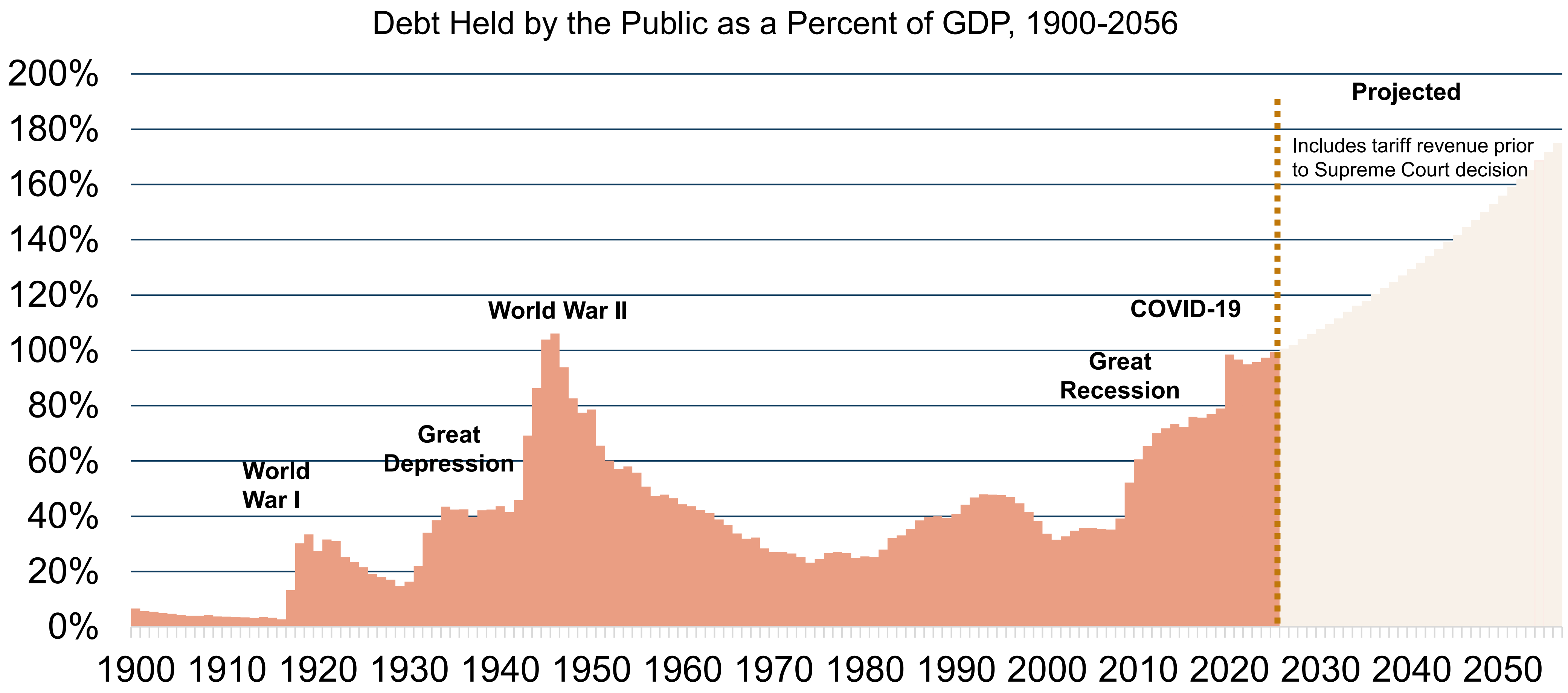
CONCORD COALITION

FACING THE FUTURE:

OUR FISCAL CHALLENGE

Dr. Carolyn Bourdeaux, Executive Director

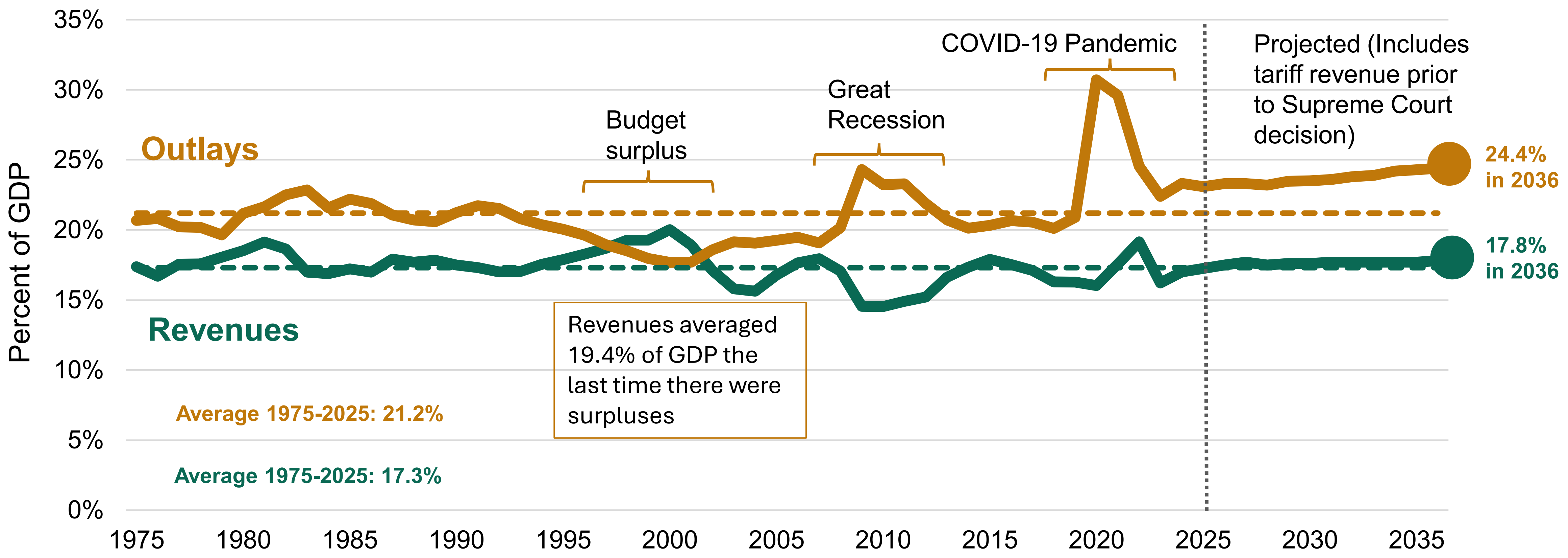
The US Has No Plan to Bring the Debt Under Control



Source: Congressional Budget Office - Historical data and *long-term budget data from Budget and Economic Outlook 2026-2036, February 2026*

The Gap Between Projected Federal Spending and Revenue is Wide and Will Continue to Widen

