



Podcast Transcript

The Cloakroom with Peter Roskam: Featuring Congressman Brendan Boyle, D-PA

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Guest: Peter Roskam and Rep. Brendan Boyle (D-PA) **Host:** Randall Rubenking

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Rubenking: Welcome to the Cloakroom with Peter Roskam. Former Congressman Peter Roskam leads BakerHostetler's Federal Policy team. Through interviews with leading members of Congress, Peter provides an insightful firsthand view into the latest policy and political debates on Capitol Hill. Recorded on Capitol Hill, today's episode of the Cloakroom with Peter Roskam, Peter interviews Congressman Brendan Boyle, a Democrat from Pennsylvania. Congressman Boyle serves on the Tax Writing Ways and Means Committee and on the Budget Committee. As lawmakers weigh what to do in 2025 when key provisions of the Tax Cuts and Job Act expire, amounting to a 4.5 trillion tax increase on Americans, Congressman Boyle will be in the middle of that key debate. Let's listen in to the Cloakroom with Peter Roskam.

Roskam: We're in the office of Congressman Brendan Boyle, a great American from Philadelphia, and, Brendan, thank you for taking the time to visit with us today. Your background is interesting because you came out of the Pennsylvania House of Representatives and then came to Congress. You're currently the ranking Democrat on the House Budget Committee. There is a lot going on there. You're also on leave, technically, from the Ways and Means Committee, but you still have a seat on the Ways and Means Committee and the Ways and Means Committee in the next Congress is going to have a lot of things going on. So, first of all, thank you for welcoming us today.

- Boyle: No, happy to do it, Peter, and I appreciated our friendship when we served together as Members. You're always one of the most thoughtful members and the great thing is, as you know, more of those kind of relationships are forged here than sometimes people realize on the outside.
- Roskam: Yeah, that is right. There is still an ability to take yes for an answer. So, let's probe a little bit in that. These are pretty sobering debt numbers that the country is contemplating now, trillion dollars, borrowing every 100 days. There is, it is easy to do, a lot of finger pointing on both sides of the aisle, but the reality is we are really into a situation here where debt pressure, particularly on the next Congress and particularly Q1, Q2 of 2025 is going to be informing a lot of other decisions. How do you read that, and what is your sense of how House Democrats are seeing things and as you're interacting with your Republican counterparts on the Budget Committee, what is the sense of it?
- Boyle: Yeah, I would characterize my views generally when it comes to the topic of deficits and debt as I am not, on the one extreme, an MMT person who says that they don't matter, or even Dick Cheney once said, famously, deficits don't matter. Apparently made that remark to Treasury Secretary Paul O'Neill and then repeated it on Meet the Press. So, that is one, I would say, end of the spectrum. The other end of the spectrum is represented by folks who are sincere, like the Chair of Budget, my friend, Jodey Arrington, who truly believes this is, and I'm putting words slightly in his mouth, but I think I'm characterizing rightly, he has said basically to paraphrase, this is the single most important issue, and it is going to cripple our children. And I am certainly somewhere in between those two extremes. My position is that I think, candidly, it was a mistake about a decade ago when in 2011, 2012, 2013, members of Congress too quickly turned to deficit and debt when they should have been focused on growth that was too slow and too small for a recovery. But, all good things in moderation, as Benjamin Franklin, who would have been my constituent once said, there is a difference if you look at the deficit and debt numbers a decade ago, and even today versus what is now being projected five to 10 years out. So, I'm really dictated by the data. I am concerned about where those projections are headed, I think it is a serious issue. It has to be addressed in conjunction with our growth and our other priorities, but there is no question we are going to have to address deficit, debt coming up fairly shortly or we will have a more serious problem in the decade of the thirties.
- Roskam: That is your view on how that informs the expiring provisions of the Tax Cuts and Jobs Act and how that informs the expiring provisions of the Inflation Reduction Act?
- Boyle: So, first, I know that the Republican majority in the House already had votes to permanently extend the TCJA the, or, sometimes called the Trump Tax Cuts, which passed in 2017. That is not a serious position and even Republican members who I'm friends with will privately acknowledge that, of course, that is not going to happen. I do notice among a number of Republican members privately, but a couple have spoken out publicly about this, that in contrast to maybe a decade ago, there is movement on the Republican side when it comes to revenues. A decade or so ago, when you had Grover Norquist and the

infamous no new tax pledge, that would have been unthinkable. I think there is a recognition now with some of these deficit and debt projections, especially in the out years, that more revenues are needed.

In terms of the Inflation Reduction Act, I think you have to break it up in its component parts. The biggest part of the Inflation Reduction Act are obviously the investments on climate. As they play out over the course of the decade, some are going to succeed wildly and end up actually being more popular than was even anticipated. And for some, I imagine they won't be as popular, and the projections will probably not meet where things were. That is natural with any large piece of legislation, but for, to sum up, there does need to be more of a domestic political constituency to take the topic of debt seriously. There really isn't right now. You do not have many voters on either the Democratic or Republican side who even raised the deficit and debt as an issue. That becomes a challenge if you think that those things need to be addressed in a responsible and balanced way. The last time I really saw a momentum out among the people to take deficit and debt seriously was in the early nineties when Ross Perot was running for president and led those talks, had those famous 30-minute infomercials, literally showed charts. That was the last time the debt really popped as an issue. Again, it became a major political issue in 2011 and in 2012, but right now, I really don't see it as one of the major issues among the voting electorate.

