

SENATE BUDGET COMMITTEE

KENT CONRAD, RANKING MEMBER

FOR IMMEDIATE RELEASE
August 17, 2006

Contact: Stu Nagurka (202) 224-7436
Steve Posner (202) 224-7925

STATEMENT BY SENATOR KENT CONRAD (D-ND) ON CBO AUGUST 2006 BUDGET UPDATE

CBO's deficit estimate for 2006 in no way means that our nation's fiscal problems are behind us. Far from it. Our long-term budget outlook remains bleak and federal debt continues to climb at an unsustainable rate.

This year alone, the debt is expected to increase by \$557 billion. And under realistic assumptions, the country's total debt is projected to soar to more than \$11 trillion by 2011. That is occurring at the worst possible time, just as the baby boom generation begins to retire.

The Bush administration has squandered our nation's record surplus and driven us deeply into deficit and debt. Its policies of increasing spending while dramatically cutting revenue are endangering our long-term economic security.

Republicans in Congress have tried repeatedly this year to cut taxes on billionaires by repealing the estate tax, at a cost to the Treasury of over \$1 trillion. Next month, the GOP will try cutting the estate tax again at the very same time Congress will need to provide tens of billions of additional dollars to fund the war in Iraq.

Increasing government spending while cutting the revenue base is the way Republicans have governed for nearly six years. It has resulted in a massive debt buildup that will burden our children for generations to come. We must change course.

###