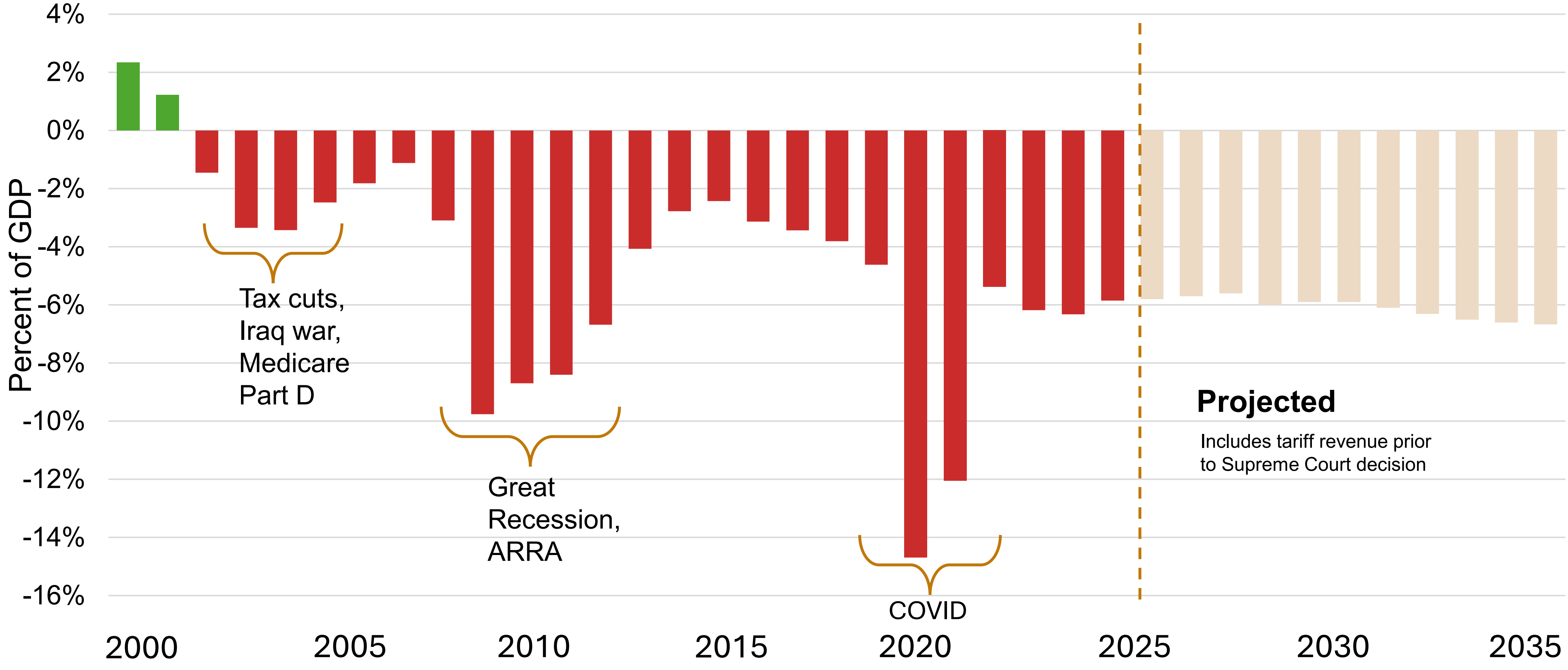
Total Federal Revenues and Outlays as a Percent of GDP



Source: CBO's February 2026 report *The Budget and Economic Outlook: 2026 to 2036*.

From Surplus to Deficits

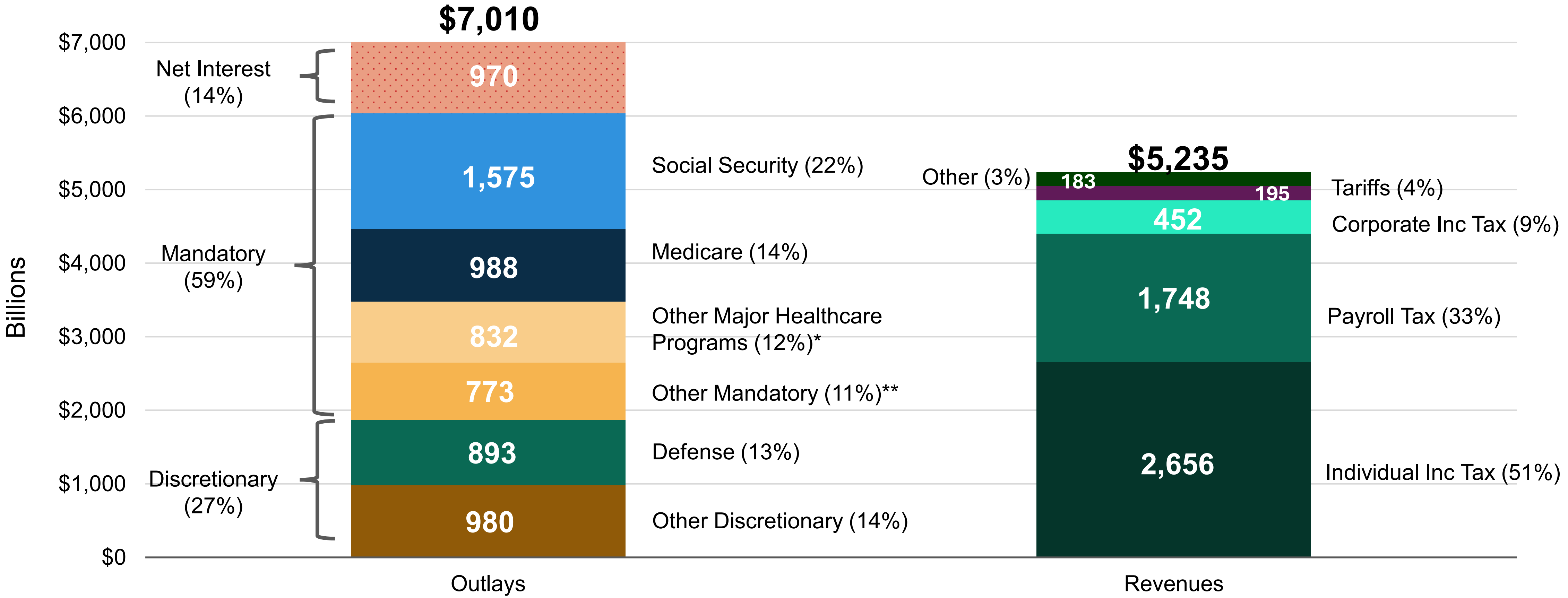
Annual Budget Deficits as a Percent of GDP, 2000-2036



Source: CO's February 2026 report *The Long-Term Budget Outlook: 2026 to 2036.*

Composition of FY 2025 Federal Budget (actual)

