

The National Debt and the 115th Congress



COMMITTEE FOR A
RESPONSIBLE FEDERAL BUDGET



Fix the Debt

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Dear New Member of Congress,

Congratulations on being elected as a Member of the 115th Congress. You have chosen to serve our country at a moment when America faces many crucial financial and economic decisions.

The Committee for a Responsible Federal Budget and the Campaign to Fix the Debt are nonpartisan organizations aimed at putting our country on a better fiscal and economic path. Our leadership is bipartisan, drawn from a variety of social, economic, and political perspectives and united around the common belief that America's growing federal debt threatens our future. Our work has been cited in hundreds of publications and seven times during the 2016 election presidential and vice-presidential debates.

Despite some improvements in the short-term budget outlook, our debt remains higher than at any time in our history other than World War II, and it is on track to grow by \$9 trillion over the next decade. As recently as 2007, debt as a share of the economy was 35 percent of the gross domestic product. Today it is 77 percent and projected to exceed the size of our entire economy in less than 20 years.

This will hurt hardworking families in your state and around the country, burdening them with higher interest rates on loans, slower wage growth, an insolvent safety net, and a government that's ill-equipped to respond to important national priorities.

Our team is ready and willing to brief you and your staff on these issues and to answer any questions you may have. Please reach out to Adam Shifriss at shifriss@fixthedebt.org and we'll be happy to schedule a meeting at your convenience.

Congratulations again and we look forward to working with you and your staff.

Sincerely,

Maya MacGuineas
Committee for a Responsible Federal Budget
Campaign to Fix the Debt

Committee for a Responsible Federal Budget

The Committee for a Responsible Federal Budget (CRFB) is a nonpartisan, nonprofit organization with a solid reputation as an independent authority on fiscal issues. Its Board of Directors includes respected former leaders of the Congressional Budget Office, the Office of Management and Budget, the Government Accountability Office, Congressional budget committees, and the Federal Reserve. CRFB is an outspoken critic of policies – whether Republican or Democratic – that threaten our nation's fiscal future. CRFB is frequently mentioned in the media and often cited by Members of Congress as an authoritative voice on fiscal matters. More information is available in CRFB's latest [annual report](#) and on our website at www.crfb.org.

Campaign to Fix the Debt

The Campaign to Fix the Debt is a project of the Committee for a Responsible Federal Budget. It was formed in 2012 to encourage lawmakers to pursue a fiscal grand bargain. It continues to work diligently to foster a constructive dialogue and to achieve a comprehensive and bipartisan solution to our fiscal challenges. The Campaign mobilizes key communities - including nearly 150 former [Members of Congress](#), former [Governors](#) from 28 states, over 180 [business leaders](#) - and people across America who want our elected officials to solve our nation's long-term fiscal challenges.



Why the Debt Should Matter to You

The nonpartisan Congressional Budget Office projects that annual budget deficits will grow dramatically over the next decade, rising from almost \$590 billion this year to \$1.2 trillion in 2026. These growing deficits will be added to the debt, driving it up by more than \$9 trillion over this period. These numbers may seem too big to grasp but their impact is real and every American will feel their impact - including your constituents.

Without action, the debt will lower our standard of living and hurt the pocketbooks of hardworking families trying to make ends meet, send their kids to college, and save for retirement. The growing debt will drive up interest rates throughout the economy, leading to higher rates on mortgages, car loans, student loans, and credit card payments.

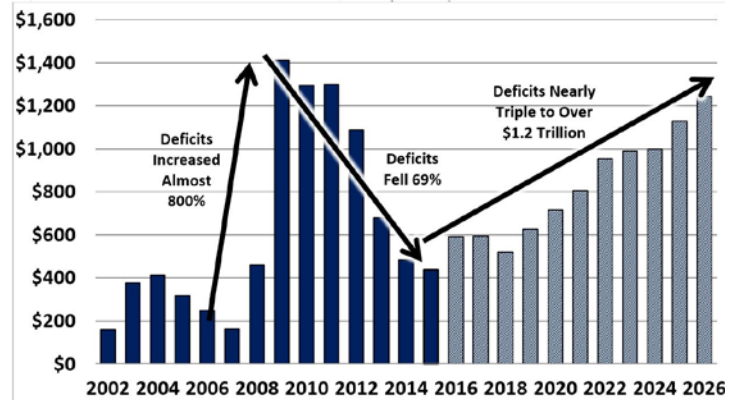
If lawmakers keep adding to the debt instead of putting it on a sustainable path, a family with a 30-year, \$300,000 mortgage can expect to pay about \$60,000 more over the course of the mortgage. Over 30 years of working, the average worker could lose about \$75,000 in income.

