



**EXECUTIVE OFFICE OF THE PRESIDENT  
OFFICE OF MANAGEMENT AND BUDGET  
WASHINGTON, D.C. 20503**

August 6, 2022  
(Senate)

## **STATEMENT OF ADMINISTRATION POLICY**

### **H.R. 5376 – Inflation Reduction Act of 2022**

The Administration strongly supports passage of the Inflation Reduction Act of 2022. This legislation would lower health care, prescription drug, and energy costs, invest in energy security, and make our tax code fairer—all while fighting inflation and reducing the deficit. This historic legislation would help tackle today’s most pressing economic challenges, make our economy stronger for decades to come, and position the United States to be the world’s leader in clean energy.

The bill would lower the costs of prescription drugs for millions of Americans and reduce federal spending on prescription drugs by allowing Medicare to negotiate lower prices. And, the bill would lower health care costs for millions of Americans – locking in health care premiums that save 13 million people an average of \$800 a year. This bill would make the single largest investment in climate and energy in American history, enabling America to tackle the climate crisis, advancing environmental justice, securing America’s position as a world leader in domestic clean energy manufacturing and supply chains, creating and sustaining good-paying union jobs in construction and manufacturing, including in rural communities, and lowering energy costs for Americans. Finally, the bill would require that the largest and most profitable companies pay at least some Federal income tax, with no tax increases for anyone making under \$400,000 a year.

In all, the bill would reduce the deficit by more than \$300 billion, including near-term deficit reduction that, according to a range of economic experts, would also reduce near-term inflation. In addition, lower costs for prescription drugs, health care, and energy would help reduce inflation, while giving American families more breathing room.

The Administration urges Congress to pass the Inflation Reduction Act of 2022. We look forward to working with Congress to deliver this critical victory for American workers and families, as well as the U.S. economy.

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