Deficit: $1,775 billion

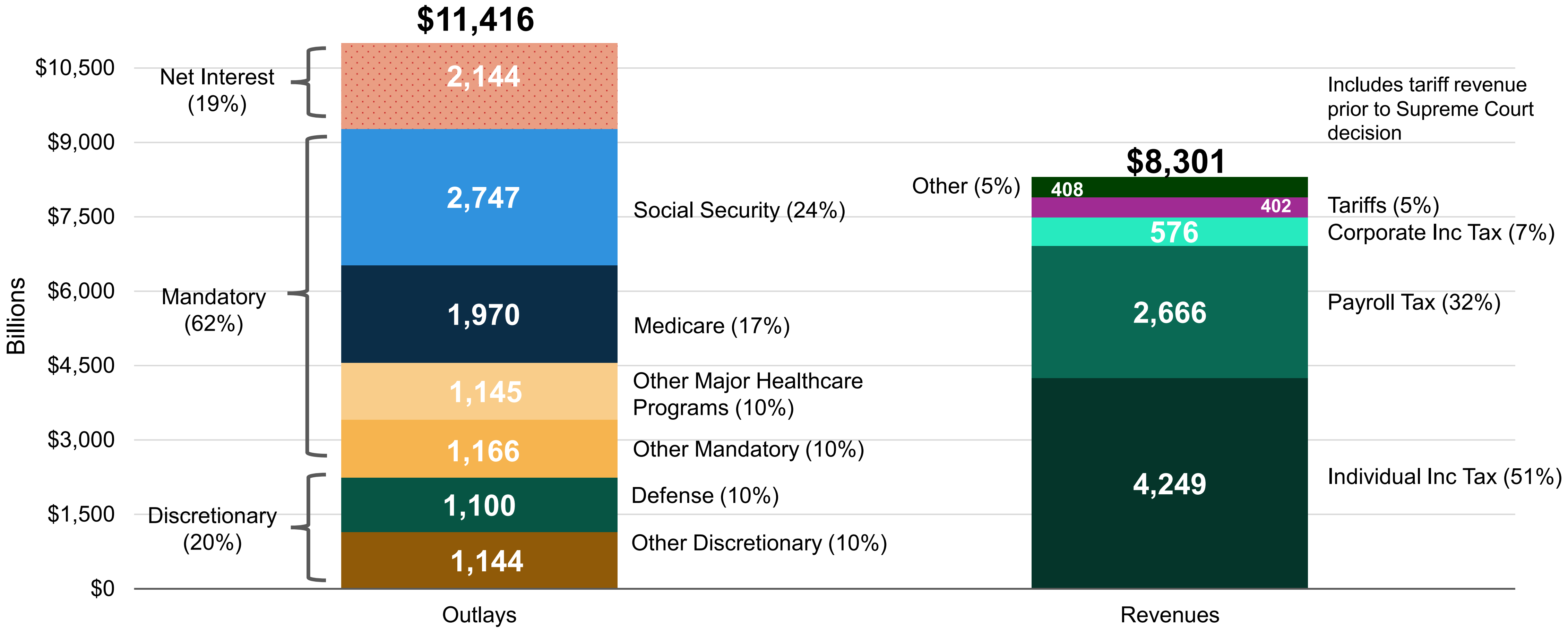


*Other Major Healthcare Programs includes Medicaid, Children's Health Insurance Program, and premium tax credits.
**Other Mandatory includes income security programs, Federal retirement programs, Veteran's programs, higher education, agriculture, deposit insurance, and others.
Note: Totals many not sum due to rounding

Source: The Congressional Budget Office, *February 2026 report The Budget and Economic Outlook: 2026 to 2036.*

Composition of FY 2036 Federal Budget (proj.)

Deficit: $3,115 billion



*Other Major Healthcare Programs includes Medicaid, Children's Health Insurance Program, and premium tax credits.

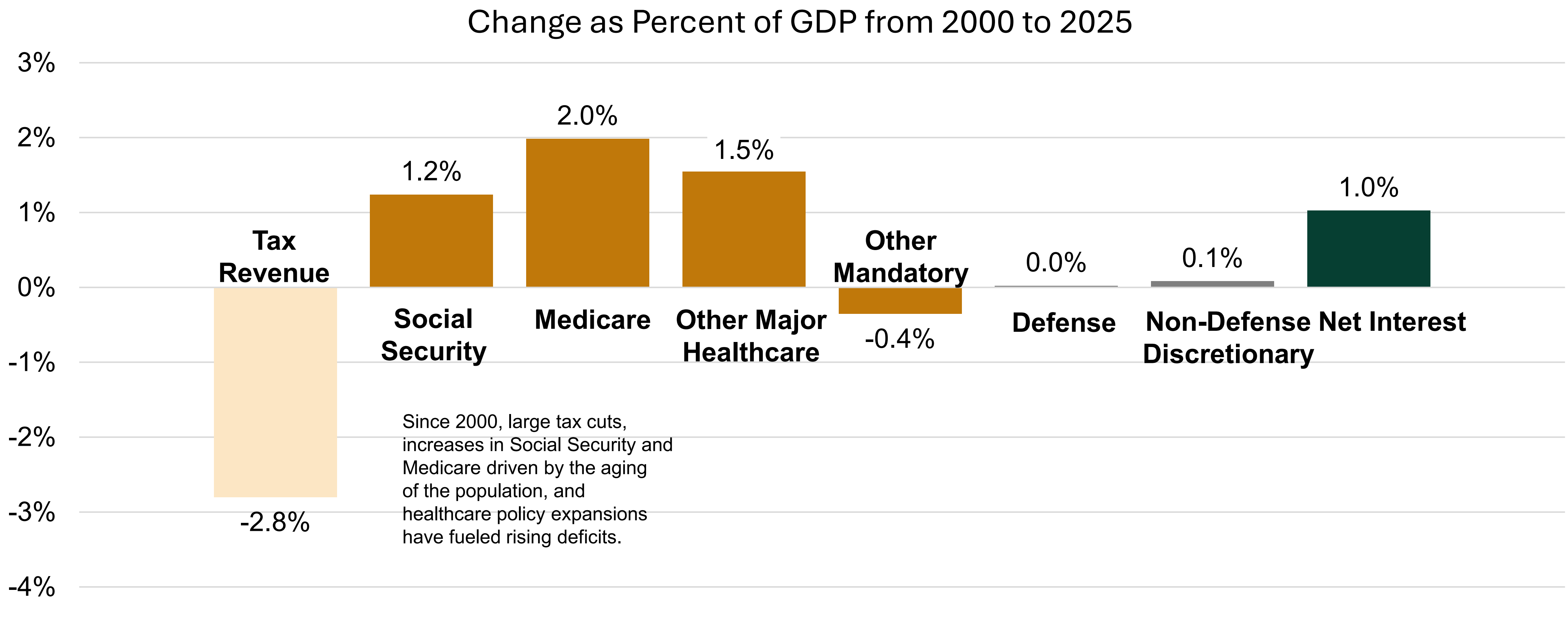
**Other Mandatory includes income security programs, Federal retirement programs, Veteran's programs, higher education, agriculture, deposit insurance, and others.

