

United States Senate

WASHINGTON, DC 20510

March 31, 2025

The Honorable John Thune
Majority Leader
United States Senate
Washington, DC 20510

Dear Leader Thune:

As Members of your conference advocate for the use of budget fraud – the so-called “current policy baseline” – in an attempt to make a second round of Trump Tax giveaways look like it would cost \$0, rather than the true \$37 trillion over 30 years, we write today to remind you that employing this unprecedented gimmick would upend budget law, erode the remaining fiscal guardrails in the budget reconciliation process, and result in trillions of dollars more in federal debt. Using a current policy baseline is a lie to working families across this country and an end-run around the Senate rules.

For the past four decades, spending and revenue bills have been required by statute to be measured against a “current law baseline,” which reflects what the government is projected to spend and take in if the laws enacted are followed as written. In 2017, Republicans wrote a tax law that purposefully sunset major provisions at the end of 2025, and any new tax legislation must assume those provisions end on December 31st of this year, as your own tax law stated.

And why did Republicans intend for their own law to expire? This isn’t a mystery.

Budget reconciliation was originally designed as a streamlined process to *reduce* deficits. That’s how it worked for decades, until Republicans changed the rules in the mid-1990’s to *increase* the deficit in order to provide tax cuts for the wealthy. The Republicans repeated this scheme several more times, adding trillions to the national debt, all in the service of more tax giveaways to the wealthy.

Now, the Republican conference is attempting to change the rules again by creating an imaginary world – a “current policy baseline” – in which its expiring tax cuts go on forever. This is nothing other than budget fraud. It’s the same as tenants telling their landlord to extend a lease for free because they used to pay it.

Whether we’re talking about free tax cuts or free rent, the result is the same: Not paying your rent will leave you in debt to your landlord and pretending tax cuts are free still means the U.S. Treasury will have to borrow trillions of dollars.

Some of Republican Members have advocated for this gimmick by drawing false equivalences. They claim that back in 2012, when extending some Bush-era tax cuts, that Democrats used the “current policy baseline.” We – and Congress as an institution – did no such thing; indeed Congress’s official scorekeeper projected the extension of those tax cuts to cost [\\$3.9 trillion](#) over

the following 10 years, the estimate the House and Senate Budget Committees used for official budget enforcement purposes.

Republicans also falsely claim that spending programs operate on a current policy baseline. This is not true. Temporary spending programs, like temporary tax provisions, are assumed to expire on schedule.

And let's be clear: this isn't a Democratic position. Republican Rep. David Schweikert [said](#) *"Anyone that says current policy baseline is engaging in intellectual and economic fraud."* George Callas, former senior tax counsel for House Speaker Paul Ryan and one of the main drafters of the 2017 tax law, [has made clear that](#) *"if Congress makes the expiring TCJA provisions permanent without additional offsets, the Treasury Department will have to borrow an additional \$4.5 trillion over the next 10 years."* Former Republican Majority Leader Eric Cantor agrees, contending in a [recent CNBC interview](#) that Republicans can't *"hide this from being a real issue."*

Just last week, the Congressional Budget Office released a [report](#) – requested by Rep. Schweikert – that concluded extending the Trump Tax giveaways would be responsible for adding 30 percent to the debt within 30 years – a projection that would not change if Republicans succeed in perpetrating budget fraud and pretend their budget-busting tax cuts cost nothing.

Simply put, using a "current policy baseline" is a lie to the American people and would upend decades of law and precedent, resulting in the explosion of our national debt. It almost goes without saying that the obvious solution is to simply not give the wealthy an unpopular, unnecessary, unjust tax cut.

If you and conference go down this road, you will be destroying the last vestige of fiscal discipline left in the reconciliation process. No longer would new tax cuts or spending programs ever need to be offset. The lasting consequences to our national debt will be severe.

Even more galling, your conference is pursuing this gimmick while Elon Musk and the so-called "Department of Government Efficiency" (DOGE) attempts to illegally curtail spending programs and threatens vital benefits like Social Security, supposedly because the federal debt is a "financial emergency." While President Trump abets Elon Musk's claims that Social Security is "the big one to eliminate" for budget savings, Senate Republicans attempt to engage in budgetary fraud to enact a tax cut for the ultra-rich.

President Trump and congressional Republicans are raising costs for working people, taking away their health insurance, and threatening seniors' hard-earned Social Security benefits, all while pursuing a multi-trillion-dollar tax cut for the wealthy and claiming it should be free. Enacting tax cuts for the wealthy will mean the Treasury has to borrow trillions of dollars more than it otherwise would, and billionaires win while working families pay the price. It is an obscene fraud and the American people won't stand for it.

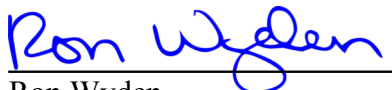
Sincerely,



Charles E. Schumer
United States Senator



Jeffrey A. Merkley
United States Senator
Ranking Member, Committee
on Budget



Ron Wyden
United States Senator
Ranking Member, Committee
on Finance