



HOUSE COMMITTEE ON THE BUDGET

“The President’s Fiscal Year 2023 Budget”

March 29, 2022 – 10:00 AM

OVERVIEW

On Tuesday, March 29th, the House Budget Committee held a hearing entitled, “The President’s Fiscal Year 2023 Budget.” During the hearing, Members and witnesses discussed: government spending, the federal deficit, and inflation; tax policy and the Internal Revenue Service (IRS); labor and retirement programs; defense spending; foreign aid; energy costs; climate and water investments; public health and mental healthcare; police funding and gun control; immigration and border funding; transportation modernization; antitrust enforcement; education funding; childcare; and housing and urban development.

OPENING STATEMENTS

- [Chairman John Yarmuth](#) (D-KY)
- [Ranking Member Jason Smith](#) (R-MO)

WITNESS PANEL

- [Hon. Shalanda Young](#) – Director, Office of Management and Budget (OMB)

QUESTION AND ANSWER SUMMARY

Government Spending, the Federal Deficit, and Inflation

Ranking Member Smith stressed inflation is at a forty-year high and asked Director Young if she has spoken with the President about solving “the inflation crisis.” Director Young assured the administration talks about inflation along with economic growth and wage growth. She noted the economy has grown at the largest rate in forty years, and with that came higher levels of inflation. Ranking Member Smith expressed concern about the budget proposal’s underestimated inflation projection of 4.7 percent. Director Young clarified the inflation numbers were locked in early November, in line with blue chip private forecasters. Ranking Member Smith replied they “were off by almost double in that five months span,” since inflation was

reported as 7.9 percent two weeks ago. He asserted the budget proposal's spending will "fuel the inflation fire." Director Young acknowledged inflation is a global trend and all major countries are facing inflationary growth coming out of the pandemic. She highlighted the President's plan on competition in the private sector, and noted the budget brings down deficits over the ten year period by over \$1 trillion.

Rep. Brendan Boyle (D-PA) inquired about the record economic growth in the past year. Director Young explained there was the fastest economic growth in forty years and over 6 million jobs were created. Rep. Boyle asked by what amount the deficit is project to fall. Director Young replied \$1.3 trillion, which would be the largest decline year-over-year.

Rep. Tom McClintock (R-CA) argued the Biden administration's spending, including the pandemic stimulus checks, have caused the highest rate of inflation in forty years. Rep. McClintock and Rep. Ashley Hinson (R-IA) expressed concern the budget would increase the corporate tax and repeal the Trump tax cuts even though they produced economic expansion and lower taxes for the average household. Rep. Hinson highlighted the complaints of her constituents about rising prices. Rep. McClintock emphasized "corporations do not pay corporate taxes, people do," through higher prices, lower wages, or lower earnings in investment accounts. Director Young noted the President is also concerned about these cost pressures on Americans,

Rep. Hakeem Jeffries (D-NY) asked if the current unemployment rate is 3.8 percent, as compared to the 6.4 percent unemployment rate when President Biden first took office. Director Young replied affirmatively, adding this fast decline of the unemployment rate "would not have been possible without this President's management of the pandemic." Rep. Jeffries noted wages are up right now, and asked about efforts to lower costs in the context of this budget. Director Young explained the budget provides investments in port infrastructure to "get stuff off of ships and onto shelves" and help address global supply chain challenges. She also emphasized the importance of competition in the private sector.

Rep. Steven Horsford (D-NV) expressed support for a 20 percent minimum tax to ensure billionaire CEOs pay a comparable rate to regular Americans. He remarked even though more Americans are taking home a paycheck, budgets are still tight because prices are rising on essential goods. He emphasized the importance of lowering costs, reducing the deficit, and increasing domestic productivity. Rep. Horsford inquired how the administration plans to relieve supply constraints and deliver lower costs to Americans. Director Young noted the administration is working to address the "extraordinary backlogs" at ports. She added the administration is also looking at recruiting truckers to assure goods can move via truck and rail since people are buying more goods during the pandemic.