Note: Totals many not sum due to rounding

Source: The Congressional Budget Office, *February 2026 report The Budget and Economic Outlook: 2026 to 2036.*

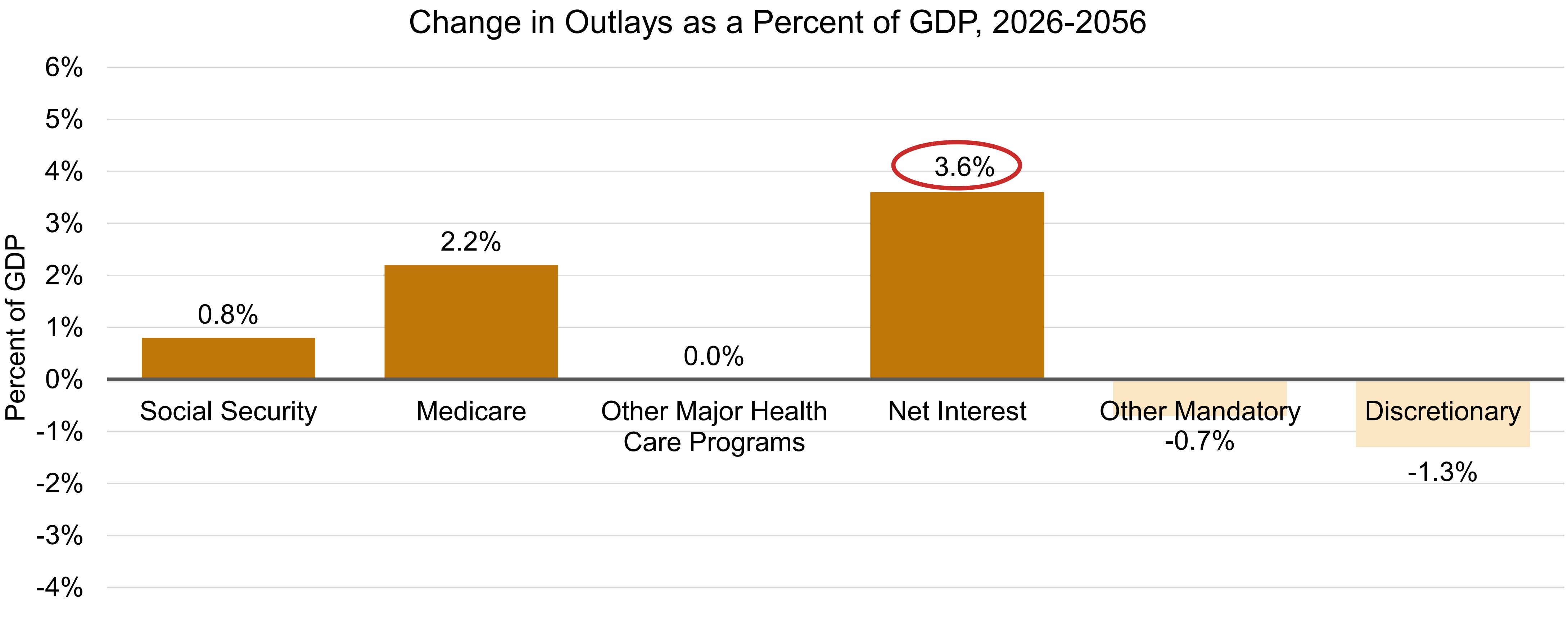
What Happened to the Budget Surplus?

2000: Budget Surplus of 2.3% of GDP
2025: Budget Deficit of **5.8% of GDP**



Source: Congressional Budget Office, *Supplemental data from CBO's January 2026 report The Budget and Economic Outlook: 2026 to 2036; CBO, Historical Budget Data, February 2026*

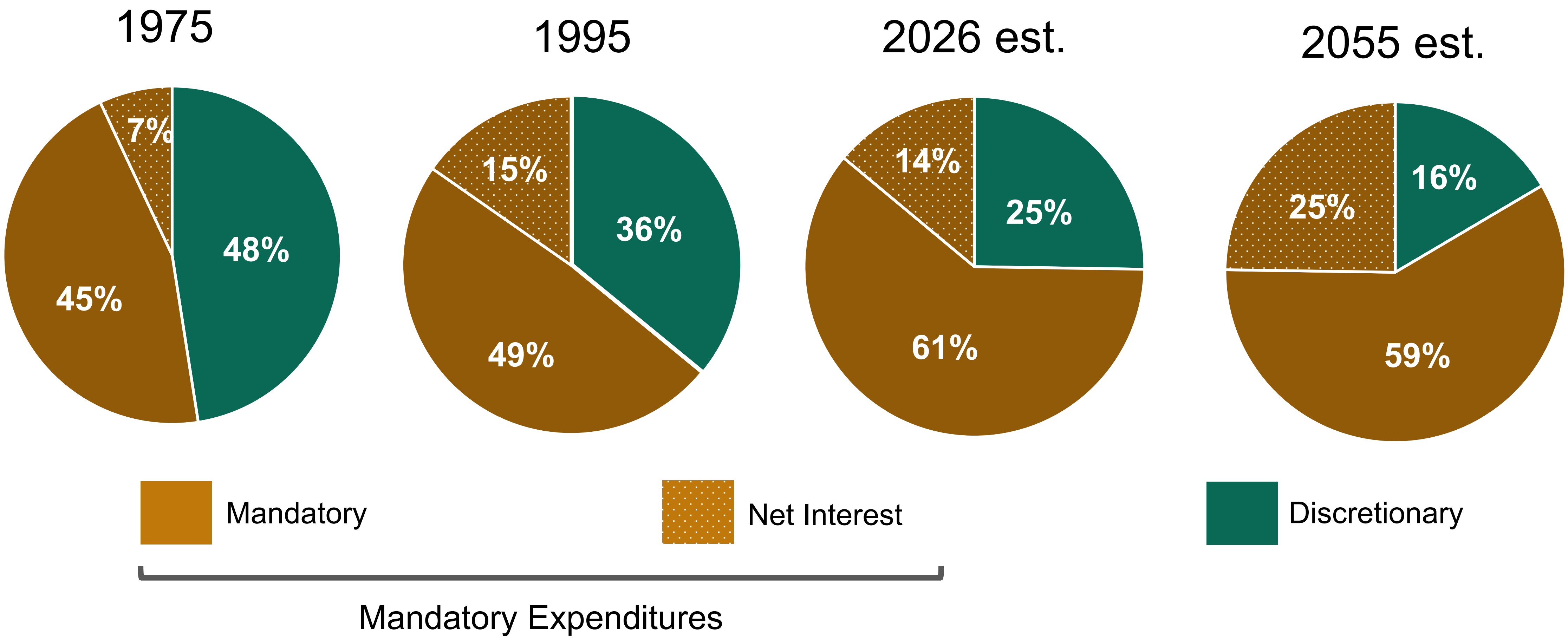
Social Security, Medicare, and Net Interest are Expected to Drive Expenditure Growth



Source: Congressional Budget Office, *Supplemental data from CBO's January 2026 report The Budget and Economic Outlook: 2026 to 2036; CBO.*

