

SENATE BUDGET COMMITTEE

KENT CONRAD, CHAIRMAN

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STATEMENT BY SENATE BUDGET COMMITTEE CHAIRMAN KENT CONRAD (D-ND) ON CBO SUMMER BUDGET UPDATE

“CBO’s report shows the continuing impact of the economic downturn on the near-term deficit picture. But as disturbing as these near-term deficits are, the real concern is the nation’s long-term budget outlook. In the years ahead, the retirement of the baby boom generation, rising health care costs, and inadequate revenues from an outdated and inefficient tax system will explode deficits and debt to a completely unsustainable level.

“We need to do everything we can to ensure the economic recovery stays on track. This has to be our highest priority. At the same time, to address our long-term budget challenges, we must start now to enact deficit reduction policies that will kick in after the economy has more fully recovered. By putting these policies in place now, we will reassure the financial markets that the U.S. is addressing its long-term fiscal challenges and boost confidence in the long-term stability of the economy. It can also have a significant positive effect on the economy today.

“I remain hopeful that the President’s fiscal commission will agree on a bipartisan plan to address the projected long-term fiscal imbalance. We cannot allow partisanship and political posturing to get in the way of this vital work. The nation’s economic security is dependent on our success.”

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