

**DRAFT**

March 1, 2012

The Honorable Paul Ryan  
Chairman  
Committee on the Budget  
207 Cannon House Office Building  
Washington, DC 20515

Dear Mr. Chairman:

As required by Section 301(d) of the Congressional Budget Act of 1974 (P.L. 93-344) and in response to your letter of February 1, 2012, this letter transmits the Views and Estimates of the Committee on Ways and Means on those aspects of the Federal budget for the Fiscal Year 2013 that fall within the Committee's jurisdiction.

The current pace of the economic recovery is insufficient and far too many Americans remain unemployed. As such, the Committee will continue to focus on promoting policies that spur private sector job creation and economic growth. These policies include reforming the tax code to make American employers more competitive, expanding trade especially through providing new opportunities to grow exports of American made goods and services and by reducing the burden placed on American employers by the recent rapid growth in budget deficits, reducing the national debt, and eliminating inefficient and counter-productive government regulation.

I. Legislative Issues with Budgetary Impact

A. Human Resources – The Committee will work to help more unemployed Americans find jobs by reviewing the operation of current State and Federal unemployment benefits and programs, including the implementation of newly enacted provisions, developing improvements as needed. The Committee will continue its effort to improve the exchange of program data to improve administrative efficiency and reduce waste, fraud, and abuse. The Committee will also review the effectiveness of the Temporary Assistance for Needy Families (TANF), Child Support Enforcement, and Child Care and Development Block Grant programs to ensure they target those most in need and promote economic mobility through employment. The Committee

will also continue its general oversight over the Human Resources programs under its jurisdiction, including reviewing program interactions and eligibility standards. The Committee will also review and act, as appropriate, on proposals in the President's Fiscal Year 2013 Budget.

- B. Medicare and Other Health Care Issues – The Committee will closely oversee the implementation of the health care overhaul and its impact on federal spending, the economy, those who are currently insured, Medicare beneficiaries, and health care providers. In addition, the Committee will look for ways to reform the Medicare program to ensure its sustainability for current and future beneficiaries. The Committee will also examine policies that reduce the cost of health insurance, increase health care quality and improve outcomes, encourage transparency, and eliminate waste, fraud, and abuse.
- C. Social Security – The Committee will continue to examine the significant financing challenges facing Social Security's retirement and disability programs, with particular focus on the impacts the economic slowdown are having on these programs' resources, beneficiary needs, and the Social Security Administration's (SSA's) ability to serve the public. With the disability program experiencing imminent financial and management strains, the Committee has initiated a series of hearings on securing the disability insurance program's future, including an in-depth examination of the program's purpose, its process for awarding disability benefits and its return to work programs. In addition, the Committee will continue to examine the agency's efforts to increase efficiencies and productivity through the use of information technology and other cost effective management practices. The Committee will also monitor administrative actions to prevent waste, fraud and abuse, including the SSA's efforts to reduce the backlog of continuing disability reviews as required by the Budget Control Act of 2011. The Committee will also continue to pursue options to better protect individuals, including children, from identity theft related to the proliferation of use and misuse of Social Security numbers.
- D. Tax – The Committee recognizes that a complex, burdensome, anti-growth tax code remains a significant obstacle to economic recovery and job creation. Accordingly, the Committee anticipates continuing its extensive efforts to simplify and reform the tax code for individuals, families, and employers, in order to spur the robust job creation and economic growth necessary to reduce the Nation's persistently high unemployment rate. In so doing, the Committee will build on its record from 2011, which featured not only more than a dozen hearings devoted to tax reform at the Full Committee, the Select Revenue Measures Subcommittee, and the Oversight Subcommittee – including two joint hearings with the Senate Finance Committee – but also the formal release of a discussion draft on international tax reform last October. In addition, the Committee will continue to consider appropriate tax relief measures for individual taxpayers, families, and employers, while also closely scrutinizing the revenue recommendations contained in the President's Fiscal Year 2013 budget proposal and his "Framework for Business Tax Reform."

E. Trade – The Committee seeks to increase economic opportunities for American workers and businesses through the expansion of trade opportunities, adherence to trade agreements and rules by our trading partners and by the United States, and the elimination of foreign trade barriers to our goods and services by opening new markets and by enforcing U.S. rights. The Committee will continue its oversight over the entry into force of the Colombia and Panama agreements, for which implementing bills have been signed into law. The Committee will continue its oversight of systemic problems in U.S.-China trade relations, including issues related to China’s consistent lack of protection and enforcement of U.S. intellectual property rights, indigenous innovation requirements, use of industrial subsidies, export restraints on key products such as rare earth minerals, and currency undervaluation. The Committee expects to move targeted and World Trade Organization (WTO) consistent legislation to address a recent Federal Circuit ruling holding that the Commerce Department cannot apply the countervailing duty laws to subsidized imports from nonmarket economies. The Committee will continue its oversight over the Trans-Pacific Partnership negotiations and work with the Administration to develop an action plan for new bilateral, regional, plurilateral, and multilateral trade and investment negotiations. The Committee will continue its oversight responsibilities with respect to the WTO and intends to consider legislation to grant Permanent Normal Trade Relations to Russia given its imminent accession to the WTO. The Committee will continue to be active in overseeing the budgets and activities of agencies within its jurisdiction and intends to consider authorization legislation. The Committee expects to address the expiration of key aspects of U.S. trade preference programs and will continue its oversight over the operation of these programs and the Trade Adjustment Assistance programs. The Committee intends to move a package of noncontroversial bills to eliminate or reduce duties on products not made in sufficient quantities in the United States.

## II. The Fiscal Year 2013 Budget

The Committee is reviewing the President’s Fiscal Year 2013 Budget. This review will provide the Committee the opportunity to assess the effectiveness of the President’s budget in promoting job creation and economic growth, reduce budget deficits and debt, and ensure the long term sustainability of programs within the Committee’s jurisdiction.

## III. Public Debt Limit

The current statutory public debt limit already is now greater than the gross domestic product of the United States. While the Committee recognizes its responsibility to ensure that the United States meets all its obligations, the current growth of the national debt is not sustainable. Current debt levels are already a threat to economic growth and unless action is taken, the projected increase in the national debt will threaten the economic foundation of the country. Thus the Committee intends to pursue policies to slow and ultimately reverse the growth in the national debt and prevent the need for future increases in the statutory debt limit.

The Committee on Ways and Means looks forward to working with the Committee on the Budget as we promote prosperity, opportunity, security, and fiscal prudence.

Sincerely,

DAVE CAMP  
Chairman