Mandatory Expenditures are Squeezing out Discretionary Priorities

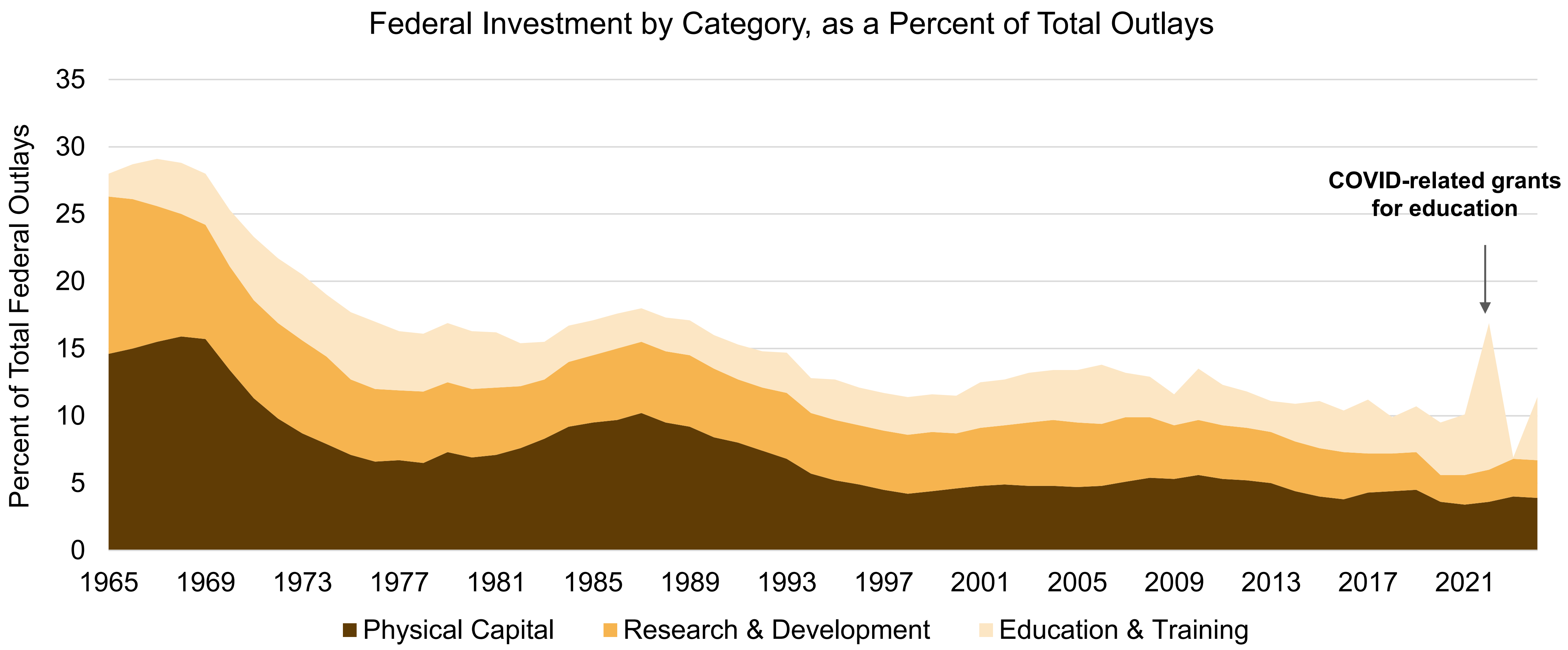
Spending as a Percent of Total Federal Outlays



figures may not sum due to rounding

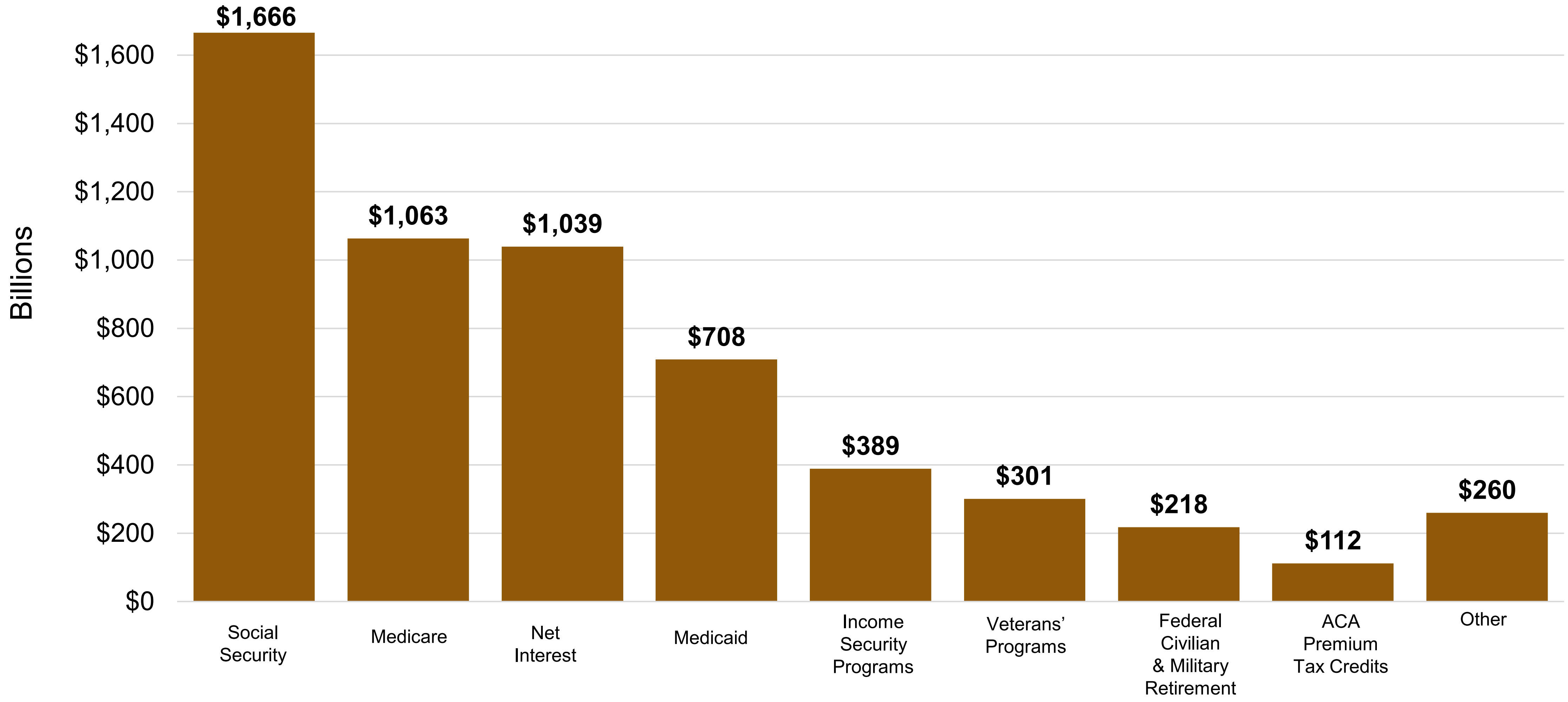
Source: Congressional Budget Office; historical data, and budget projections published in conjunction with *An Update to the Budget Outlook 2026-2036* (February 2026), *The 2026 Long-Term Budget Outlook*, (March 2026)

