

Congress Is About to Receive President Trump's First Budget Request

Beginning right now, White House Office of Management & Budget Director Mick Mulvaney is briefing the press corps on President Donald Trump's first-ever full budget request to Congress.

You can watch the briefing and the question-and-answer session in the livestream above. Mulvaney gave an off-camera briefing on Monday afternoon as well. During that briefing, he gave an overview of the key points in the budget request:

The title on the front is: A New Foundation for American Greatness. That's the title that we came up with. And as I was reading through it this weekend, I was trying to figure out, OK, what's new and what's a foundation? And what's American greatness?

So I want to break it down and talk about it like that for a few minutes before I take your question.

What's new? I said if I had sort of a subtitle for this budget, it would be the Taxpayer First Budget. This is I think the first time in a long time that an administration has written a budget through the eyes of the people who are actually paying the taxes. So often in Washington I think we look only on the recipient side: How does the budget affect those who either receive or don't receive benefits?

And it's been a long time. I can't remember the last time we actually looked through—looked at a budget through the perspective of the people who are paying it. The question we asked ourselves, as we were going line by line—and believe me, this team here went line by line with me through this

budget: Can I ask somebody, a family in Grand Rapids, Michigan, to pay tax money to the government so that I can do X?

And if the answer to X is to help a vet who has lost both limbs in an explosion in the Middle East, the answer is, yeah, I can do that without any reservation. And my guess is they'd be happy to pay it.

If the answer to X is some program that only helps one out of every 15 people it's designed to help, and it hasn't had any type of really good research on it in 10 years, and oh, by the way, it's not authorized by Congress, that's a different result.

And that's what I mean when I say it's a taxpayer-first budget, going line by line through the budget, trying to put yourself in the shoes of the people who are paying for those lines.

What else is new about it? It balances in 10 years. It balances in the 10th year. In fact, it begins to reduce the deficit as a percentage of the overall economy in year one. We can talk a little bit about the details on that, if you'd like, during the Q&A.

The foundation—what's the foundation? What is this all about? What's the heart of this? I'm trying to figure out a way to articulate this the best. There was an article a couple weeks back about "What is Trumponomics?" And I think what Trumponomics is and what this budget is a part of is an effort to get to sustained 3 percent economic growth in this country again.

I think it's sad that the previous administration was willing to admit that we couldn't get better than 1.9 percent growth over the next 10 years. I think it's sad that the CBO does the same thing. The Congressional Budget Office assumes that we'll never grow at more than 1.9 percent

again, out into infinity.

That assumes a pessimism about America, about the economy, about its people, about its culture that we're simply refusing to accept. We believe that we can get to 3 percent growth.

And by the way, we do not believe that that is something fanciful. In fact, there was a very well-written piece, by the way—I don't know if *The Washington Post* is here or not today—a very well-written piece I thought in *The Post* this morning. But one of its lines was that: "The budget relies on an unprecedented level of economic growth." An unprecedented level of economic growth? No, it's not. It's 3 percent, which is below the average since the founding of the country. It's below the average since World War II. The average is slightly above 3 percent. That is what an ordinary, healthy American economy is supposed to look like—not growth forever.

If you are a 30-year-old adult, you have never had a job in a healthy American economy. You've either been in a recession or sluggish recovery. And you think this is normal. And we are here to tell you it is not.

I grew up. I was a young man during the '90s when we had healthy economic growth in this country, and if I got fired, I could find another job—because that's what you can do with 3-percent economic growth. When I didn't like my job—and I didn't—I quit, so I could go start my own company. That's what you can do with 3-percent economic growth. That's a dynamism that used to be normal in the American economy. And that's what we're trying to get back to, and that's what this budget is part and parcel of. It drives our tax reform policy, our regulatory policy, trade, energy, welfare, infrastructure and our government's spending priorities. Everything is keyed to getting us back to 3 percent.

The ugly truth is this: You can never balance the budget at 1.9 percent growth. Just not going to happen. So those out there who say you're never going to grow beyond 1.9 percent are condemning us to a future filled with nothing but debts and deficits.

How do we get there? Amongst other things, we'll talk about that. We talk about this in terms of tax policy. We talk about capital investment. Right now, one of the things that touches on the budget and how we get 3 percent growth, we need folks to work. We do. We need people to go to work. If you're on food stamps, and you're able-bodied, we need you to go to work. If you're on disability insurance and you're not supposed to be—if you're not truly disabled, we need you to go back to work. We need everybody pulling in the same direction.

I think the difference right now between the U3 and the U6 unemployment rate—I'll look at this, don't want to get this wrong—remember U3 is the unemployment rate as we look at it; and then U6 is the unemployed, plus the marginally attached, plus part-time for economic reasons, right? So it's folks who want to work more but can't. That's the difference between U3 and U6—U3 unemployed, U6 unemployed plus folks who aren't working enough but want to. That's 6.8 million people. Okay? We want those folks to work. We need them to work. They want to work as evidenced by the fact they're part-time against their will.

