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House of Representatives

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Opening Statement
Ranking Member Jamie Raskin

Hearing on “Examining ‘Backdoor Spending’ by Federal Agencies”

December 11, 2018

Thank you, Mr. Chairman, for holding today’s hearing.

The title of today’s hearing is very misleading. The term ‘backdoor spending’ is pejorative. The term is used to refer to permanently appropriated programs Congress has already approved.

While, it is true that programs like Medicare, Medicaid, and Social Security are not subject to the annual appropriations process, these programs are funded by a formula Congress authorizes and has the power to amend.

In conjunction with today’s hearing, several of my Republican colleagues have released a GAO report detailing the growth of permanent appropriations spending since 1994, namely on safety net programs.

The report found that the two chief drivers of increased permanent appropriation spending are expanded eligibility due to age and population growth, and rising healthcare costs.

This news should be shocking to no one. The U.S. population was roughly 263 million in 1994. Today the U.S. population stands at almost 326 million. Baby Boomers continue to retire, and pharmaceutical drug companies continue to profit at historic rates.

Their budgetary effects are made worse when Congressional Republicans approve, and President Trump signs, tax cuts that explode the national deficit by a whopping \$1.5 trillion dollars.

They are also worsened when inane discretionary spending proposals like a multi-billion dollar border wall are given serious consideration by lawmakers who previously claimed that fiscal responsibility was their North Star.

And now, we are supposed to take heed when those same members sound the alarm on permanent appropriation spending. The irony is rich.

What is not rich are the vulnerable populations dependent upon these programs. The elderly, the disabled, the parentless, the poor, and working people.

Almost half of Medicare recipients live on incomes below \$22,000. Over 10 million of the 67 million individuals receiving Social Security benefits are persons with disabilities.

Since its advent in 1935, Social Security has single-handedly reduced poverty amongst the elderly from 78% of Americans over 65 living in poverty in 1939, to just over 11% in 2017.

The well-being of a large segment of our country relies upon these programs, yet outgoing Speaker Paul Ryan's FY2019 budget proposed cutting these permanently appropriated safety net programs by \$2 trillion—a figure that almost certainly was meant to fill the hole blown in the budget deficit by the Republican tax plan—a classic bait and switch.

Congress has an obligation to the American people to preserve these vital safety net programs. We must use common sense to ensure that they continue to thrive, such as allowing Medicare to negotiate the prices of the prescription drugs. I look forward to today's discussion about how best to do that.