Roskam: You have legislation that would remove the sword of Damocles of the debt ceiling. How have you approached that and is there an appetite, in other words, permanently just removing it as a, or as a legal requirement?

Boyle: Well, not exactly. I have authored something called the Debt Ceiling Reform Act. Let me back up for a second.

It is insane, the concept of the debt ceiling. I will not bore your listeners with the history of it. It dates back to World War I. It is an accident of history. A lot of people believe this fairy tale that the founding fathers sitting in my district in Independence Hall dreamt up the debt ceiling as this way to force Congress to deal with debt. Total nonsense. The debt ceiling came about because Treasury was attempting to make it easier to pay their debt obligations, not more difficult. So, there actually is no mechanism by law that is supposed to force members of Congress to really think about issuing new debt. I would say the only thing that exists in that respect is the annual appropriations process. Now, if people did believe, however, that the original idea behind the debt ceiling was to force Congress to deal with the debt issue, I would say that concept has failed miserably and the idea that you have to have a gun to your head in order to even discuss the debt issue and that if just once you fail to raise it on time, the consequences are cataclysmic to both the American economy and the worldwide economy, I argue that is nuts.

So, I have a reform to the debt ceiling. Very simply what it says is that, it is basically what happened in 2011 and that took effect for two years, made permanent. What happened in 2011, and to resolve that debt ceiling impasse,

was that the Treasury Secretary had the ability to initiate an increase in the debt ceiling. Congress had the ability to stop it if they voted to do so. But absent any congressional action, the debt ceiling would increase given the Treasury Secretary initiated it. Essentially that would flip the burden to the executive with the legislative branch having the ability to block it. What I believe practically it would do is take this nuclear bomb of failing to raise the debt ceiling, which I still remember on Ways and Means Committee, I'd, then-Secretary of Mnuchin in front of us, Donald Trump's Treasury Secretary. I asked him, Mr. Secretary, what would happen if we failed to raise the debt ceiling. His reply was, Congressman, the consequences would be so catastrophic I can't even begin to think about it and enumerate them. Our politics today, you've probably noticed, are a bit dysfunctional. Do we really want to have a ticking time bomb around like that? I think it would be a great mistake and I genuinely fear that if we don't permanently deal and reform the debt ceiling, we will one day go over that cliff.

Roskam: You're going to play, I anticipate, a leading role in the next Congress on the Ways and Means Committee as it relates to putting any bipartisan deal together, if there is divided government. If there is, if the Democrats have a sweep and they're able to do things all on their own, you'll be a leading voice. You will be a leading voice in opposition in, similarly, if the Republicans were to sweep everything, so no matter which way this goes, you're going to be in the mix in 2025 on taxes. How should entities best approach you and other thought leaders in trying to tell their story and break it down in such a way that it resonates with you and that you understand it. What advice would you have for advocates?

Boyle: Yeah, it is a great question. I understand there is a saying back in your hometown of Chicago, vote early, vote often. I would say to them, show up early and show up often. We are already preparing for 2025 now. You and I have joked before that it is being called the Super Bowl of tax policy. I argue that is not true because the Super Bowl happens every year. This is a once in a decade opportunity. So, I'm excited about it. I'm looking forward to it, but I also understand the responsibility that is on the shoulders of all of us who are here to get this right because I do think it is the last major opportunity before we get into the next decade, which isn't all that far away. So, I look forward to having a seat at the big table and playing a leading role, whether it is in the minority or hopefully in the majority as Budget Committee Chair and then also a senior member on Ways and Means. But we have to get this right and if we do get it right, which I am confident we will, we will continue our current role of being the leading economy in the world. I just wish people were more optimistic than they are right now. I can't tell you, Peter, how many times I'll be meeting with my European counterparts, folks who are MP's in their home country, and they're envious of the U.S. economy. We have greater growth, lower inflation. And a lot of times the questions from Europe are about advice in terms of how we were able to do this. Germany right now is in a tough position economically. The UK is in a tough position economically. Compare that to us. So, I, we actually have a lot more reason for being optimistic in this country than I think sometimes people realize.

Roskam: Let me press in on that, just in terms of America's role in the world. You've been very supportive of the notion that, and I don't want to over characterize your position, but I think I'm articulating it fairly, that is, America's got a unique role to play, and America needs to play it. So, you've been supportive of aid to Ukraine and others. Can you speak to how significant that is and how consequential it is? As I came in, just in your lobby, there is a photograph of you meeting President Zelinsky, if I'm not mistaken, and there is a brightness to that. There is something that is, that really resonates and yet there is a horseshoe dynamic in American politics today that is destabilizing that. Those on the far right would argue, and again, this is my characterization, America can't afford to be involved. There are those on the far left that would argue America has no right to be involved. And therein lies a real conundrum. Now, the center is still holding. So, you're dealing with these politics every day. What, make the case for America's role in the world.