Rep. Ben Cline (R-VA) emphasized the annual inflation rate for the US at 7.9 percent is the highest inflation rate since 1982. He asserted the budget does nothing to address inflation or the "permanent imbalance in revenues and expenditures that this federal government is experiencing."

Rep. Cline and Rep. Randy Feenstra (R-IA) expressed concern about the insolvency of several federal programs, such as the Medicare Hospital Insurance Trust Fund, the Highway Trust Fund, and the Social Security Old-Age and Survivors Insurance Trust Fund. Director Young replied the budget assumes these programs continue at the current rates, even given the insolvency.

Rep. Jennifer Wexton (D-VA) highlighted the economy's growth over the last year as a result of the administration's policies and legislation passed by Congress. Rep. Wexton expressed support for the budget's pay increase for federal employees. Director Young agreed this is the biggest pay increase for federal workers in recent memory.

Rep. Bobby Scott (D-VA) noted every Democratic administration since Kennedy has left office with a better deficit situation than they inherited. Director Young highlighted they have seen the largest year-over-year decline in the deficit this year and this budget would further reduce the deficit by over \$1 trillion in the next

ten years. Rep. Scott also pointed to the stimulus checks, child tax credits, increased benefits under the Earned Income Tax Credit, and increased SNAP benefits as efforts by the administration to address the impacts of inflation on families. Director Young added the President believes in bringing down the cost of healthcare, childcare, and energy for Americans.

Rep. Bob Good (R-VA) suggested the administration is “economically, financially, and fiscally incompetent” and this budget would create more debt, which will require additional higher taxes. He noted the budget before the pandemic in Fiscal Year 2020 was \$4.4 trillion and the administration has proposed \$5.8 trillion budget for Fiscal Year 2023, a 30 percent increase. Rep. Good described the trillion-dollar increase as an “incompetent and irresponsible response of the administration.” He suggested Director Young’s title should be “Director of Mismanagement and Excessive Spending.”

Rep. Glenn Grothman (R-WI) voiced alarm that the Federal Reserve is printing “so much money,” and asked if the increased money supply is contributing to inflation. Director Young replied monetary policy must be left for the Federal Reserve to keep it outside of the political process. She agreed on the need to bring down pressures on pocketbooks for Americans and noted the President is offering to pay for his proposals through tax reform.

Rep. Jay Obernolte (R-CA) reiterated the budget was created with the assumptions of a lower inflation rate. He asked, as Congress crafts a budget proposal, what changes they should consider due to the incorrect assumptions made about inflation. Director Young clarified inflation has an offsetting mechanism because typically with higher inflation rates, revenues are also higher. She argued the debt and deficit targets remain about the same and their long-term inflation numbers are still in line with private forecasters. Rep. Obernolte voiced support for the President’s concentration on deficit reduction. He asked Director Young about her long-term philosophy on deficit reduction and balanced budgets. Director Young explained the debt level is not at the point of crowding out the country’s ability to make investments and interest rates remain historically low. She highlighted the most spending in this budget is for beneficiaries to Social Security and Medicare to preserve those benefits.

Rep. Lauren Boebert (R-CO) asked about the current national debt, to which Director Young replied the current debt is about \$22.3 trillion. Rep. Boebert disagreed, citing about \$30 trillion as the national debt amount, and she asked how much each American citizen would have to pay to cover that debt. Director Young clarified that is not how debts work, so they have not calculated that figure. Rep. Boebert asserted the federal government has a spending problem and the President’s budget does not do anything substantive to rein in wasteful federal government spending.” She requested Director Young to define inflation. Director Young replied the cost of goods are more expensive than last year, noting the President called on Congress to pass legislation to address inflation. Rep. Boebert disagreed, arguing inflation is a result of too much money being printed. She added the Biden administration does not understand how inflation is impacting Americans.

