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COMMITTEE ON AGRICULTURE

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Congress of the United States
House of Representatives
Washington, DC 20515

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April 27, 2022

The Honorable Bernie Sanders
Senate Committee on the Budget
634 Dirksen Senate Office Building
Washington, DC 20515

The Honorable Lindsey Graham
Senate Committee on the Budget
624 Dirksen Senate Office Building
Washington, DC 20515

The Honorable John Yarmuth
House Committee on the Budget
204-E Cannon House Office Building
Washington, DC 20515

The Honorable Jason Smith
House Committee on the Budget
507 Cannon House Office Building
Washington, DC 20515

Dear Chairman Sanders, Chairman Yarmuth, Ranking Member Graham, and Ranking Member Smith:

The Congressional Budget Act of 1974 was enacted with the purpose of supporting Congress as it sets national budget priorities. Not only does the Act charge the House and Senate Budget Committees with reporting the annual budget resolutions, it gives them broad authority over the Congressional Budget Office (CBO). It is for this reason that we request the Committees to direct CBO to begin including debt servicing costs in all legislative cost estimates produced.

Our nation's outstanding public debt recently surpassed \$30 trillion, as reported by the Treasury Department on February 28, 2022. It was only two years ago that the U.S.'s outstanding public debt reached \$23 trillion. Those numbers are in fact, troubling, but the amount that we are spending just to service that debt, is also alarming. In Fiscal Year 2021, net outlays for interest totaled \$352 billion or 5.1 percent of total spending, according to CBO.

While CBO estimates that historically low interest rates are keeping net interest outlays low, that could dramatically change and impact our nation's spending in key areas. In fact, that change may come sooner than CBO expected. On April 12, 2022, the Bureau of Labor Statistics announced that inflation had grown by 8.5 percent over the last year, the highest inflation since 1981, a 40 year high. Well before the inflation announcement was made, CBO had been estimating that net interest costs "would exceed other mandatory spending by 2030, exceed all discretionary spending by 2043 and surpass spending for Social Security by 2045."

Historically high inflation will lead to higher interest rates, which will rapidly advance the timeline in which debt servicing eclipses all other spending. On March 16th, the Federal Reserve

raised the benchmark interest rate by 0.25%, and is expected to approve six additional rate increases before the end of 2022. These inflation-fueled interest rate increases should make clear to Congress the impact of its overspending on the economy and the cost of servicing debt.

When Congress does not understand the true cost of a proposal, it is more likely to make decisions that endanger our ability to address future needs. Including debt servicing costs in legislative cost estimates will better equip lawmakers to make informed spending decisions. Members of Congress and congressional staff would benefit from this information, which can help better inform the development of legislation and voting decisions.

Americans entrust Members of Congress with their taxpayer dollars and expect responsible stewardship when it comes to spending. Although our proposal is only a start to reducing our national debt, it is an important reform that we hope you all will consider. We look forward to your response.

Sincerely,



Michael Cloud
U.S. Representative



Dan Bishop
U.S. Representative



Michael S. Lee
U.S. Senator



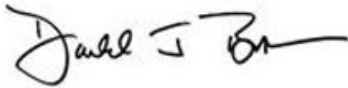
Brian Babin
U.S. Representative



Mo Brooks
U.S. Representative



Mike Braun
U.S. Senator



Don Bacon
U.S. Representative



Ken Buck
U.S. Representative



Marsha Blackburn
U.S. Senator



Cliff Bentz
U.S. Representative



Ted Budd
U.S. Representative



Ted Cruz
U.S. Senator



Andy Biggs
U.S. Representative



Madison Cawthorn
U.S. Representative



Cynthia Lummis
U.S. Senator

Ben Cline
U.S. Representative

Debbie Lesko
U.S. Representative

Roger Marshall
U.S. Senator

Dan Crenshaw
U.S. Representative

Tracey Mann
U.S. Representative

James Lankford
U.S. Senator

Jeff Duncan
U.S. Representative

Thomas Massie
U.S. Representative

James Risch
U.S. Senator

Jake Ellzey
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Tom McClintock
U.S. Representative

Rick Scott
U.S. Senator

Russ Fulcher
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Jay Obernolte
U.S. Representative

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