All Types of Federal Investment Have Declined



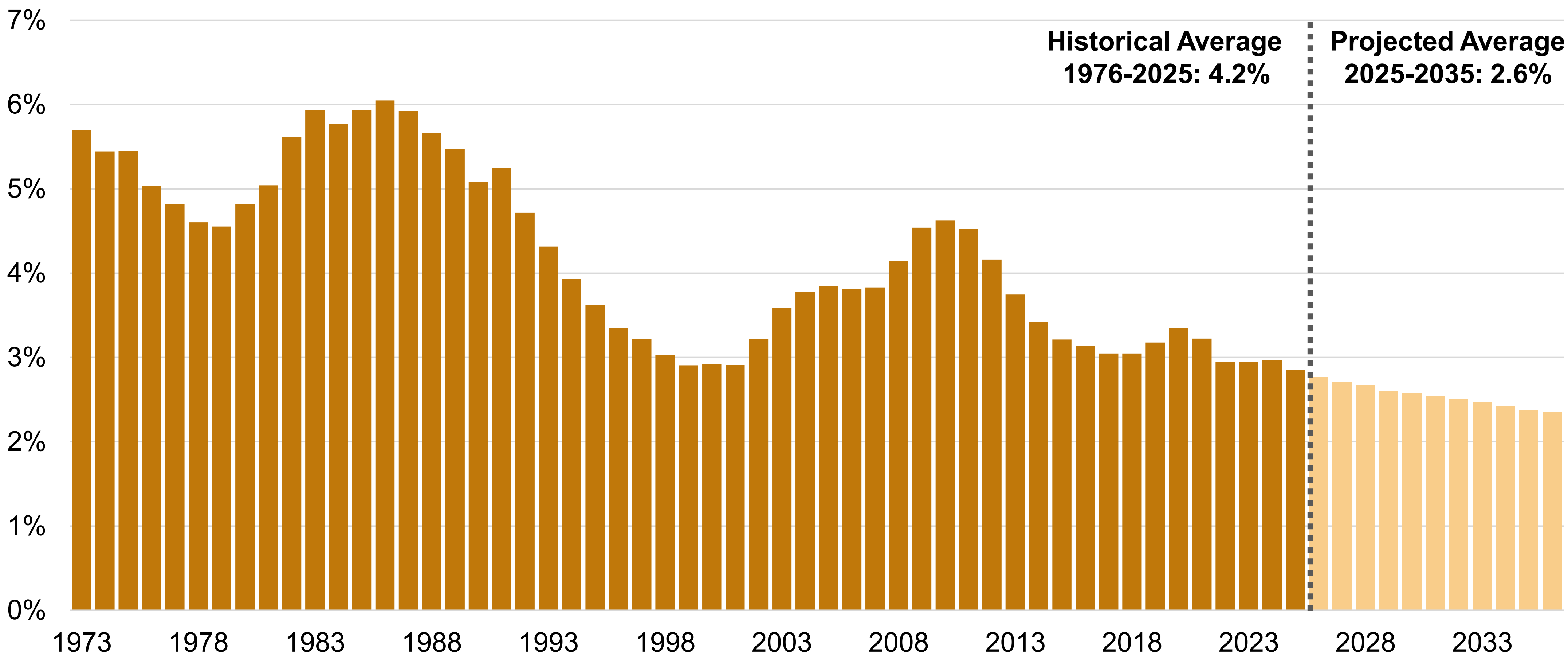
Source: Office of Management and Budget, Historical Budget Data accompanying the President's Budget for FY 2026, Tables 9.3, 9.7, 9.9

Categories of Mandatory Spending (FY 2026, Proj)



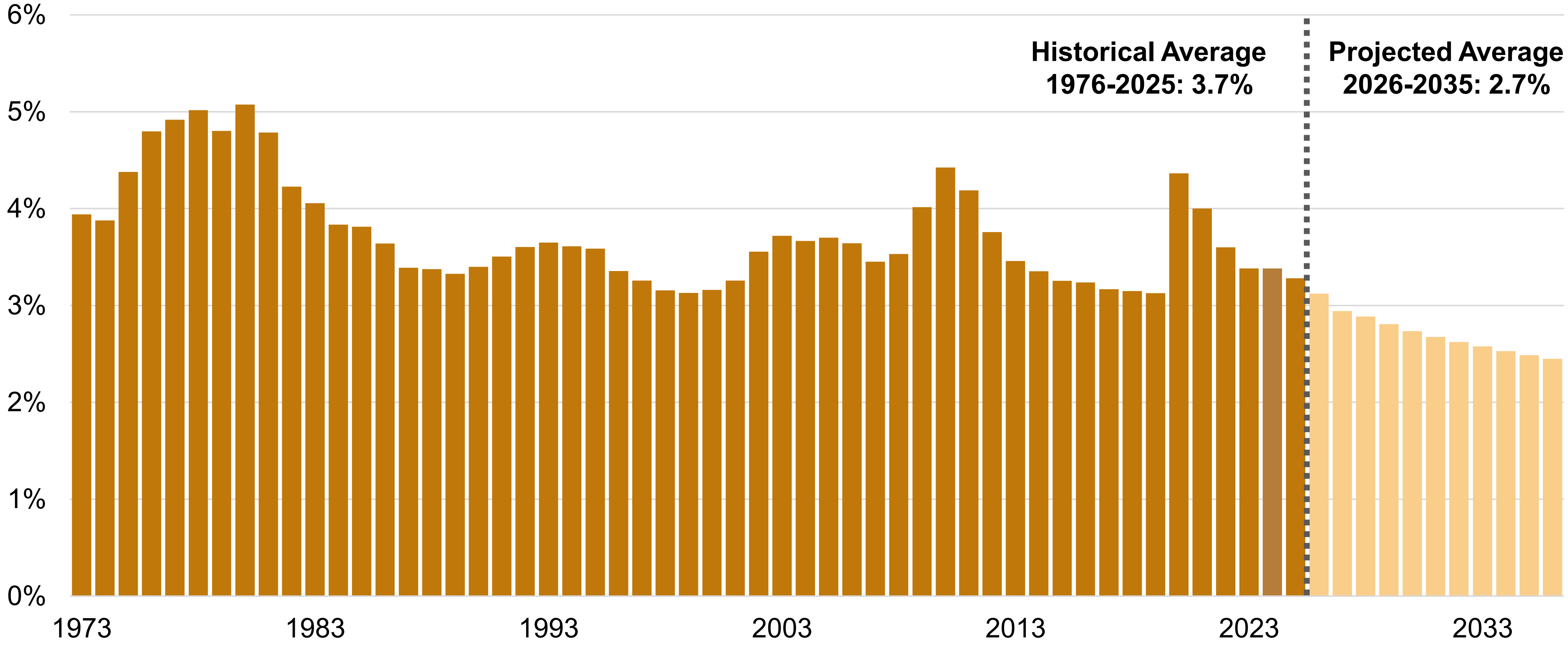
Source: Congressional Budget Office, *The Budget and Economic Outlook*, February 2026

