



Press Release

Highlights of CBO's Budget and Economic Outlook for 2022-2032

PAULINA ENCK | MAY 25, 2022

AAF's Director of Fiscal Policy Gordon Gray breaks down the key points of the Congressional Budget Office's (CBO) newly released *The Budget and Economic Outlook: 2022-2032*. The update shows that despite the rapid recovery from the pandemic-induced recession, the United States is grappling with new challenges such as high inflation and interest rates, notes Gray.

Key points:

- According to new projections from CBO, the national debt will eclipse the highest levels in U.S. history by the end of fiscal year 2031.
- Since CBO's last baseline update in July, improved economic growth and inflation have increased revenue collections, but the combination of more deficit-financed spending, interest costs, and other economic factors has contributed an estimated \$2.4 trillion in higher deficits on net, with debt service payments increasing by over \$1.8 trillion over a comparable period.
- The CBO outlook shows a federal budget that reflects the risks from running structural deficits with high levels of indebtedness.

[Read the analysis](#)