

COMMITTEE ON WAYS AND MEANS

U.S. HOUSE OF REPRESENTATIVES
WASHINGTON, DC 20515

March 27, 2019

The Honorable Richard Neal
Chairman
Committee on Ways and Means
1102 Longworth House Office Building

Dear Chairman Neal:

Thank you for convening this hearing today about the Tax Cuts & Jobs Act (TCJA) instead of wasting time with a rush to impeachment.

Thanks to tax reform and our revitalized economy, vulnerable Americans left behind by the Obama Administration are finding jobs with growing paychecks, experiencing less poverty, and expressing new optimism about their future. Repealing the TCJA will not only damage the U.S. economy, kill jobs, reduce paychecks, and send American jobs overseas—it will most hurt women, minorities, individuals with disabilities, and workers without a high school education.

Americans are working again, and many workers have increased job options and opportunities:

- over 5.3 million jobs have been added to the economy over the last two years;
- 493,000 manufacturing jobs have been added to the economy over the last two years (almost 200,000 manufacturing jobs were lost during the Obama administration);
- a record 7.3 million job openings in December 2018, far exceeding the number of unemployed;
- unemployment fell to 3.8 percent in February 2019, which is the 12th consecutive month where the unemployment rate has been at or below 4 percent;
- unemployment rates are at near historic lows for African Americans, Asian Americans, people without a high school degree, and people with a disability.

American workers are also earning more—average hourly earnings rose 3.4 percent over the last year. This is the fastest growth since 2009 and is the seventh straight month that wage gains were at or above 3 percent. The even better news is that the bottom half of wage earners are benefiting by about twice as much as the top half. This trend began in 2018 and has continued into this year.

This economic good news has not gone unnoticed. A recent CNN poll shows that 71% of Americans say the nation's economy is in good shape. This is the highest share of Americans to say so since February 2001. This is not all—a recent Gallup poll shows that Americans'

optimism about their personal finances is at a near record high, and that half of Americans believe that they are better off now than a year ago.

Despite the good news of rising wages, low unemployment, and decades-high confidence in our economy after GOP tax reform, Democrats continue to push to take back tax cuts from working families and small businesses.

Under the TCJA, a typical family of four earning \$75,000 will see a tax cut of more than \$2,000. The worst thing Washington could do for these families is to take more of what they earn or slow the U.S. economy. How would repealing this \$2,000 tax relief help them?

American workers and families are benefiting from a strong economy, growth, and job opportunities produced by the TCJA. Congress should always work to improve and refine our tax code to make it more competitive, instead of working towards a return to the slow growth and stagnant paychecks of the past decade that would result if tax cuts are taken away.

Sincerely,



Kevin Brady
Republican Leader
Ways and Means Committee



Adrian Smith
Republican Leader
Select Revenue Measures Subcommittee