Defense Discretionary Spending as a Share of GDP



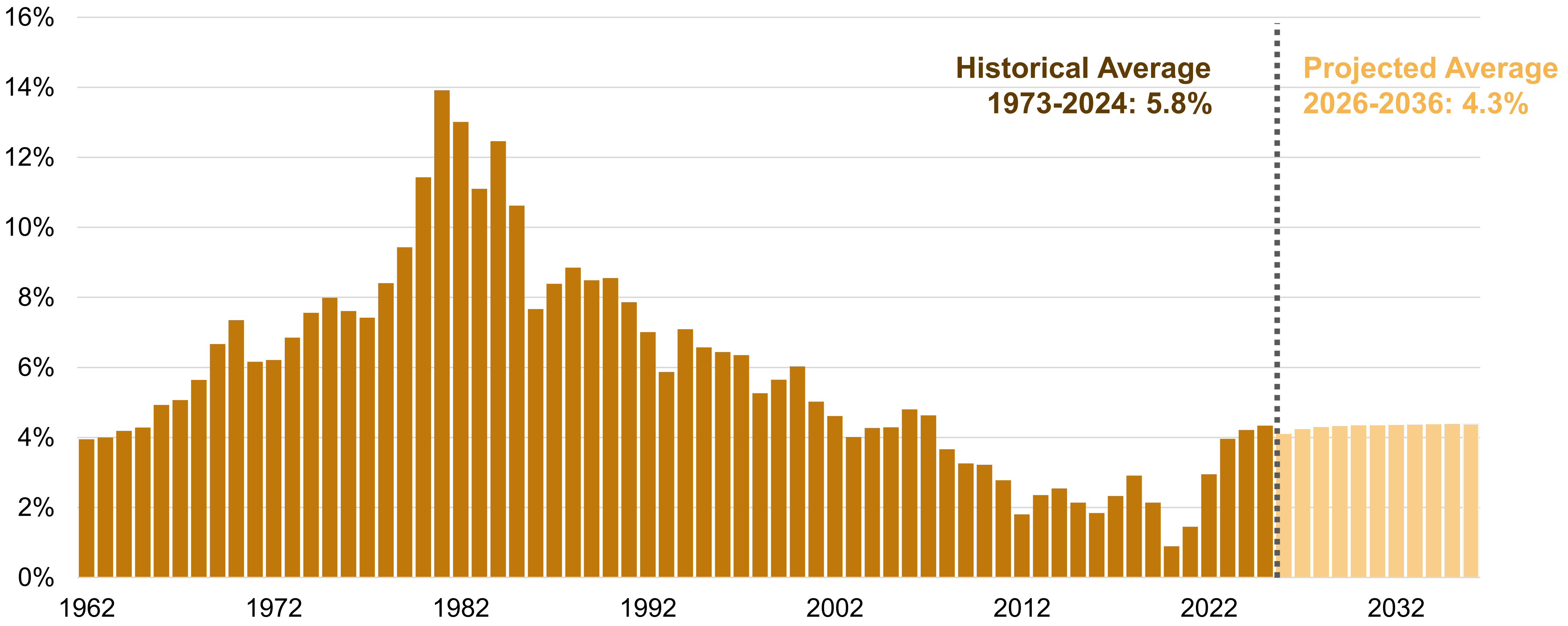
Source: Congressional Budget Office, *An Update to the Budget and Economic Outlook*, Jan 2025 (calculations by The Concord Coalition

Nondefense Discretionary Spending as a Share of GDP



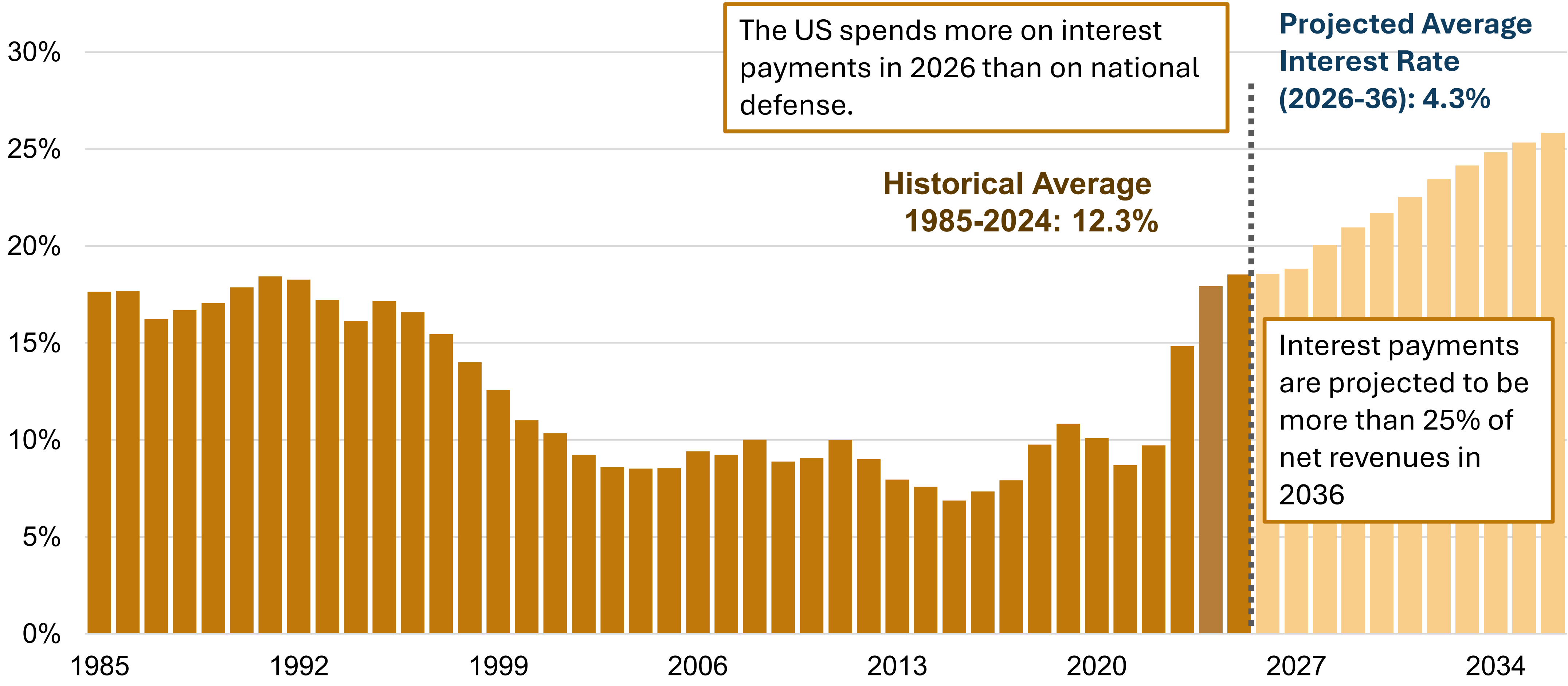
Source: Congressional Budget Office, *An Update to the Budget and Economic Outlook*, February 2025 (calculations by The Concord Coalition)

