



CONGRESS OF THE UNITED STATES

JOINT ECONOMIC COMMITTEE

CONGRESSMAN KEVIN BRADY

RANKING REPUBLICAN HOUSE MEMBER



NEWS RELEASE

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**STATEMENT OF
CONGRESSMAN KEVIN BRADY**

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The Cost of Government Mandates

I am pleased to join in welcoming the witnesses before us today.

The recession continues to destroy jobs and force the unemployment rate ever higher, imposing great hardship on millions of families. Unfortunately, the stimulus legislation has not been effective in boosting the economy. Last January, two top Administration economists projected that the unemployment rate would not exceed 8.0 percent if the stimulus were enacted, but the unemployment rate has risen to 9.5 percent and appears likely to climb significantly higher.

Almost all businesses are under pressure, and many small businesses struggling to survive in this very challenging economic environment are unable to afford the costs of expanded employer-provided benefits. An effort to force small businesses to offer specific benefits would raise costs, especially of employment, and undermine their financial position.

Small businesses historically account for much of the job creation in the United States and undermining their ability to create new jobs and opportunities in a weak economy is not good economic policy. Over the longer run an effort to mandate employee benefits will tend to reduce other forms of employee compensation, including wages.

I remain concerned that Administration policies to increase federal deficits and debt will burden the economy for years to come and undermine job growth. Higher taxes, mandates, and federal spending could lead to a future with high unemployment and lower living standards. Every new mandate or tax Congress adopts now would only make the situation worse. It is not too late to reconsider our economic policies and avoid piling more costly mandates on an already overburdened economy.

What really concerns workers is what the Democrats' health care proposal would do to the quality and availability of their health care. This 1018 page proposal doesn't control costs and will drive the budget deficits even higher, according to the Congressional Budget Office (CBO). It would leave 17 million people uninsured, a population approaching that of Florida.

A maze of bureaucracy would be created standing between patients and medical service providers. It would establish at least 31 new commissions, agencies and mandates that would decide what doctors you can see, what treatments you deserve, and what medicines you can receive. Medical care would be rationed and wait times for even routine medical procedures would be extended. More taxes would be levied, further damaging the economy.

The bottom line is that if the Democrats plan were adopted, a person needing medical care will be much more likely to encounter delays in treatment and their choice of insurance plans and doctors will be more limited. It is not too late to stop this misguided and poorly conceived health care proposal. Congress should not rush through a deeply flawed proposal on a party line vote, but instead carefully consider the interests of patients in assuring the availability of quality health care without unnecessary bureaucratic mandates and controls.

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