

Citizens for Renewing America

The America First Wing of the America First Movement

June 2nd, 2023

Debt Ceiling Showdown Update:

The House of Representatives passed a bad debt ceiling increase that provided no real conservative victories. More specifics will be included below, but getting straight to the point... what now?

Obviously, no response at all would be a huge mistake, so what are the options before us?

1. Push McCarthy to get back on track by using the appropriations process to extract many of the components of the original good debt ceiling bill, especially the larger amounts of spending cuts. This is not a strong option because it relies on some level of trust in someone who has already demonstrated he cannot be trusted.

2. Chaos. Using every procedural and process option to shut down House activities and voting against all bills, rules, etc. This is an interesting option because outside of appropriations, most of the bills that will advance now are either going to be bad bills or shiny objects (stand-alone votes on good bills that are not meant to actually be passed by the Senate, but gives moderate Republicans the ability to claim they are voting for conservative things). Norman and Roy on the Rules Committee could also work to stop a lot of floor movement from their positions. This probably should be on the table to some degree.

3. Motion to Vacate. Given that McCarthy has gone back on major provisions of the Speaker deal, it is clear that he can't be trusted, which is a big reason why the first option above is a weaker option. Making a motion to vacate (to remove the Speaker) is appropriate, given what has transpired. The question becomes when and under what conditions. It is highly probable that Speaker McCarthy considered this potential outcome and may have made side deals with Hakeem Jeffries to insulate him. This protective arrangement, however, has a short shelf life. It cannot last. The path forward on this needs to be deliberate and well thought out.

4. Some combination of all of these options.

My immediate emotional response is Vacate and go to total war with the establishment, but given the strategic complexity of how to move forward <u>effectively</u>, it is worth pausing briefly this weekend, giving our 20-30 conservative warriors time to be with their families, and then dialing in on a path forward this next week. But the response needs to be strong and robust.

As a movement, our power is amplified when there is an alignment between the principles/passions/and demands of the conservative grassroots and the vision/determination/ and actions of our champions in elected office.

Together we have an enormously outsized amount of leverage and influence over the process. This was evident in the Speaker deal, the original good debt ceiling bill, and in how much bleeding McCarthy had to do to push his bad deal across the finish line. More Democrats in both the House and the Senate voted for this bill than Republicans. McCarthy is wounded deeply and the more Americans realize what a terrible deal this was, the more McCarthy's credibility will suffer.

Any path forward will bring the heat on those elected officials who are fighting for all of us, so they will need you in their corner once again. This moment requires a strong conservative response, to go on offense, not defense. Soon it will be time to get loud again, and I know you all are ready to speak out and be vocal when the time comes.

Debt Ceiling Analysis and Materials:

Our primer detailing what was in the debt limit bill.

Heritage analysis debunking the argument that the work requirement provisions are a victory.

Russ Vought debunks the argument that the deal impacts IRS expansion.

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Russ yought deputites the argument that the deal has a good automatic continuing Resolution provision that will enforce 1% cuts moving forward.

Russ Vought confirms that the REINS Act provision, that would require Congressional approval of any regulatory effort that would cost more than \$100 million dollars, was eliminated entirely and replaced with a laughable provision that allows Biden's OMB Director to simply waive it.

Russ Vought confirms that this bill is effectively a spending freeze at best.

"LIMIT, SAVE, GROW" AS PASSED:	GOP "DEAL" WITH THE SWAMP*
+ \$1.5 TRILLION	+ \$4 TRILLION**
\$131 billion cut to annual spending next year, shrink the federal bureaucracy to pre-COVID, cap growth for 10 years.	At best, a 2 year freeze in spending (only 2 years of real caps) in which \$12BB in top-lin "cuts" are negated by other spending that could grow the federal bureaucracy (e.g. IF \$ & repurposed COVID \$)***
Strong work requirements for SNAP, TANF, & Medicaid.	X Minor "work requirements" for SNAP & TAN that create new exemptions & phase out. No work requirements for Medicaid.
H.R. 1 energy permitting reform, as passed by the House.	Minor permitting reform that fast tracks IRA-subsidized unreliable energy & batteries. Includes #1 priority for Manchin.
The full REINS Act to ensure Congress approves every major regulation.	No REINS. Administrative "pay-go" to offset "costly" regulations - but can easily be waived & provides no role for Congress.
Repeal Democrats' \$1.2 trillion IRA unreliable energy tax break for the rich, corporations, & Communist China.	Preserves every cent of Democrats' massiv crony energy giveaway to their rich unreliable energy donor class & Chi-Coms.
Fully overturn Biden's half trillion student loan bailout for gender studies majors.	Vpholds Biden's student loan bailout, likely forcing veterans & plumbers to pay for others' gender studies degrees.
Rescind the \$80 billion Dems gave to IRS to hire 87,000 new agents to target middle class Americans.	X Keeps 98% of IRS expansion & future IRS spending will be used to expand woke, weaponized bureaucracy.
Reclaim \$50BB in unobligated, unspent COVID funding.	Only reclaims \$28BB of COVID funds, leavir large chunks of the worst funding intact.
*No border security & this construct makes it harder to address **Uncapped debt limit punted to a lame duck	border in the future

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