This is one of the things the budget focuses on. We go through the various reforms that we talk about. There's a dignity to work, and there's a necessity to work to help the country succeed. And we need everybody to pull in the same direction.

At the same time, the budget—while it does balance in 10 years, it also funds the president's priorities. I was here with most of you in March. We talked about some of the

increases in spending to suit the president's—to meet the president's campaign promises. It will be familiar to you by now: more money for national security, more money for border security—and that means bricks and mortar for a wall, technology people, infrastructure at the border. It also means more money for law enforcement at the federal and the state levels. It means more money for veterans, more money for school choice. What we didn't talk about in March but it's part of this budget is a—for the first time ever, by any administration of any party, we are proposing a nationwide paid parental leave—\$25 billion for that over the course of the 10-year budgets—a truly groundbreaking thing for this president to do, and to prove to folks that we can do things like that, okay, and we can still balance the budget if we prioritize our spending right.

By the way, people ask, you say, Mulvaney, you're used to be a Freedom Caucus guy, how can you support paid parental leave? It goes right to the heart of the matter on 3 percent growth. We need men and women who are sitting home thinking you know what, I don't know if I can go back to work because we're getting ready to have a kid. And what happens if I have to stay home? We try and create the environment where people are more comfortable going back to work and staying at work knowing that if they do have a child, they'll be able to spend time with that child under the paid parental leave program.

We can do all of that and balance—because there's a certain philosophy wrapped up in the budget, and that is that we are no longer going to measure compassion by the number of programs or the number of people on those programs. We're going to measure compassion and success by the number of people we help get off of those programs and get back in charge of their own lives. We're not going to measure our success by how much money we spend, but by how many people we actually help.

Along those lines, by the way, we take a really, really hard look at unauthorized programs. We've not finished counting yet, but I think the last time anybody counted, it was close to \$300 billion—\$300 billion of money that we spend every single year on unauthorized programs. What does that mean? It means that Congress has not seen fit to extend programs that by their natural terms are supposed to expire.

So if they're not important enough for Congress to take up, are they really important for me to spend your money on? And I think that's a valid conversation and drives a large part of what we're trying to do in the budget.

I want to give two examples of these things. We talk about waste, fraud and abuse. We talk about authorized programs. We talk about how to prioritize spending and how to look at programs that work and don't work. The childcare tax credit and the earned income tax credit. One of our proposals is that we are going to require you to have a Social Security number now to collect those. Why is that? Because I can ask you for your money, I think, in good faith and good conscience and say, look, I need to take some of your tax money and give it to this family who deserves the childcare tax credit. But I can't do it to give the earned income tax credit, which is designed to help folks who work, to give it to somebody who is in the country and working illegally. That's just not fair. It's not right when you look at it through the perspective of the people who pay the taxes. And it's one of our proposals.

The other one that I talk about—I'll pull out some notes on this—is that the TRI0 Program. It's an education program—and I can never remember what TRI0 stands for—T-R-I-0. It's actually got five parts to it, as only a federal program can. It's a TRI0 Program with five parts. There's three parts that actually work, and they are the Upward Bound, the Talent Search and the Students Support Services Programs part of TRI0. What do we say when it works? It means that

when Department of Ed, either internally or paid somebody externally to come and look at those programs, they accomplish their goal. They helped people who would not have gone to college or not have stayed in college to graduate, okay? That's what those programs are designed for, and that's what I'm comfortable going and asking you for help with by giving us some of your taxpayer money.

The other two programs—the McNair grad school program and the Educational Opportunity Centers—don't. In fact, the McNair program is the McNair post-baccalaureate something, something. It's designed to take folks from—after they graduate from college to get a post-bachelor's degree. The last time the Department of Education looked at this, it was 6 percent effective—6 percent. I can't do that anymore. We can't do that anymore. We cannot defend programs like that—6 percent just doesn't cut it. The 21st Century Community Learning Center Program says that less than 20 percent of the kids enrolled improved because of the program—20 percent doesn't cut it anymore. Okay? We're \$20 trillion in debt. Every single one of you in here owes the federal government roughly \$60,000. Each of my 17-year-old triplets owes the federal government \$60,000. Every man, woman and child in the country is \$60,000 in debt because of the \$20 trillion debt we've run up. We cannot continue to simply measure our compassion or our success by the amount of money we spend. We're going to measure our passion and our success by actually helping people and by respecting the taxpayers who paid for it in the first place.

And that is the last piece of the puzzle. That is the American greatness part of it.

The budget requests are being delivered Tuesday. Mulvaney will then meet with the House Budget Committee on Wednesday and the Senate Budget Committee on Thursday. Congress has until Sept. 30 to approve a budget that the president will be willing to sign into law. {eo}