

## **Opening Statement**

### **JEC Hearing on “Building on a Strong Foundation: Investments Today for a More Competitive Tomorrow”**

**Wednesday, April 27 at 2:30pm ET**

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Before the COVID-19 pandemic, pro-growth policies brought the American economy roaring to life in a way that bigger government and more central control never could.

While the strong economy lifted up all Americans, historically disadvantaged groups benefited the most. Unemployment for Hispanic Americans, Black Americans, and Asian Americans fell to the lowest rates on record. The unemployment rate for women dropped to its lowest level in almost 70 years. And low-income workers saw their wages rise at some of the fastest rates ever recorded.

All told, in the three years leading up to the pandemic, poverty reached an all-time low; real median income increased by almost \$6,000 per household; and the bottom 50 percent of American households saw their wealth increase by over 70 percent. The recipe for this broad-based prosperity was lower taxes and less regulation.

Today, after two years of mandates, subsidies, and ‘expert’ control, government has all but eviscerated this strong foundation. Americans have been forced to endure

governments shuttering their livelihoods, schools, and communities.

Measured against the pre-pandemic trend, 6.6 million workers are currently missing from the workforce. These Americans are missing out on not only the financial rewards of a job, but also the community and purpose that come from work.

In contrast with the pre-pandemic economy that especially benefited low-wage workers and historically disadvantaged Americans, these groups are again falling further behind. With more government getting in the way, middle class and low-wage workers are hurting the most.

Democrats' \$1.9 trillion in partisan spending has ignited the worst inflation in four decades—inflation that is hitting my home state of Utah harder than almost anywhere else. Even if prices were to stop rising tomorrow, Utah families will have to pay nearly \$8,500 this year to afford the same items they purchased at the beginning of the Biden Administration, according to the Joint Economic Committee's state inflation tracker.

Meanwhile, school closures have caused devastating learning losses for the youngest and lowest-income students. The Penn Wharton Budget Model estimates that these losses will weaken our productivity and wages for the next 30 years.

Unconditional stimulus checks and explicit anti-work incentives have increased the use of harmful substances

at a time of vulnerability for many Americans. Drug overdose deaths are back to an all-time high, and suicides and alcohol abuse have spiked.

Lockdowns have triggered rising crime rates across the country, causing Americans to feel less safe in their communities. The murder rate jumped almost 30 percent in 2020—the largest increase on record.

It's clear that so-called 'investments' from Washington have failed to produce the prosperity the Biden Administration promised. And many of the proposals I hear from my colleagues will make our problems worse.

Plans to keep spending money we don't have will pour more fuel on the inflation fire. Tax hikes on businesses will make it harder for Americans to innovate at home and compete abroad. And legislation that takes a cue from China's state-directed economy by federally commandeering research and development is the opposite of what has made us the world's strongest and most prosperous nation. We will never beat China by becoming more like China.

We know what works. Before the pandemic, tax cuts and deregulation supported a thriving economy that benefited families and workers of all walks of life. The free market system that prizes ingenuity and rewards people for using their God-given talents in service of their neighbors resulted in benefits for the Americans who needed it most.

After two years of policies that have assaulted and eroded this strong foundation, I hope we can learn from our mistakes. I hope we've learned that when we choose to remove government barriers to Americans' creativity and freedom, families of all types prosper.

Thank you.