Chairman Yarmuth noted analysis from Moody’s Analytics showed the American Rescue Plan (ARP) was responsible for less than 1 percent of the 7.9 percent inflation rate. Director Young added Moody’s estimated there would have been a double dip recession without the ARP. Chairman Yarmuth and Director Young also suggested the ARP stimulated the economy, helped create jobs, and led to record growth coming out of the pandemic.

Tax Policy and the IRS

Ranking Member Smith cited analysis of the tax increases in the President’s budget shows they will lead to fewer jobs in the country and a reduction in wages. Director Young replied the President “will not subscribe to trickle-down economics” and believes in investing in the middle class. She highlighted the budget would not raise taxes for anyone making less than \$400,000. Ranking Member Smith inquired if they allow expiration of the Tax Cut and Jobs Act, to which Director Young replied affirmatively. He suggested this will raise taxes on every average American by about \$2,000 per year.

Rep. Boyle and Rep. Sheila Jackson Lee (D-TX) asked about the billionaire minimum tax proposed by the administration. Rep. Boyle mentioned his bill, the Ultra-Millionaire Tax Act ([H.R. 1459/ S. 510](#)), aims to ensure billionaires would pay their fair share of taxes. He noted Republicans also have a proposal which would raise taxes on 50 million Americans and sunset Social Security and Medicare after five years. He asked “why the administration believes it is more fair to go after billionaires who are currently paying lower taxes than middle class people.” Director Young reiterated budgets are value statements and the President believes it is fair to ask the 400 wealthiest people to pay about the same tax rates as teachers, nurses, and firefighters. Rep. Boyle asked if the average effective tax rate among those 400 wealthiest is currently only 8 percent, to which Director Young replied affirmatively.

Rep. Trent Kelly (R-MS) expressed concern about a tax cut for millionaires while increasing taxes on billionaires. He also reiterated that allowing the Trump administration’s tax cut to expire, will increase American’s taxes by \$2,000.

Rep. Brian Higgins (D-NY) noted wealthy people often buy an asset, build an asset, borrow against the asset, and then never sell it so they do not pay taxes on the asset. He cited Jeff Bezos is worth \$200 billion but pays very little taxes. Director Young agreed taxes on investment income are often deferred, even though people can use the investment as leverage for “extraordinary loans,” whereas “regular people” must use their traditional income to apply for a loan.

Rep. Michael Burgess (R-TX) acknowledged the baseline Congressional Budget Office report has not been released yet, but the Director of CBO visited with some Members. He noted the Director of CBO, Phillip Swagel asserted federal income tax collections have been at all-time highs, sustained during the pandemic. Director Young agreed this statement is accurate. Rep. Burgess suggested the taxing system some people describe as unfair is producing historic levels of revenue, more than the pre-2017 tax law produced. Director Young replied the wealthiest did “quite well during the pandemic.” Rep. Burgess inquired if unrealized gains held in retirement securities will be taxed under the President’s proposal. Director Young clarified they are talking about taxing unrealized gains from stocks for the 700 people who are worth more than \$100 million. Rep. Burgess asked if they will be able to deduct losses from their taxes if the market goes down. Director Young explained it is a phased approach over five years for taxing those 700 people.

Rep. Jan Schakowsky (D-IL) inquired if the budget would bolster the number of employees at the Internal Revenue Service (IRS) to address backlogs. Director Young agreed Americans should not have to wait four hours on hold to get information about their tax situation, so the administration proposes an increase in the budget for the IRS.

Rep. Feenstra noted it takes approximately twelve to eighteen months to collect the revenues and see the effects of new tax policies. Director Young agreed if Congress passed these proposals today, they would see the receipts during the next fiscal year, and then begin to see a reduction in the deficit within that first year of implementation. Rep. Feenstra argued the Trump tax cuts are now coming into full effect, noting a 5.7 percent growth increase. He expressed concern about plans to repeal these tax cuts.

