jobs, more work for other employees but that are not really doing the work of what's in the benefit of the people. I believe we need to establish a panel that looks across the board at the federal bureaucracy to see where we can save money. When overly generous contracts are approved by the administration that grant overly generous pay raises, all that costs money.

In terms of revenue, we have \$3 trillion in regulations that we have piled on year after year and decade after decade. We should be looking at establishing a regulation reduction panel.

What will that do? Well, if we can reduce 1/3 of the regulations that we piled on over the decades, we can return a trillion dollars back in the pockets of American businesses and American citizens that will also spur growth and unleash American entrepreneurship. That will help us grow the economy, grow more revenue.

At the end of the day we're going to have to make some hard choices. If you really want to balance the budget, we must be frank with the American people. We have to say we are going to make every effort to reduce the bureaucracy to the level we think we need to run government. We are going to reduce regulation so that we can unleash American entrepreneurship and grow the economy at a faster rate than we project now. We need to look at how we can prioritize the things that this government should be doing and the things we shouldn't be doing. We've taken on some tasks that really belong to the states or belong to counties to cities or government shouldn't be doing at all. These are going to be the tough choices that we must make if we're going to be serious about reducing the deficit here.

Thank you for allowing me to give my testimony and welcome any questions that you may have.