



December 4, 2020

Dear Members of the Problem Solvers Caucus,

On behalf of the National Taxpayers Union, the nation's oldest taxpayer advocacy organization, I write to offer our praise and encouragement for numerous elements in your recent proposal that aim to deliver relief to those adversely impacted by the public health and economic crisis. We believe your framework is moving in an encouraging direction toward a good faith compromise that would substantially address the challenges Americans will face in the difficult months ahead.

Despite trillions of dollars in spending, the United States economy remains in a precarious position, though it is markedly better off than many predicted it would be at the start of this crisis. Although Congress must think seriously about how to achieve long-term solvency in federal finance, right-sizing the federal budget will be difficult without a robust effort to combat the effect of the government-mandated shutdowns to contain COVID-19. If there is a takeaway from this crisis, it is that lawmakers must address the deficit and debt in order to better accommodate future emergencies.

In the interim, lawmakers must address the stark realities of what the American people face at this crucial juncture. With daily infections and hospitalizations reaching record highs, state and local governments may be forced to enact new lockdowns and business closures, hampering the economic recovery. Though safe and effective vaccines are likely on their way, public health officials and economists warn the next several months may be the most challenging yet. Faced with this reality, it is Congress's responsibility to ensure the recovery continues in a way that mitigates the economic fallout of renewed lockdowns.

We are pleased to see that your proposal largely follows the framework NTU released earlier this year to help businesses and individual Americans in a taxpayer-friendly way. For example, it includes new funding for small businesses, liability protections for businesses, targeted and temporary relief for unemployed Americans, and means-tested housing relief for renters and homeowners. Perhaps most commendable is this legislation's relative absence of controversial riders and unrelated pork barrel spending, which unfortunately has become a hallmark of large, bipartisan spending agreements.

However, we do have concerns with numerous provisions in this legislation. Specifically, we are troubled by the level of funding for state and local governments, federally micromanagement of sector-specific aid, blanket funding for the U.S. Postal Service, and other items unrelated to the recovery. This legislation would be stronger if some of these provisions were eliminated, modified, or significantly pared back.

Nevertheless, we recognize the need to deliver relief to struggling families and business owners, which is why we applaud your efforts to introduce this relief proposal. Achieving a balance between addressing

the rising national debt while also addressing the severity of the pandemic crisis is a difficult but necessary task -- one that calls upon the skills of policymakers across all party and ideological lines. We thank you for your work on this critical matter and hope we can serve as a resource during ongoing negotiations.

Sincerely,

Brandon Arnold  
Executive Vice President