Rep. Byron Donalds (R-FL) mentioned the President’s proposal increases the corporate tax rate to 28 percent. He questioned if this tax increase will have an impact on an already inflationary environment with higher prices for consumers. Director Young replied in the negative, adding the administration does not believe it will change the operations of how corporations make decisions. Rep. Donalds disagreed, asserting corporations always pass on costs to consumers. Director Young noted corporations used to pay 35 percent before the last tax cuts. Rep. Donalds suggested the corporate tax cut raised more revenue in corporate income taxes than any other point in American history. Director Young replied fifty companies in the Fortune 500 used legal loopholes to avoid paying any tax in 2020.

Chairman Yarmuth disagreed with Rep. Donalds' claim that raising the corporate tax rate causes inflation because businesses pass these costs to consumers. He noted the Republican tax cut in 2017 did not result in cost reduction, and most of the money saved with the lower tax rate was spent on buying back stocks and increasing dividends.

Rep. Grothman suggested the tax rate for manufacturing businesses should be lower than other sorts of businesses because manufacturers have to compete with other businesses abroad. Director Young replied the global minimum tax proposal will help bring back jobs to the US.

Chairman Yarmuth questioned if the administration has considered increasing the carried interest rate. Director Young noted Treasury is taking the lead on tax proposals and she committed to taking this "worthy conversation" offline with Chairman Yarmuth.

Labor and Retirement Programs

Rep. David Price (D-NC) emphasized the importance of national service, specifically AmeriCorps which helped diversify the workforce during the pandemic. He noted the budget provides \$1.34 billion for AmeriCorps, which is a significant increase. Rep. Price asked about the administration's plans for the future of AmeriCorps, including the role of the proposed Civilian Climate Corps. Director Young assured the administration's commitment to AmeriCorps is strong, and they are building on top of the American Rescue Plan funding. She explained the budget increase would allow AmeriCorps to increase the member living allowances and volunteer stipends, and support increases in higher education awards for volunteers. Director Young also highlighted the budget provides \$20 million for staffing at AmeriCorps to implement the Civilian Climate Corps, which would be in partnership with the Departments of Labor, Interior, and Agriculture.

Rep. Schakowsky voiced support for "building an economy from the middle out and the bottom up." She noted the National Labor Relations Board (NLRB) has been the victim of sequestration and remained flat funded since 2014. Rep. Schakowsky acknowledged the budget would increase NLRB funding by 16 percent and asked if the administration would raise any concerns if Congress provided an additional funding increase to the NLRB. Director Young replied they would be supportive because NLRB has been "starved of resources and has lost significant staff capacity over the years."

Rep. Scott inquired about labor programs for those returning from prison. Director Young explained as part of the \$30 billion investment in criminal justice reform, they will "help those formally incarcerated become productive citizens in this country."

Rep. Kildee explained when GM filed for bankruptcy, the U.S. Pension Benefit Guarantee Corporation (PBGC) cut retirement benefits by as much as 70% for more than 20,000 Delphi Salaried Retirees. He mentioned his bipartisan legislation, the Susan Muffley Act ([H.R. 6929](#)), to restore retirement benefits to Delphi Salaried Retirees. Director Young noted she will take a look at the legislation and agreed those retirees deserve their pension.

Defense Spending

Rep. Kelly asked about plans to increase defense spending given the rate of inflation this year. Director Young explained they plan to increase defense spending by 9.8 percent over the 2021 levels, which is supported by the Secretary of Defense. Rep. Kelly insisted defense spending should increase 5 percent more than inflation.

Rep. Buddy Carter (R-GA) argued a 4 percent increase in defense spending is actually a cut because inflation is at 8 percent. He asked if the administration was aware last year that Russia was occupying Crimea and other parts of eastern Ukraine when they proposed a cut in defense. Director Young clarified "that is a policy best left in the Department of Defense or National Security Council." She noted the

Secretary of Defense supports the defense budget proposal. Rep. Carter added if the budget reflects the values of the administration, they should not be making cuts to defense spending.

