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

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May 21, 2021

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 \$28 trillion, as reported by the Treasury Department on May 10, 2021. It was only a year and a half 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 2020, net outlays for interest totaled \$345 billion or 5.3 percent of total spending, according to the 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 May 12, 2021, the Bureau of Labor Statistics announced that inflation had grown by 4.2 percent over the last year, "the largest 12-month increase since...September 2008." 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." If such inflation is sustained, interest rates will rise and rapidly advance the timeline in which debt servicing eclipses all other spending. This data should cause Congress serious concern over our total spending, as well as the spending associated with servicing that 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 with 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
United States Representative



Michael S. Lee
United States Senator



Ed Case
United States Representative



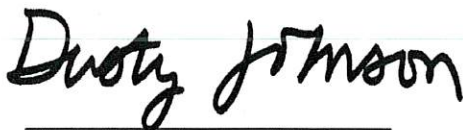
Cynthia Lummis
United States Senator



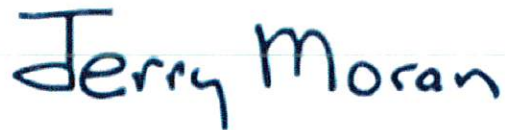
Robert J. Wittman
United States Representative



Mike Braun
United States Senator



Dusty Johnson
United States Representative




Jerry Moran
United States Senator



Russ Fulcher
United States Representative



James E. Risch
United States Senator



Garret Graves
United States Representative



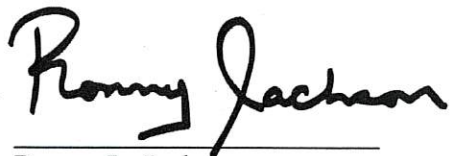
Roger Marshall, M.D.
United States Senator



Ken Buck
United States Representative



James Lankford
United States Senator



Ronny L. Jackson
United States Representative



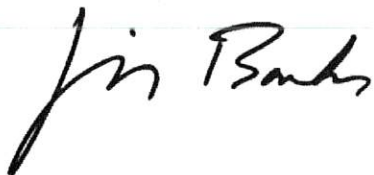
Ron Johnson
United States Senator



Tracey Mann
United States Representative



Ted Cruz
United States Senator



Jim Banks
United States Representative



Rick Scott
United States Senator



Scott Perry
United States Representative



William Timmons
United States Representative



Chip Roy
United States Representative



Debbie Lesko
United States Representative



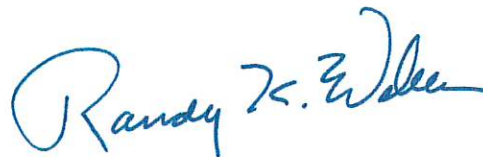
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Andy Harris, M.D.
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Dean Phillips
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Randy K. Weber
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Jodey C. Arrington
United States Representative



Ted Budd
United States Representative



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Chair, House Republican Policy Committee



Andy Biggs
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Brian Mast
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Glenn Grothman
United States Representative



Mo Brooks
United States Representative



Van Taylor
United States Representative