Ranking Member Grassley and members of the Committee, Today's hearing is about how economic inequality impedes economic growth.

Economic growth is essential for our nation and its people. Fostering a climate where new ideas can turn into technological advancements, where healthy competition thrives, and where good work is rewarded is at the heart of modern capitalism.

But while economic growth is a positive, it's harmed by economic inequality. Economic inequality constricts economic growth and undermines economic stability.

Evidence shows that reducing economic inequality promotes economic growth. Investments that reduce economic inequality, address climate change, create jobs, bolster physical infrastructure, and improve the quality of our health care system is how we make our economy — and our budget — stronger and more stable.

Inequality worsened markedly in the United States in the 1980s, and by 2019 the top 10 percent had captured almost 75 percent of our nation's total wealth. Over the same time, the wealth held by the bottom 50 percent – half of all Americans! – collapsed to just 2 percent.

The effects have been pernicious. Children fare worse in countries with worse levels of income inequality, across health, education, and overall wellbeing. And it sticks. In the United States, children born to parents at the bottom the income distribution have less than a 10 percent chance of reaching the top fifth. In Canada, family upward mobility is almost twice that.

The ability of children to out-earn their parents – once nearly guaranteed – is now down to just 50-50. Reduced to just the flip of a coin.

There's a better way to do things. We can make the kind of public investments that grow the economy and ensure more people benefit from that growth — more good jobs, meaningful progress to decarbonize our economy, and families able to afford prescription drugs and heat and the other necessities of life.

Our economic legislation – the American Rescue Plan, the Infrastructure Investment and Jobs Act, the CHIPS and Science Act, the Inflation Reduction Act – strengthened our economy by investing in workers, families, and small businesses.

And the effect? Our recovery from the pandemic-induced recession was faster than anyone predicted. Today, our labor market is historically strong, and, real wages are rising and returning to their pre-pandemic trend for many workers. By contrast, it took more than a decade to recover from the Great Recession.

Our investments in health care, in expanded nutrition benefits, and in the expanded Child Tax Credit kept families afloat during the pandemic. Renewable energy and infrastructure investments helped jumpstart our economic recovery and paved the way for the strongest labor market we've seen in decades. Poverty, and especially child poverty, fell to record-low rates. The share of people aged 25 to 54 who are working is the highest it's been since 2001.

These investments have been good for workers, especially unionized workers, and they have been good for business. As Mrs. Puentes, a union steward, will testify, she's seen the benefits firsthand. So has her employer, New Flyer of America, a leading manufacturer of electric buses. New Flyer stated that the bipartisan Infrastructure law was a "once-in-a-generation bill that has translated to unprecedented demand for [their] buses and coaches, driving improvements to public transportation throughout the United States that will benefit [their] employees, customers and [their] riders across the country for years to come."

This is a win for Mrs. Puentes, a win for our economy, and by reducing fossil fuel use, a win for our planet.

However, the failure to extend the Child Tax Credit expansion has caused the child poverty rate to more than double. More than 6 million people, perhaps up to 40 percent of whom are kids, have been kicked off Medicaid since the pandemic-era "continuous enrollment" provision ended.

And we are on the precipice of a government shutdown because House Republicans won't honor promises they made in the bipartisan agreement just this spring. CBO says the proposed cuts are so severe they'd kill half a million jobs and reduce GDP growth by $138 billion next year alone.

The House Budget Committee is marking up a budget resolution they claim will balance the budget by cutting $16 trillion over 10 years—but they violate the Law of Arithmetic. Using the same old, tired, trickle-down playbook, they are seeking to balance the budget on the backs of regular folks, while delivering huge tax cuts for big businesses and billionaires. Their massive tax giveaways are based on fantasy math — the math doesn't add up. With ten days left to fund the government before a shutdown, Republicans have reneged on the bipartisan agreement and released a deal-breaking budget that harms national safety and security, attacks essential government programs, drives up economic inequality, and undermines economic growth.

Trickle-down economics through tax cuts for the rich is a failure. Investing in health care, infrastructure, growth, and safety actually works. And it works better when we reduce economic inequality. We've seen what works. Now is the time to do it.