March 3, 2021

U.S. Senate
Washington, D.C. 20510

Dear Senator,

You will shortly be voting on H.R. 1319, the American Rescue Plan Act of 2021. On behalf of the more than one million members and supporters of the Council for Citizens Against Government Waste (CCAGW), I strongly urge you to oppose this measure.

Instead of rescuing the country from the impact of the COVID-19 pandemic, this legislation will unleash a plethora of wasteful spending unlike any prior bill considered by Congress and hurt, rather than help, the economic recovery that the Congressional Budget Office has stated will occur this year without the enactment of H.R. 1319. It is the largest stimulus package ever, more than twice the $983 billion cost of the 2009 Obama-Biden administration stimulus plan, which in turn is less than the $1 trillion from prior COVID-19 relief authorization packages that remains to be spent. House Republicans have estimated that less than 10 percent of this money will be spent on public health measures related to the pandemic and only 5 percent of the funds for education will be spent in fiscal year (FY) 2021, while the rest will be spread out through FY 2028, long after the virus is under control.

The distribution formula for the $350 billion provided for state and local governments in H.R. 1319 is unfair and biased, according to a February 22 joint statement signed by 22 governors. Unlike previous COVID-19 relief bills, the funds are being allocated based on unemployment rather than population. The governors listed 33 states would lose funding under this formula, even though they managed their budgets effectively both before and during the pandemic.

A February 25, 2021 WasteWatcher article detailed the adverse effects that the bill will have on the nation’s healthcare system. Noting that the Patient Protection and Affordable Care Act (ACA) healthcare provisions impose at minimum another $53 billion in spending on taxpayers, the article details the ACA subsidies and Medicaid expansion that would increase premiums on healthcare, bust state budgets, and force a greater number of Americans to rely on government subsidies. This inequitable proposal will do even greater damage to the economy and those individuals and households who truly need Medicaid assistance will suffer the most.

Other examples of wasteful and unrelated spending in H.R. 1319, include a multi-employer pension bailout, $135 million each for the National Endowment for the Arts and the National Endowment for the Humanities, and $200 million for the Institute of Museum and Library Sciences.
Rather than using the pandemic as an excuse to go on a partisan and damaging spending spree to enact a pent-up wish list of liberal programs that would not be passed but for the use of reconciliation, members of Congress should take seriously the responsibility they have to ensure that those most in need are helped and treat taxpayer dollars as a limited resource solely for a targeted and temporary bill. Before allocating any additional funding to so-called “coronavirus relief,” Congress should first determine how the money already appropriated has been spent, how much remains, and how to use the remaining funding. This legislation does none of this, and therefore should not pass.

For these reasons, I again strongly urge you to oppose H.R. 1319, the so-called “American Rescue Plan Act of 2021,” which will hurt taxpayers and the economy. All votes related to H.R. 1319 may be among those considered for CCAGW’s 2021 Congressional Ratings.

Sincerely,

Tom Schatz

President, CCAGW