Interest on the debt is the fastest growing part of the federal budget. While it only consumed one-fifteenth of revenue in 2015, it will consume one-seventh by 2026 and close to one-third by 2050.

Federal health care spending, Social Security, and interest on the debt will be responsible for more than 80 percent of the growth in spending over the next decade.

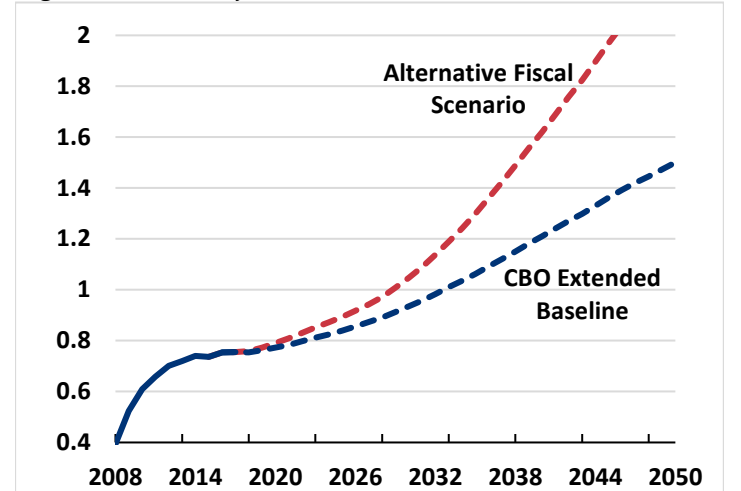
By 2036, Social Security, federal health care, and interest spending will account for over 70 percent of government spending, leaving less room for investments in schools, infrastructure, and research. That means fewer jobs and a slower economy with lower wages across the country.

Figure 1: Trillion-Dollar Deficits Set to Return by 2024



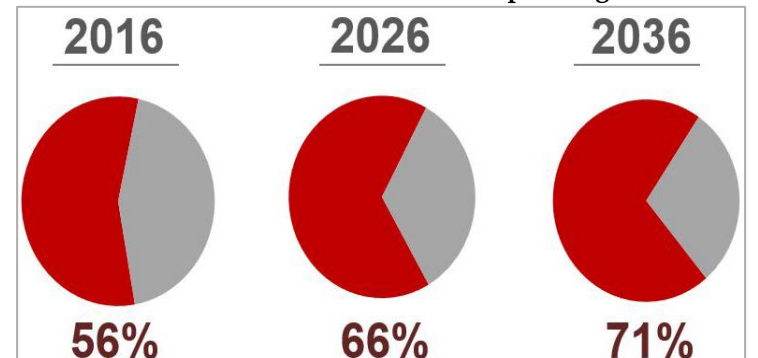
Source: CBO and CRFB Calculations

Figure 2: Debt Projections as a Share of GDP



Source: CBO, CRFB Calculations

Figure 3: Social Security, Federal Health Care, and Interest Costs as a Percent of Total Spending



Source: CBO, CRFB Calculations



What You Can Do in the 115th Congress to Address the National Debt

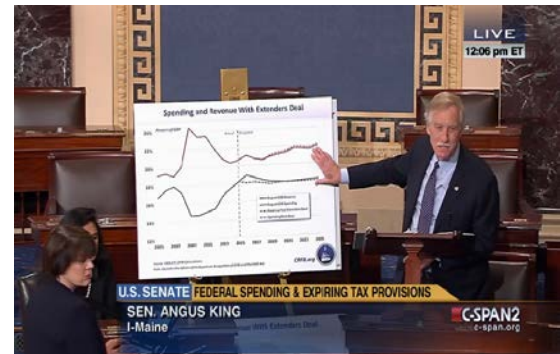
Addressing the debt requires leadership and tough choices. Members of Congress face many competing priorities. Emphasizing the importance of fiscal responsibility will help ensure that the costs of legislation are thoroughly assessed and debated in Congress. Without that discussion, no progress will be made.

You can generate and influence important debates on the debt in Congress by:

- Giving speeches on the debt, writing op-eds to draw attention to it, and talking to voters about how the debt affects our economy and their families.
- Introducing, co-sponsoring, and offering amendments to promote fiscally responsible legislation.
- Engaging the public on the tough choices we face by hosting and participating in public events where voters can hear what's at stake, understand why it's important to act now, and learn how to solve it.

