



September 8, 2021

To: Members of the House Committee on Science, Space, and Technology

From: Will Yopez, Policy and Government Affairs Associate, National Taxpayers Union

Re: Taxpayer considerations for the Committee's reconciliation bill

Introduction and Topline Taxpayer Considerations for the Reconciliation Bill:

National Taxpayers Union (NTU), the nation's oldest taxpayer advocacy organization, has serious concerns about the \$3.5 trillion budget reconciliation resolution. NTU has long advocated for a simpler, fairer tax code and has consistently urged lawmakers to reign in frivolous spending that puts taxpayers in an increasingly untenable situation as the national debt continues to rise. The current \$3.5 trillion spending package could be the largest in U.S. history. This is a truly remarkable feat considering the whole-of-government approach to responding to the outbreak of the coronavirus. This reconciliation bill must be considered in context of the considerable sums that were appropriated over the last year and a half to respond to a global crisis. With \$28 trillion in debt and rising threats of inflation, restraint is urgently needed.

As the House Committee on Science, Space, and Technology marks up their portion of this gargantuan bill, it is disheartening to see the spending spree before the Committee will further add to taxpayers' burden. While this Committee may not be tasked with raising taxes to "pay for" this package, every dollar wastefully appropriated must eventually be recompensed. The tens of billions in spending Members will discuss in their markup will be levied against families, small businesses, and future generations of Americans. Adding to this injury, many of the spending provisions are unnecessary. The U.S. is the global leader in science and technology because of private sector innovation. Congress can and should spur this innovation with a tax code that incentivizes investments in research and development. Big government spending will not supplant free market innovation.

Overall, it is NTU's view that this bill represents billions of dollars in waste. We urge all committee members to **reject** passage of this section of the budget reconciliation. While NTU still opposes the bill, we put forward several amendments that we believe could improve this bill.

Amendments That Could Improve the Committee's Reconciliation Bill:

- **Across the board cuts:** The bill before the Committee represents over \$45 billion in federal spending. The \$3.5 trillion is already unlikely to be fully paid for, but this Committee can significantly cut down on wasteful spending that will end up in the final package. Many of the research projects and other

appropriations should be trimmed down. While not exhaustive, NTU has identified a few examples of spending that is either wholly or partially unnecessary, without appropriate guardrails, or both.

- Sec. 90002: In this section is a nearly \$10.4 billion hodgepodge of items, including funding for supercomputers, laboratories, and other projects. Without spending offsets, lawmakers should reconsider adding a substantial amount to an already bloated budget.
- Sec. 90004: \$264 million appropriated to the Environmental Protection Agency (EPA) for further environmental research and development activities on climate change the Administrator deems appropriate. This is essentially a blank check to the EPA to do with as they wish.
- Sec. 90015: \$765 million for educating “end users” on climate change and a “climate-ready workforce” is not a good use of taxpayer dollars.
- Sec. 90024: \$7.5 billion for scholarships, research awards, and fellowships across science, technology, engineering, and mathematics education disciplines. Educational opportunities are important, but if lawmakers want to appropriate billions of dollars for this purpose, the spending should be paid for.
- **Repeal of Wage Rate Requirements:** Sec. 90026 inserts the anti-taxpayer Davis-Bacon Act language. This provision not only ends up costing taxpayers by artificially raising the costs associated with completing projects, it interjects the government into the labor market. As the Heritage Foundation [notes](#), the repeal of Davis-Bacon represents \$100 billion in potential investment. NTU has long [supported](#) its repeal.

NTU’s Views on Combined Reconciliation Package:

As the authorizing committees in Congress work on separate reconciliation bills, NTU wishes to inform Members and their staff that we have several significant concerns with the current framework of the overall, combined reconciliation effort. This proposed legislation would spend a staggering \$3.5 trillion -- likely adding trillions to the national debt and severely harming the economic recovery effort. **If the combined reconciliation bill came to the House or Senate floor today, we would advise Members to vote “NO” on the legislation. The bill would be heavily weighted in NTU’s annual rating of Congress.**

Contact Information:

Should you have any questions about this memo, please do not hesitate to reach out to Will Yepez at wyepez@ntu.org.