

Statement of Secretary Steven T. Mnuchin Before the U.S. House Appropriations Subcommittee on Financial Services and General Government



March 4, 2020

Chairman Quigley, Ranking Member Graves, and members of the Subcommittee, I am pleased to be with you today to discuss the President's Fiscal Year (FY) 2021 Budget and the Treasury Department's top priorities.

I first want to note that the Administration is closely monitoring the coronavirus and its effects on public health, as well as any effects on supply chains, markets, and the broader economy. The Administration is coordinating with international organizations and counterparts in other countries to do everything possible to limit the spread of the virus and limit the harm that it causes. We stand ready to work closely with Congress on the emergency funding package and on any other related issues.

Turning to our broader policy priorities, I am pleased to report that President Trump's economic freedom agenda is working. Tax cuts, regulatory reform, and better trade deals are improving the lives of hardworking Americans. Unemployment remains historically low at 3.6% and is at or near all-time lows for African Americans, Hispanic Americans, and veterans. January's labor force participation rate among prime age adults reached 83.1%—an eleven-year high. America's economic strength and competitiveness is a bright spot in the world as other nations experience headwinds.

The President's FY 2021 Budget for the Treasury Department makes clear that we continue to prioritize economic growth as well as our critical role in national security matters. We are requesting \$12 billion for the Internal Revenue Service (IRS). This includes funding to implement the Taxpayer First Act and the third year of the Integrated Business Systems Modernization Plan. We continue to bring the IRS into the 21st century by updating systems and utilizing data analytics and other technological advancements to enhance the effectiveness of audit enforcement activities. We are requesting a program integrity cap adjustment to reduce the tax gap with net savings of \$64 billion over ten years. We also remain focused on improving

customer service for taxpayers by reducing call and wait times and enhancing the IRS' online service capabilities.

The Budget proposes increasing resources for the Office of Terrorism and Financial Intelligence to bolster our efforts to fight illicit finance activities. It also proposes enhanced funding for the Financial Crimes Enforcement Network to detect, investigate, and address financial and cyber-crimes. The request includes additional funding for Treasury to identify and mitigate cybersecurity vulnerabilities in the financial services sector.

Building off the \$25 million provided in FY 2020, Treasury requests \$10 million for the digitization of savings bond information to allow individuals to verify ownership of unredeemed bonds dated after 1974.

Finally, we propose legislation to return the Secret Service to its original home at the Treasury Department. Doing so will result in efficiencies in the investigation of financial crimes and better prepare our Nation to face the threats of tomorrow while allowing the Secret Service to continue to effectively perform its protective mission.

I am pleased to join you today to discuss ways for us to work together to make our economy even stronger by creating more jobs and higher wages for hardworking Americans. Thank you very much, and I look forward to answering your questions.