

**Opening Statement of Chairman Johnson
Nomination of Hon. J. Michael Mulvaney to be Director,
Office of Management and Budget
January 24, 2017**

As submitted for the record:

Today the committee convenes to consider the nomination of Congressman Mick Mulvaney to be director of the White House Office of Management and Budget (OMB). Mr. Mulvaney, on behalf of the committee, I thank you for your willingness to serve the nation in this important position.

When President Obama took office eight years ago, our national debt was \$10.6 trillion. Within weeks, it will reach \$20 trillion, almost doubling over the last eight years. According to projections made by the Congressional Budget Office, accumulated deficits over the next 30 years will total \$103 trillion. These levels of debt and deficits are clearly unsustainable.

To tackle this problem, we need fiscal discipline and more robust economic growth. Since the recession of 2009, real annual economic growth has barely averaged 2 percent. Boosting that growth rate to 3 percent would add \$14 trillion to the economy over 10 years—4 percent would add \$29 trillion. Massive overregulation is one of the main reasons our economy is not achieving its full potential.

In 2015, there were 3,410 rules issued by regulators, compared to only 114 laws enacted by Congress. And a number of studies estimate the annual cost of complying with federal regulations is approaching \$2 trillion in total, or \$14,800 per household.

One CEO of a Wisconsin paper manufacturer illustrated the regulatory burden with a simple calculation: four new regulations passed by the Obama administration were costing his business the equivalent of \$12,000 per year, per employee. That money is no longer available to expand his business or increase employee pay and benefits. Overregulation is not only limiting economic growth and job creation, it is a major cause of wage stagnation.

Mr. Mulvaney had a successful career as a lawyer and a real estate developer in South Carolina before answering the call to serve his country by running for Congress. In Congress, Mr. Mulvaney is known for his dedication to carefully guarding taxpayer dollars and balancing the budget. He has also been a long-time advocate for regulatory reform. I hope that with Congressman Mulvaney as OMB director, we can restore fiscal discipline and work together to reduce the regulatory burden and encourage a sensible regulatory approach moving forward. Congressman, thank you again for your willingness to serve our nation.