

- *Reining-In* -

RUNAWAY INTEREST COSTS

Reverse the Curse: U.S. House Budget Resolution (FY24-FY33)

While it is unknown to many Americans, interest payments on the debt have long been a **fiscal sleeping giant** that will only continue to get worse if Congress does not take proper action.

Debt Interest Payments:

According to the non-partisan Congressional Budget Office (CBO), interest payments on the debt will triple from \$475 billion in 2022 to \$1.4 trillion in 2033, or 3.7 percent of GDP (the highest level in American history).

- Over the next decade, net interest spending will total a staggering \$10.6 trillion.
- Today, interest payments on the are the fifth largest federal program, making up 10 percent of federal revenue.
- By 2033, interest payments will be the third most expensive federal program (behind only Social Security and Medicare) and consume 20 percent of federal revenue.

Biden Worsening the Problem:

The president's inflationary policies have forced the Federal Reserve to raise interest rates on multiple occasions.

- The projected interest rate on 10-year Treasury notes for 2023 has increased from a projected 1.5 percent when President Biden took office to over 4 percent.
- According to CBO, due to higher interest rates and inflation, the president's economic policies have caused interest payments to increase by \$3.6 trillion over the next decade.

Our budget **reduces interest payments on the debt by \$3 trillion** (nearly 30 percent) compared to current CBO projections.

Fiscal Year	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
Deficit (\$B)	1,118	1,226	1,092	796	557	379	261	154	64	7	-130



CHAIR JODEY ARRINGTON

**HOUSE BUDGET
COMMITTEE**