Boyle: I'm a child of the 1980s. The most formative event of my youth was November 9, 1989, the day the Berlin Wall shockingly fell. That whole spring and summer you had one Eastern European country after another attempting to break away from Soviet domination and become free. And so, the whole spirit of that and the U.S. winning the Cold War had a profound effect on me. Also, my father is an immigrant, my mother's parents as well. I unabashedly and unapologetically believe in American exceptionalism. Now, to me, that doesn't mean thump my chest. We're number one. You suck. That is not what I mean by American exceptionalism. But I do believe we are the exceptional country in the world. No country has ever had the founding that we've had. Literally, not of one ethnicity or one tribe but committed to certain principles and ideals. A concept like the American Dream has literally motivated tens of millions of people to travel thousands of miles, sometimes at great risk. No other force has ever done that. So, there are sometimes those both on the far right and the far left who get into this American bashing and, as you've diagnosed, for very different reasons but arrive at the same place and I reject that. I also say, quite pragmatically, that if we don't stand up and continue to stand up to Vladimir Putin, there is no question that he will take Ukraine and then move further east, probably Moldova, perhaps the Baltics, and we would be in a World War III situation.

Roskam: Let's shift gears and go back home. So, Philadelphia, you've, you're a child of Philadelphia. What is your district like? Right now, you're in a very competitive state politically with the presidential candidates. You've got a competitive Senate primary. You're at Ground Zero in a lot of ways of the 2024 campaign. How does that feel like on the ground right now?

Boyle: Yeah. So, first, in my decade here, I've represented two different congressional districts. I was first elected in 2014 to a district that was part city of Philadelphia, part of the suburbs in Montgomery County, and then in 2018, there was a dramatic redraw and I lost all of my suburban townships. And so now my district is entirely within the city of Philadelphia, and I represent about half of the city. So, from Independence Hall and the Liberty Bell and the Constitution Center, all the way North to the neighborhoods in far northeast Philadelphia bordering Bucks County. And I represent a very Democratic district, but one that is diverse in the

true sense. It is diverse ethnically. No single group has a majority, and it is also diverse ideologically, even within that Democratic umbrella, and that suits me well, and I feel very much at home, whether I'm in the more blue-collar neighborhoods of Northeast Philly, like the neighborhood in which I was born and raised, or very trendy, fast-growing neighborhoods that abut Center City. Now, that is my district. The state, Pennsylvania is the largest battleground state in the presidential election. You look at 2016, Donald Trump won it by under one point. 2020, Joe Biden won it by just over one percentage point. It is really hard for me, and I'll, yes, I have my Philly's or Eagles hat over there, I will take my Philly and PA cheerleading hat off and say this, completely objectively. It is impossible for me to draw a realistic map that gets either candidate to 270 electoral votes without Pennsylvania's 19 electoral votes. So, it means also that every time I'm watching television, the commercials are brutal because it is one political ad after another after another and we've still got five months to go.

Roskam: Last question. What is your biggest surprise about coming to Congress and, in terms of an expectation, you served in the State House, so you're familiar with politics and had a legislative background, but what is unique in your experience, Brenden, to serving in the U.S. house?

Boyle: Boy, that is a great question and hard for me to answer. I really have to think about it. I was lucky. For me, serving before I got here, I served for six years in the state legislature in Pennsylvania. It is a full-time legislature. It was very good preparation for the role of Congress. Even the rhythms, you're in the state capital a few days a week back home, the dynamic when you're in the district, the importance of constituent service versus when you're in the capital, it is about legislation and policy, making sure that you're doing both of those equally well. So, a lot of, for me, ironically, there was a bigger adjustment going from no elective office experience whatsoever to then being elected as state legislator then there was from state legislature to here.

But I think would surprise me the most, and it still astounds me to this day, just how much the United States Congress and the United States is paid attention to around the world. It is incredible how many people around the world follow day in and day out what goes on in the U.S., what goes on in U.S. politics, and what goes on in Capitol Hill. We can be voting on a seemingly non-controversial resolution that no one will talk about here and it will be 18 months later and I'm at a NATO Parliamentarians' meeting in Brussels, this is an exact example, which is why I'm raising it, and there is a an MP from an Eastern European country asking me about this resolution that passed and it, and something he finds problematic with a certain paragraph and wanting to meet with me later and other colleagues of mine on something that didn't make one press article here. That is the kind of reach that the United States has. Anything we pass, even if it is a non-controversial resolution on suspension, is absolutely paid attention to around the world in a way that most Americans don't realize and that, candidly, I didn't fully grasp until I got here.

Roskam: That is good. Thank you, Brendan. You've been generous with your time. I'm glad you're here and I'm glad that you've allowed us to come in and to have a discussion with you today and hope to have you back.

Boyle: I really enjoyed it and thank you for having me. Thanks.

Rubenking: Thank you, Peter and Congressman Boyle. If you have any questions for Peter, his full contact information is in the show notes. As always, thanks for listening to BakerHosts and the Cloakroom with Peter Roskam.

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