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Hearing Statement of Chairman Ron Wyden (D-Ore.) at FY2015 Budget Hearing with Treasury Secretary Lew
As delivered

I'm going to be brief this morning and, of course, state first that it's a tremendous honor to chair this committee and work with all of you. This committee is the go-to place for tackling America's big domestic challenges, and Senator Hatch and I intend to preserve the committee history of addressing these vital issues in a bipartisan way.

In addition, the Finance Committee is the principal committee in the Senate with jurisdiction over international trade. Therefore, we are now looking at every possible economic lever to pressure Russia to step back from its unprovoked incursion into Crimea. The fact is, Russia has consistently used trade as a cudgel to bully its neighbors. The committee members will want Secretary Lew to tell us how the Administration can best marshal our country's economic might in defense of the people of the Ukraine.

Now back on the domestic front, the committee has before it several issues with a date stamp on them. Those issues include repealing and replacing the badly-flawed Medicare payment system for doctors, enacting bipartisan tax reforms that make the tax code more fair and more pro-growth, shoring up our transportation system, and helping American workers compete in tough global markets.

And we are very pleased to have the Secretary here today to discuss the President's 2015 budget.

This conversation of the budget is different than it's been in recent memory because this year, the Congress is actually operating under a bipartisan budget agreement, and the government isn't closing down.

So there is an opportunity to pivot from these budget battles and focus on the big challenges before the country. I would submit that the top challenge is sustaining and expanding our middle class. Today America has what I call a "Dollar Tree-Nieman Marcus economy." As has been noted in several publications, the bargain stores are doing well, and the high end retailers can't keep enough of the expensive items in stock. But stores that cater to the middle class are hurting.

Every one of our big economic challenges depends on sustaining and growing the middle class. And just briefly I'll tick off a few areas where we can boost that cause.

The first is innovation. Whether it's through the tax code or other action, investment in innovation and research can help turn creative startups into thriving businesses with more good-paying, high skill jobs. That's why I plan to move quickly to extend a number of expired tax provisions such as the Research and Development credit. Over the long term, that credit, through comprehensive tax reform, could be made even more useful for American startups.

The Obama administration's budget includes a proposal for business tax reform. I believe a broader approach that comprehensively overhauls our broken, dysfunctional code would do more to give all Americans – especially in the

middle class – the opportunity to get ahead. And we’re going to work in a bipartisan way and with the Administration closely on that matter.

A second priority ought to be savings. The vast majorities of savings are delivered through the tax system, and it’s time for fresh policies that give all Americans the opportunity to accumulate wealth. The President offered one proposal to help workers save, MyRA, during the State of the Union, and the budget includes another called auto-IRAs.

There is an additional idea that ought to be examined. As has been noted previously, establishing a savings account for every American child has had deep conservative roots and significant bipartisan support. The idea of helping young people, particularly ones of modest income, be part of the opportunity to accumulate wealth in this country is especially important, and such accounts can open doors to higher education, home ownership and retirement security.

Third, the committee is going to focus on education. This is another area where the tax code doesn’t pass the smell test. There are 15 separate incentives to help defray the cost of an education, and each has its own set of mind-numbing rules and definitions.

There are ways to improve those incentives – not just in the short-term, but for the long-haul through real tax reform – so that more Americans can secure the economic mobility that an affordable, high-quality education can give.

Fourth, you can’t have big-league economic growth with little-league infrastructure. The committee is now working to provide fresh thinking that can pull some of the billions of dollars of private-sector capital off the sidelines and into infrastructure investments that spark new job growth.

And America will soon need a solution to keep the Highway Trust Fund solvent. We are going to go prospecting, colleagues, for bipartisan ideas in both areas.

In closing, this committee is going to focus on other issues outside our borders, besides Ukraine. One aspect of the international trade agenda that a number of colleagues have spoken about is currency manipulation. It’s a major challenge confronting American workers and manufacturers. I look forward to working with Secretary Lew and the Department to ensure that our country is doing all it can to address misaligned currencies.

And finally to depart from Secretary Lew just for a moment from your portfolio, I would like to publicly thank the President for adopting a plan that Senators Crapo and Bennet and I from the Finance Committee and Senator Risch and Udall from the Energy Committee developed to reform federal wildlife policy. Fires in Oregon and throughout the West have gotten bigger and hotter, but our policies have not kept up. And this new system is going to allow us to get more value out of this in my view, also helping in a bipartisan way to address the challenge of these natural disasters.

Let me turn now to Senator Hatch for his comments, and also again express our thanks to Secretary Lew for his appearance.