Rep. Seth Moulton (D-MA) stated, “one of the biggest threats that Americans face from this ongoing war in Ukraine is the threat of cyber-attacks here at home.” He added China is the biggest adversary of the US, and China has invested in future capabilities like advanced missile systems, space systems, and artificial intelligence. Rep. Moulton noted China made cuts on its army to invest in future capabilities, and he asked how the administration is meeting the challenges of modernizing the US military. Director Young replied they are increasing the Department of Defense budget by 4 percent, which is in line with the national defense strategy of last year. She highlighted they are investing more in air and hypersonic technologies, as well as legacy equipment like F-35s and submarines. Director Young also agreed they need to invest in addressing cyber threats.

Rep. Pramila Jayapal (D-WA) voiced concern about the 4 percent increase in defense spending and the fact that one-third of Pentagon contracts after 9/11 went to just five contractors. She noted the Pentagon is the only federal agency that has never passed an audit, despite increased military spending. Rep. Jayapal advocated for cutting out waste, fraud, and abuse in the Department of Defense and focusing on technologies that are going to provide the “biggest bang for the buck.” Director Young agreed the Pentagon should be able to pass a basic audit. She added the Biden administration believes in a budget tied to a long-term defense and national security strategy.

Chairman Yarmuth noted many Republicans are calling for an increase in defense spending 5 percent in addition to inflation. He noted inflation does not affect every entity the same way since the Pentagon has contracts for gasoline with locked in prices. Director Young responded the proposal is “a real increase” in defense spending and highlighted the 4.6 percent increase in the salaries of military personnel.

Foreign Aid

Rep. Burgess mentioned the commitment to provide foreign aid to El Salvador, Guatemala, and Honduras and asked about methods of accountability for this funding. Director Young noted they have the option to withhold if they are not getting the results they need to see, but the administration believes in dealing with the root causes of migration through this funding.

Rep. Moulton argued China is trying to outcompete the US in foreign aid by investing in places like Africa. He questioned if the budget puts \$682 million towards Ukraine support. Director Young replied that is correct, and highlighted they would use that funding to enhance the humanitarian aid previously provided by Congress earlier this month.

Energy Costs

Ranking Member Smith mentioned the increasing prices of gasoline. Director Young replied a “strong response” to Russian aggression has come with higher gas prices, which President Biden previously warned. Ranking Member Smith disagreed, arguing President Biden’s policies, such as eliminating the Keystone XL pipeline and freezing new drilling on federal lands, have increased gasoline prices by making the US energy dependent on countries like Russia and Venezuela.

Rep. Higgins noted the past administration was not energy independent, importing about 22 million barrels of Russian crude oil and other petroleum products every single month. He suggested the Build Back Better program would help make the transition to electric vehicles.

Rep. Feenstra mentioned the energy crisis and “tremendous” gas prices in the US. He asked why American-made biofuels are not addressed in the budget. Director Young highlighted the President released 60 million barrels of oil from the Strategic National Stockpile, and she clarified the Environmental Protection Agency (EPA) will have more details on biofuels.

Rep. Hinson remarked Americans are struggling with the cost of fuel. She noted the budget includes billions of dollars for electric vehicles (EVs) and charging infrastructure but does “nothing to actually drive down the cost of fuel.” Director Young clarified many of the inflationary increases in gas have to do with the Russia-Ukraine situation, so they must deal with that “fluid situation before this budget even takes effect.” She highlighted the administration is selling 60 million barrels from the Strategic Petroleum Reserve.

Rep. Donalds asserted rising oil and gas prices impact every American. He expressed concern the budget would “unwind every tax benefit associated with fossil fuels in the United States.” Director Young argued the offered tax structure will not lead to increased gas prices, noting the US produces over 10 million barrels of oil per month. She emphasized costs have gone up since the Russian aggression in Ukraine. Rep. Donalds disagreed, stating oil prices were up far before Vladimir Putin invaded Ukraine on February 24. Director Young reiterated increased energy prices have further increased since Russian aggression.

