GETTING TO 3%
AN OPEN LETTER TO LAWMAKERS

The United States is on a dangerous fiscal path, with debt approaching record levels as a share of the economy, annual interest costs exceeding what we spend on our national defense, and deficits approaching **$2 trillion** per year. Failure to address our fiscal outlook will lead to slower income growth, higher interest rates, heightened national security risks, reduced fiscal space to address future emergencies, and increased risk of a fiscal crisis.

As Members of the Board of Directors of the Committee for a Responsible Federal Budget, we encourage all lawmakers to agree to a fiscal goal of reducing annual budget deficits to **3%** of gross domestic product (GDP), about half its current level of roughly **6%** of GDP. While significant policy changes will ultimately be needed to bring spending and revenue more closely in line, uniting around a meaningful and realistic fiscal target is an important first step toward stemming our out-of-control national debt.

> “For the sake of our economy, our national security, and the livelihood of our children and grandchildren, we encourage you to agree to adopt a **3%** deficit target … and put the federal budget on a sustainable path.”

There is no single “right” fiscal target or level of borrowing. Nonetheless, reducing deficits to **3%** of GDP will be sufficient to put debt on a downward path relative to the economy and realistic enough to be achievable. More modest targets would leave the nation on an unsustainable path, while more ambitious targets such as a balanced budget are likely out of reach in the near term.

Establishing a **3%** of GDP deficit target in the United States would align us with our European partners, who are expected to target deficits of **3%** of GDP established by the 1992 Maastricht Treaty and most recently reaffirmed by the 2024 updates to the EU’s Stability and Growth Pact. The **3%** of GDP deficit target has also received bipartisan support in the U.S., including from Treasury Secretary Scott Bessent and others from the Trump Administration, as well as by the Obama Administration in the early 2010s. Furthermore, policy experts and business leaders also support reducing deficits to **3%** of GDP.

For the sake of our economy, our national security, and the livelihood of our children and grandchildren, we encourage you to agree to adopt a **3%** deficit target, or some similar target, and work with urgency toward enacting the necessary spending and revenue changes to achieve this target and put the federal budget on a sustainable path.

Committee *for a*
Responsible Federal Budget