

# AFL-CIO

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## LEGISLATIVE ALERT

January 17, 2024

Dear Representative:

On behalf of the AFL-CIO, I urge you to oppose the Fiscal Commission Act (H.R. 5779), the Debt-to-GDP Transparency and Stabilization Act (H.R. 6957), and the Fiscal State of the Nation Act (H.R. 6952), when they are considered by the House Budget Committee tomorrow. These bills would help set the stage for the kind of fiscal brinksmanship that demands cuts to workers' Social Security, Medicare, and Medicaid benefits as the price of preventing government shutdowns. Instead of perpetuating this dysfunction, we believe Congress should commit to deliberating fiscal issues through the committees charged to examine these issues with transparency and an open process.

The AFL-CIO strongly opposes the Fiscal Commission Act. Under this bill, closed-door drafting of provisions to reduce federal deficits through program cuts and revenue changes would produce a bill that cannot be amended. Fast track procedures would require expedited floor consideration in the House and in the Senate without filibuster. The lack of transparency and accountability in such a process raises significant doubts about the intentions behind the approach, such as substantial benefit cuts in Social Security and other federal programs. We share the White House's characterization of this commission as a potential "death panel" for Social Security.

The Debt-to-GDP Transparency and Stabilization Act would establish a reporting mechanism that could be incorporated in a debt enforcement trigger for social benefit cuts in subsequent legislation. Such a debt trigger would come into play in times of recession when GDP contracts – exactly the worst time to implement benefit cuts on working families and slow the economy. Congress can acquire this data for its deliberations without establishing this mechanism, and we ask you to oppose this bill.

We also oppose the Fiscal State of the Nation Act in its current form. The bill would require an annual joint session of Congress to review reports of the government's assets and liabilities audited by the Government Accountability Office. We believe this annual session would be used to fan the flames of fiscal brinksmanship.

The recent history of fiscal commissions and super committees has shown that they have failed to initiate salutary legislative efforts to reduce the deficit. Unfortunately, they were successful in paving the way for legislative efforts to cut federal worker's pay and benefits and in imposing budget caps that impacted appropriations for essential federal services. They did not lead to more equitable approaches to deficit reduction that balance program cuts with higher taxes for the wealthy.

We urge you to consider alternative legislation that can secure programs like Social Security and Medicare for the future while also improving affordability for seniors and working people. For instance, supporting legislation to extend Medicare's negotiation of lower drug prices for seniors and extending these savings to all working people. In addition, we encourage you to support Ranking Member Boyle's Medicare and Social Security Fair Share Act (H.R. 4535), which would ensure those earning more than \$400,000 pay their fair share in taxes to extend the sufficiency of the Social Security trust fund and Medicare.

In conclusion, I urge you to oppose the legislation that will be considered in tomorrow's mark up and to help advance the many bills already introduced that manage to simultaneously reduce the deficit and inequality.

Sincerely,

A handwritten signature in black ink, appearing to read "William Samuel". The signature is fluid and cursive, with the first name being more prominent.

William Samuel  
Director, Government Affairs