Rep. Donalds asked if it is fair for green energy to have more favorable tax treatment than oil and natural gas. In response, Chairman Yarmuth argued it is very fair because there is “broad consensus” that the US needs to move away from fossil fuels towards renewables and other clean energy sources. Director Young explained green energy involves “developing systems” that need support. She added many people want electric vehicles and solar panels, so these subsidies would help consumers.

Chairman Yarmuth asked how gas prices are set. Director Young explained gas prices are dependent on the global market, so when there is a higher demand for less gas, the prices go up. Chairman Yarmuth mentioned as the economy recovers from the COVID pandemic, the demand for gasoline increases. He also pointed out that the US produces more barrels of oil than any other country. Chairman Yarmuth questioned if the Keystone pipeline construction was resumed, how long it would take to finish. Director Young replied it would not be finished soon enough to deal with the increases the US is seeing now.

Climate and Water Investments

Rep. Mike Carey (R-OH) raised concern the budget contains zero mentions of a “debt crisis” or “inflation crisis,” but mentions “climate crisis” over 33 times. He asked about the proposed spending for other countries to combat climate change. Director Young explained they are making a “historic investment” of about \$11 billion for international climate efforts to help low income countries join the developing world to bring down their pollution. Rep. Carey questioned the total level of funding for climate-related policies in this budget. Director Young replied they devote about \$45 billion for climate activities.

Rep. Dan Kildee (D-MI) expressed concern that the FY2023 budget request for the Flint Registry is lower than the \$5 million passed in the recent FY2022 government funding legislation. He explained the registry was created by Congress to respond to the Flint water crisis and connects families to tools like healthcare, nutrition, and lead removal services. Director Young clarified they absolutely support the Flint Registry, but OMB did not have time to incorporate many of the omnibus’ final decisions.

Public Health and Mental Healthcare

Rep. Wexton inquired how the budget addresses mental health and substance use disorder coverage. Director Young explained the budget includes \$500 million increase over FY2022 spending for state opioid response grants and \$1.2 billion increase for the Substance Abuse Prevention and Treatment Block Grant (SABG). She pointed to the bipartisan interest to address the opioid epidemic and mental health crisis. Rep. Wexton also expressed support for the 19 percent increase in funding for the National Science Foundation, which will support its research into opioid addiction treatment.

Rep. Jackson Lee inquired about funding for pandemic and public health preparedness. Director Young agreed on the need to invest in future pandemics so that the country is not “left in the same predicament if another pandemic were to occur.”

Rep. Jackson Lee asked about the administration's efforts on mental health support to stem the tide of domestic violence. Director Young explained the budget proposes \$56 million to issue grants to support behavior health services for individuals within jails and prisons. She also pointed to the \$500 million investment, split between the DOJ and HHS for "a comprehensive answer to crime."

Police Funding and Gun Control

Rep. Carter inquired about "the cuts that went to state and local governments from the Justice Department of \$2 billion." Director Young asserted there are no cuts in the budget to cops. She clarified they requested \$3.2 billion for state and local grants at DOJ, a \$300 million increase in community-oriented policing, and \$30 billion to deal with crime in communities.

Rep. Sires inquired about "increased security of communities with policy. Director Young highlighted the budget provides \$3.2 billion for state and local grants, a \$300 million increase for cops, and a \$30 billion multiyear proposal to deal with community violence.

Rep. Carey asked if any of the \$30 billion in mandatory spending to combat and prevent crime would be used to enforce gun control. Director Young clarified the \$30 billion pot is intended for a comprehensive look into crime, including mental health tools. She explained they provide increases to the Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) to ensure ghost guns and other guns do not get into the hands of criminals.

