

The Honorable Brett Guthrie Chairman, House Committee on Energy and Commerce 2125 Rayburn House Office Building Washington, D.C. 20515

Dear Chairman Guthrie and Members of the Committee

On behalf of National Taxpayers Union (NTU), the nation's oldest taxpayer advocacy organization, we write to express our **strong support** for the Committee's budget reconciliation proposal.

We're pleased to see the Committee's plan deliver \$900 billion in taxpayer savings, refocus the Medicaid program to those genuinely in need, promote American energy dominance, sharpen America's technological edge, and support business certainty in the long-term. As written, it represents a pro-taxpayer approach to addressing critical structural issues within government that have long been ignored. While we would have welcomed more comprehensive reforms, we recognize that this is a strong compromise that all members of the Republican conference can support.

From a taxpayer perspective, your legislation will recoup tens of billions of unobligated funds from the Inflation Reduction Act. Ending these grants is a strong way to begin rolling back all the subsidies included in that 2022 climate law, which has proven to be a more costly boundoggle than originally estimated. The IRA as a whole distorts the marketplace and subsidizes expensive green energy projects to make them more cost competitive with traditional forms of energy.

A significant amount of savings comes from the most substantial pro-taxpayer refocusing to the Medicaid program in recent memory. Targeted changes to the Medicaid program are sorely needed because it has grown significantly since the 1960s and is approaching annual outlays of \$1 trillion with more than 71 million enrollees. Your proposal will establish reasonable work requirements on working age, able-bodied adults and also put guardrails on state utilization of funds on their expanded Medicaid populations. We strongly believe that these changes will shift many current enrollees into better insurance options offered in the workforce—something we should embrace.

A number of provisions will also help make America energy dominant again and support American energy exports. Specifically, they will help expedite the approval and construction of traditional energy projects such as export terminals and pipelines. These

changes will bring much needed certainty to a capital-intensive industry that makes long-term investments. The provisions will also promote a refilling of the Strategic Petroleum Reserve, which is far below the historic average due to the poor policy decisions of the last administration. Your legislation takes a major step forward to refill the Reserve and prepare us in case of future emergencies that require a drawdown.

Extending and building on the pro-growth elements of the Tax Cuts and Jobs Act while controlling our mounting debt crisis are the most pressing legislative matters that this Congress will address this year, and we commend the Committee for authoring a serious solution to tackle these critical issues.

NTU urges Committee members to <u>SUPPORT</u> this pro-taxpayer proposal as part of the larger tax reconciliation package. Thank you for your leadership on this important legislation and please do not hesitate to contact NTU should you have any questions.

Sincerely,

Thomas Aiello Senior Director of Government Affairs