

Congress of the United States
House of Representatives
Washington, DC 20515-4312

MEMORANDUM

TO: House GOP Colleagues
FROM: Congressman Chip Roy
DATE: May 24, 2023
RE: Holding the Line for Hard-Working Americans with “Limit, Save, Grow”

Many of you asked for the talking points I offered during our conference meeting on Tuesday. I hope these help as Speaker McCarthy continues to pressure President Biden to do what is right for the American people. We give him the strongest hand by: 1) making clear we are unified to hold the line; and 2) messaging the specific purposes behind the Limit, Save, Grow Act.

While House Republicans are fighting for hard-working American families facing a woke, weaponized government at odds with our way of life, President Biden and Democrats have been dragging their feet for weeks to fight for rich liberal elitists who want more spending, more government, more corporate subsidies, and less freedom.

- We are fighting to cut inflationary spending by \$1 trillion in year one, and \$5 trillion over a decade, Democrats want to keep the status quo of record inflation and record spending.
- We want to cut funding for the woke federal bureaucracy interfering with Americans’ ability to live free and prosper economically to pre-COVID levels, Democrats want to expand it.
- We are fighting for reliable energy and the working class, Democrats want to preserve IRA unreliable energy subsidies for the wealthy elite, corporations, and Chinese Communists.
- We are fighting for the plumber with no student loans and the veteran that sacrificed for the nation, Democrats are bailing out people with master’s degrees in gender studies.
- We are fighting for poor and middle-class Americans that are already targeted by the IRS at higher rates, Democrats want to expand the IRS to go after these Americans even more.
- We are fighting to reassert Congress’ role over an executive branch pumping out new regulations that cost hundreds of billions, Democrats want to empower faceless bureaucrats.
- We are fighting to restore the dignity of work in this nation, Democrats want to continue to destroy families and communities by spending billions to keep Americans at home.
- We are fighting to preserve an American Dream that increasingly is out of reach, Democrats want to destroy that dream.

The following reforms were part of the Limit, Save, Grow Act – each are critical and none should be abandoned solely for the quest of a “deal.”

Reform #1: Reduce FY 2024 discretionary spending to FY 2022 levels and cap future spending at 1% growth to cut the deficit and rein in the federal bureaucracy.

This would cut \$131 billion in discretionary spending in year one, save \$3.6 trillion over a decade, and – most importantly – restrict the federal bureaucracy’s power to interfere with Americans’ ability to live free and prosper economically.

- **Failure to Carry Through:** Means continued expansive funding without constraint of the federal bureaucracy at odds with Americans.
- **False Criticism:** This will crush defense spending!
 - **Reality:** We could meet the FY 2024 cap (\$1.471 trillion), while preserving *at least* the FY 2023 defense funding level (\$858 billion) by cutting nondefense discretionary (NDD) funding to pre-COVID levels (\$597 billion).
 - Defense has [plenty of waste](#) to cut and GOP “hawks” need to remember guns vs. butter.
- **False Criticism:** Nondefense spending will be gutted!
 - **Reality:** We could also meet the FY 2024 cap and fund NDD at the exact same level “MAGA Extremist” *Barack Obama* [proposed](#) for FY 2024 in his last budget (\$613BB).
 - President Obama’s final budget also [estimated](#) NDD outlays would total 2.6% of GDP in 2024, but CBO’s *current* baseline now projects it at 3.7% of GDP in 2024.
- **False Criticism:** These cuts are very unpopular!
 - **Reality:** 92% of Americans think it is important to balance the federal budget.
 - 74% of Americans support reducing funding to pre-pandemic levels.

Reform #2: Repeal the grid-destroying tax credits for unreliable energy in the so-called “Inflation Reduction Act” that will benefit rich liberals, corporations, and the CCP.

Last year – through the use of reconciliation, with 158 proxy votes, and on a party line vote in August – Democrats jammed through a giant giveaway to the rich. Goldman Sachs [estimated](#) the IRA’s unreliable energy subsidies and programs will cost up to \$1.2 trillion – over three times the original estimate of \$391 billion.

- **Failure to Carry Through:** Means the absolute decimation of our grid to the benefit of corporate cronies – EIA [estimates](#) that the IRA could make wind and solar account for nearly 60% of US electricity generation by 2050, knocking off reliable generation in the process.
 - According to EIA, wind and solar [made up](#) just 12% of US generation in 2021.
 - In many cases, the places with the most wind and solar on the grid [tend to](#) have the highest electricity costs.
- **False Criticism:** Republicans just want to preserve tax cuts for the rich!
 - **Reality:** 78% of the electric vehicle tax credit is [claimed](#) by filers making \$100K or more per year – [couples](#) making up to \$300K per year can get these subsidies.

