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August 5, 2022

The Honorable Jon Tester
311 Hart Senate Office Building
Washington, D.C. 20510

The Honorable Steve Daines
320 Hart Senate Office Building
Washington, D.C. 20510

Dear Senator Tester and Senator Daines:

I write to urge both of you to strongly oppose the tax and spending reconciliation bill that is expected to be voted on in the U.S. Senate in the coming days. This partisan legislation would fail to solve the inflation crisis that is crushing Montana families and small businesses, recklessly raise taxes during a recession, and harm Montana's way of life.

According to the nonpartisan Congressional Budget Office, the tax and spending bill will have "negligible" impact on soaring inflation over the next two years. The nonpartisan and highly reputable UPenn-Wharton Budget Model found that this legislation could actually *increase* inflation in that time frame. Proponents of this irresponsible bill are simply wrong to suggest otherwise. As Montanans face sky-high energy and food prices caused by 40-year high inflation, it would be irresponsible to support this reckless bill under the false pretense that it addresses the rampant inflation affecting virtually every Montanan.

It is simply wrong-headed to raise taxes by hundreds of billions of dollars—including on the middle-class—just as many economists believe our nation has entered a recession. President Obama and many other Democrat leaders have acknowledged in the past that raising taxes during an economic downturn is unwise and will only bring further harm to our economy. Not surprisingly, the nonpartisan Tax Foundation recently concluded that the tax and spending bill soon before the Senate will kill 30,000 American jobs and cause wages to decline. I believe elected leaders who support this legislation are out-of-touch with the challenges facing middle-class Montanans and fail to recognize that the bill would only increase the hardships they face.

I am also extremely concerned that the tax and spending bill provides \$45 billion to the Internal Revenue Service, resulting in the hiring of more IRS agents than all law enforcement officers across Montana. Make no mistake, increasing the IRS' enforcement capabilities will take more money away from Montana families, small businesses, and family-owned farms who now will find themselves under an IRS audit. In fact, the nonpartisan Joint Committee on Taxation estimates that up to 90% of the income targeted by enhanced IRS enforcement will come from

those making less than \$200,000. It is wrong and reckless to take more money away from Montanans who are already burdened by record inflation.

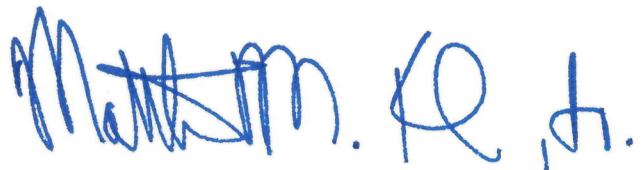
In addition, this bill targets natural resources that support thousands of Montana jobs and rural communities. The measure increases costs for oil and natural gas producers who operate on federal lands and imposes taxes on coal producers. As gas prices continue to soar we should be doing everything possible to unleash American energy production and reduce dependency on foreign sources, and this bill does just the opposite. Supporters of the bill contend that they will vote for much-needed permitting reforms down the road. I urge you both to flatly reject this flimsy, entirely unreliable promise.

What's more, the bill provides \$369 billion toward Green New Deal programs. Washington should not pick winners and losers within our nation's energy sector. I'm also alarmed that the bill allows couples making up to \$300,000 to receive a \$7,500 taxpayer-funded check to buy an electric vehicle. Providing billions upon billions of taxpayer dollars in corporate welfare to green energy corporations while hamstringing traditional sources of energy threatens Montana's way of life and will likely cause the price of gas and heating oil to go up even higher.

There are many other bad policies within this tax and spending legislation, including new price controls on prescription drugs that independent experts found will result in higher drug prices and the development of fewer life-saving medicines, meanwhile continuing massive subsidies to insurance companies to enable wealthy individuals to get taxpayer-funded Obamacare coverage. There is little to like about this proposal, and a great deal that will hurt everyday Montanans, so it is not surprising that so many are voicing their concerns and opposition directly to each of us.

In short, I respectfully urge both of you to vote NO on the partisan tax and spending bill before the Senate, and to instead seek bipartisan initiatives that would actually combat inflation, keep hard-earned money in the pockets of Montanans, and protect our way of life.

Sincerely,

A handwritten signature in blue ink, appearing to read "Matt Rosendale". The signature is stylized and fluid, with a clear "M" at the beginning and a "d" at the end.

Matt Rosendale
Member of Congress