Immigration and Border Funding

Ranking Member Smith mentioned the \$1.9 billion in the recent omnibus bill to finish the border wall and asked if the administration is going to finish the border wall. Director Young clarified the administration requested Congress to rescind the \$1.9 billion, which was refused, but Congress did not provide additional money. She acknowledged the administration is acting within the bounds of the Impoundment Control Act and "obligating prudently under the law." Ranking Member Smith asked how the money is being obligated since they "are not doing any construction." Director Young replied they are doing environmental restoration and community consultation. Ranking Member Smith asked why the administration transferred "almost \$2 billion of COVID money to housing illegals at the southern border." Director Young explained the money was used to test for COVID and socially distance people immigrating into the US. In response to Rep. McClintock's question about the cost of admitting "impoverished illegal immigrants," Director Young pointed to the increase in the Department of Homeland Security's (DHS) budget to manage immigration.

Rep. Sires noted people criticize the undocumented who are working in this country without documents, and questioned if they contribute to Social Security. Director Young replied many of them contribute to Social Security, pay local taxes, and contribute to their communities. Rep. Sires asked if undocumented people collect Social Security when they retire. Director Young explained it would be very difficult to collect without proper paperwork, even if they paid into the system. Rep. Sires requested information for the record about how much money undocumented people contribute to the budget.

Rep. Hinson mentioned the increased funding for Customs and Border Patrol (CBP) in the FY2022 omnibus and supplemental appropriations, but the FY2023 budget proposes cuts to the CBP. Director Young clarified the budget includes a 5 percent increase in DHS, including money for additional border agents. She added the budget also includes an increase for immigration judges.

Transportation Modernization

Rep. Moulton mentioned the "historic infrastructure bill to invest in the future of transportation." He asked if the administration believes in investments that have a high return on investment (ROI) for the American taxpayer. Director Young replied affirmatively, adding they support projects with high benefit-cost ratios, including transportation modernization and innovation. Rep. Moulton noted high speed rail has some of the highest ROIs in transportation and the rest of the world is investing in their high speed rail system. Director

Antitrust Enforcement

Rep. Pramila Jayapal (D-WA) mentioned she is a lead sponsor of the Ultra-Millionaire Tax Act. She also emphasized “America has a monopoly crisis that is strangling small businesses and hurting people’s pocketbooks.” Rep. Jayapal expressed support for the budget’s “historic” increases to the DOJ’s Antitrust Division and the FTC to “robustly enforce” antitrust laws. She asked Director Young if Congress should prioritize additional bipartisan efforts to give federal agencies more tools to ensure competition. Director Young replied affirmatively, suggesting increasing competition is one way to deal with inflation in the US. Rep. Jayapal also highlighted the DOJ’s recent letter stating that the “rise of dominant platforms presents a threat to open markets and competition.”

Education Funding

Rep. Scott and Rep. Albio Sires (D-NJ) asked about Pell Grants. Director Young noted the FY2022 omnibus bill recently passed would increase Pell Grants by \$400, and the President’s proposal would increase the maximum Pell Grant to nearly \$13,000. Rep. Scott remarked there is a chronic achievement gap with low income students and inquired about Title I. Director Young highlighted the FY2022 omnibus provided a record increase of \$1 billion for Title I to help children across the country, and the FY2023 budget requests an additional \$19 billion.

Childcare

Rep. Sheila Jackson Lee (D-TX) mentioned there are about 1.8 million families in poverty and over 1 billion children under six who need childcare. Director Young pointed to \$7.6 billion in proposed discretionary funding for the Childcare and Development Block Grant (CDBG) program, which will go to the states to help childcare businesses. She also noted the President is supportive of childcare as part of additional legislation still under consideration.

Housing and Urban Development

Rep. Price highlighted the “much needed” 9.5 percent budget increase for the Department of Housing and Urban Development (HUD) to address homelessness and housing costs, and to expand and improve the housing stock.

Rep. Sires and Rep. Jackson Lee asked about an increase in affordable housing prograDirector Director Young replied they address the demand issue through an increase in vouchers and include a \$50 billion mandatory spending proposal to address the lack of housing supply in many communities. She also highlighted the 6 percent increase in the Department of Housing and Urban Development.

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Please click [here](#) for the archived hearing.