You can publicly emphasize the debt as a critical issue by:

- Raising the importance and seriousness of our debt problem with your constituents. You can issue public statements, write op-eds, and give floor speeches and media interviews devoted to the debt.
- Engage directly with constituents through district events, tele-town halls, franked mail, and your congressional website.
- Use social media to publicly engage with us about your work related to the debt. Follow us on Twitter at [@budgethawks](https://twitter.com/budgethawks) and [@fixthedebt](https://twitter.com/fixthedebt) and like us on Facebook [here](#) and [here](#). We often spotlight fiscally responsible Members of Congress on social media and in our blog.



Sen. Angus King (I-ME) uses a CRFB graph during a speech on the Senate floor.



"I know Maya very well, she's somebody I think very highly of and I think has made a real contribution to educating the American public about this threat." —Rep. Tom Cole (R-OK) on C-SPAN's Washington Journal



Sen. Joe Manchin (D-WV) uses a CRFB infographic during a speech on the Senate floor.



What We Can Do to Help

CRFB and FTD can help you become a leader on fiscal issues. We offer a number of education and engagement opportunities throughout the legislative session, starting with a new Member briefing in early 2017.

Member and Staff Education

Our experts have deep knowledge of and experience with budget, taxes, Social Security, health, and other issues with significant fiscal impact. Throughout the year we host a variety of opportunities to learn about and discuss these issues, including:

- Individual briefings: we can come by for a deep dive on a specific topic with you and your staff.
- Staff discussions: we regularly host policy lunches with bipartisan staff groups to discuss specific issues.
- Member discussions: we bring together Members from both parties to candidly discuss the issues or to receive a briefing from high-level experts.

Analysis and Policy Recommendations

CRFB and FTD policy experts regularly provide analysis and commentary on the long and short-term fiscal impact of proposed legislation. We are happy to work with Member offices to help develop fiscally responsible legislation or to provide comment or technical assistance on draft bills.

Communications Resources

CRFB and FTD can provide facts and information to help you engage with your constituents and the broader public on fiscal issues. We can provide policy information and messaging tools such as charts, infographics, and talking points. Members have used these in a variety of contexts – in floor speeches, in district town halls, and on social media.

Commonly used resources:

- [Q&A: Everything You Need to Know About the National Debt](#)
- [Common Myths About the Debt](#)
- [How the National Debt Impacts Individuals](#)

Additionally, our interactive tools can help constituents, staff, and Members understand and appreciate major fiscal issues. We can conduct in-person Social Security or budget exercises with your constituents back home or in Washington, DC.

Please let us know if we can help by contacting Adam Shifriss at shifriss@fixthedebt.org.



CRFB staff and bipartisan Colorado delegation conduct Social Security "Reformer" exercise with Colorado citizens



Additional Resources

To make it easy for you to find useful resources, we have created a website tailored to new Members of Congress. It will be regularly updated. Links to the resources below (and more) are available at:

crfb.org/newmembers

Papers

- [Analysis of CBO's August 2016 Budget and Economic Outlook](#) – Examines of the Congressional Budget Office's latest budget and economic projections
- [Analysis of the 2016 Social Security Trustees Report](#) – Comments on the latest report released by the Trustees of the Social Security and Medicare trust funds
- [CBO Long-Term Outlook](#) – Analyses CBO's 2016 long-term budget and economic report
- [Running on Empty? Fiscal Space and the Next Recession](#) – Outlines the nation's ability to absorb and react to economic downturns through fiscal stimulus

Explainers

- [What We Know About President-Elect Trump's Agenda](#) – Compiles of our work on President-elect Trump's campaign proposals their potential impact on the debt and deficit
- [Debt Threat: The National Debt and You](#) – Shows how the national debt impacts individuals and families
- [Appropriations 101](#) – Explains what appropriations are, how they are implemented, and what happens when they are not completed on time

Interactive Tools

- [The Reformer: An Interactive Tool to Fix Social Security](#) – Lets you choose options to modify Social Security tax and benefit levels in order to close the program's 75-year shortfall and keep it sustainable for future generations
- [Stabilize the Debt: An Online Exercise in Hard Choices](#) – Presents budget options from across the political spectrum and challenges individual users or groups to develop their own plan to fix the debt
- [Corporate Tax Reform Calculator](#) – Illustrates a variety of ways to reform the corporate tax code.
- [How Old Will You Be When Social Security's Funds Run Out?](#) – Shows how much an average citizen stands to lose when Social Security's trust funds run out unless Washington acts.