- Over 90% of [green energy tax](#) subsidies go to corporations that make over \$1 billion per year and financial institutions receive *three times* the benefit from the credits than other industries.
- **False Criticism:** This will make us less competitive with China!
 - **Reality:** Chinese companies [are eligible](#) for these climate credits – a recent [analysis](#) found Chinese companies could end up with \$125 billion in IRA subsidies.

Reform #3: Overturn Biden’s unfair, deficit increasing, and tuition increasing student loan bailout – which will cut the deficit by \$400 billion *this fiscal year*.

Biden carried out his unfair, deficit and tuition increasing student loan bailout unilaterally via executive action. CBO [estimates](#) that overturning Biden’s action would cut the deficit by nearly \$400 billion this fiscal year.

- **Failure to Carry Through:** Means a veteran will have to watch someone who did not sacrifice for this country get [the same benefits he does under the GI Bill](#) and a plumber without a degree will have to subsidize his neighbor’s master’s degree in gender studies.
- **False Criticism:** This will drive up the cost of tuition!
 - **Reality:** The [Federal Reserve](#) “found that the average tuition increase associated with expansion of student loans is as much as 60 cents per dollar.”
- **False Criticism:** Overturning this hurts the average American!
 - **Reality:** According to the [Brookings Institution](#), households with graduate degrees held 56% of outstanding education debt in 2019.
 - In fact, 87% of [Americans](#) do not have federal student loan debt.
- **False Criticism:** The president has the authority to do this!
 - **Reality:** In June 2021, Speaker Pelosi herself [said](#), “People think the president of the United States has the power for debt forgiveness. *He does not*. He can postpone, he can delay, but he does not have that power. That has to be an act of Congress.”

Reform #4: Rescind the \$80 billion Democrats gave to the IRS to hire 87,000 agents that will target working- and middle-class taxpayers the most.

Recouping these funds will not only save billions in inflationary spending right now, it also reduces the size of a weaponized agency and protects hardworking American families and businesses.

- **Failure to Carry Through:** Means the supercharged IRS will continue to target working families that cannot afford a high dollar accountant or tax lawyer.
- **False Criticism:** Republicans just want to protect rich tax cheats!
 - **Reality:** According to [CBS](#), the “IRS audits the poor at 5 times the rate of everyone else...”
 - According to the [New York Times](#), “Black taxpayers are at least three times as likely to be audited by the Internal Revenue Service as other taxpayers...”

Reform #5: Implement the REINS Act to end the abuse of executive power by empowering Congress to approve major regulations that cost Americans billions of dollars.

President Biden's regulatory deluge in his first two years has saddled the American people [with](#) "\$318 billion in total costs and more than 218 million hours of paperwork."

- **Failure to Carry Through:** Means the American people will continue to be subjected to the most aggressive regulatory regime in recent history and hundreds of billions in additional costs.
- **False Criticism:** This is a Republican power grab!
 - **Reality:** This is a bipartisan proposal that impacts every administration, regardless of party, equally - the REINS Act [passed](#) the House on a bipartisan basis in 2017.

Reform #6: Strengthen and establish work requirements for able bodied Americans that are receiving government assistance – just like President Biden supported.

After \$5 trillion in COVID spending and two years of Democrats paying people not to work, our labor force participation rate is [well below](#) pre-pandemic levels and the federal government continues to undermine the dignity of work through assistance programs.

- **Failure to Carry Through:** Means turning our back on the dignity of work and a slap in the face to Americans that work hard to make ends meet.
- **False Criticism:** These are draconian and uncompassionate reforms!
 - **Reality:** Our reforms are based on the 1996 welfare reforms that then-Senator Biden supported under President Clinton.
 - Biden [said of the reforms at the time](#): "The culture of welfare must be replaced with the culture of work...The culture of dependence must be replaced with the culture of self-sufficiency and personal responsibility. And, the culture of permanence must no longer be a way of life."
- **False Criticism:** "All these people are working anyway."
 - **Reality:** If that's the case, then why oppose even the most basic work requirements for able bodied adults without dependent children?

Reform #7: Reclaim billions in unobligated COVID spending – President Biden himself has signed legislation to end the COVID emergency.

The \$5 trillion we dumped into the economy in the name of "COVID" was one of the main drivers of inflation. COVID is long over; it is time to reclaim the tens of billions of unobligated COVID funding that still remains.

- **Failure To Carry Through:** Means an abject failure to demonstrate to the American people that we are willing to fight for even the most basic and popular spending cut.
- **False Criticism:** These funds are necessary to combat the impacts of COVID!
 - **Reality:** In September 2022, President Biden [said](#) on 60 Minutes, "The pandemic is over."
 - In April 2023, Biden [signed](#) Rep. Paul Gosar's resolution terminating the COVID national emergency.