Interest Rates Over Time



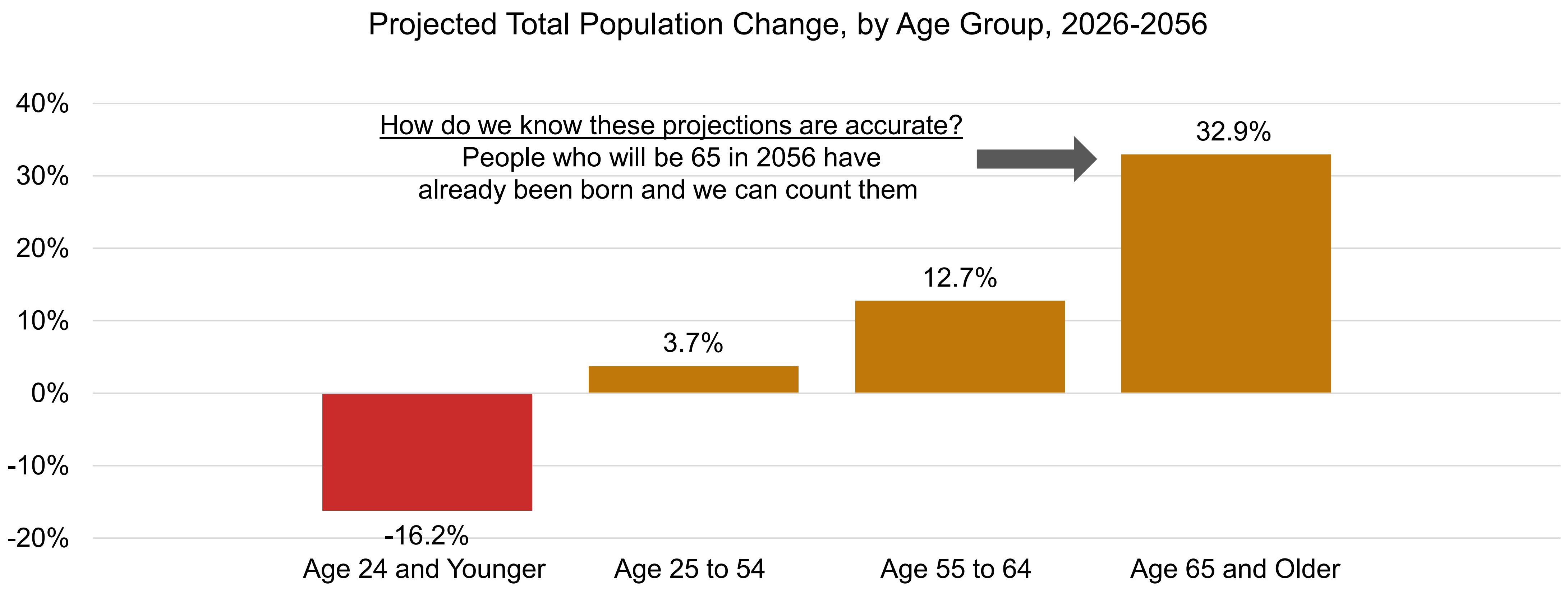
Source: Congressional Budget Office, Long-Term Economic Projections February 2026; Federal Reserve Economic Data

Annual Net Interest Payments as a Share of Revenues



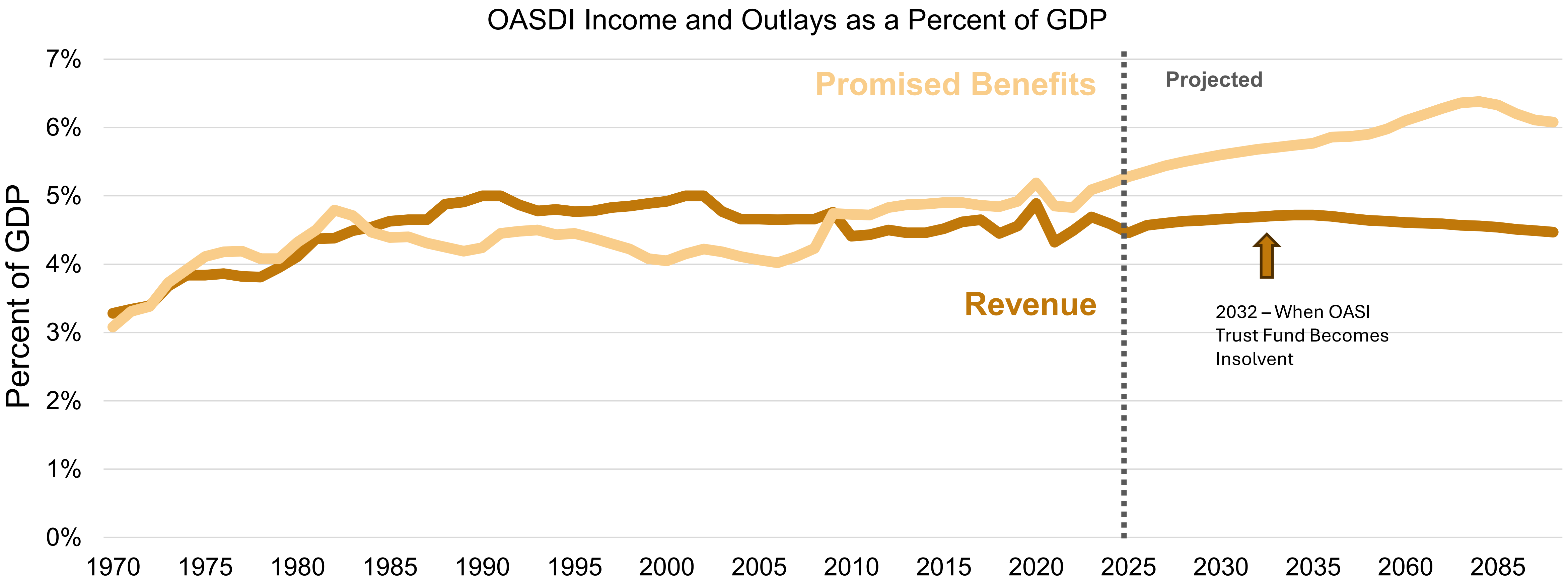
Source: Congressional Budget Office, Long-Term Economic Projections February 2026; Federal Reserve Economic Data

America's Population is Aging: Senior Citizens are the Fastest Growing Age Group



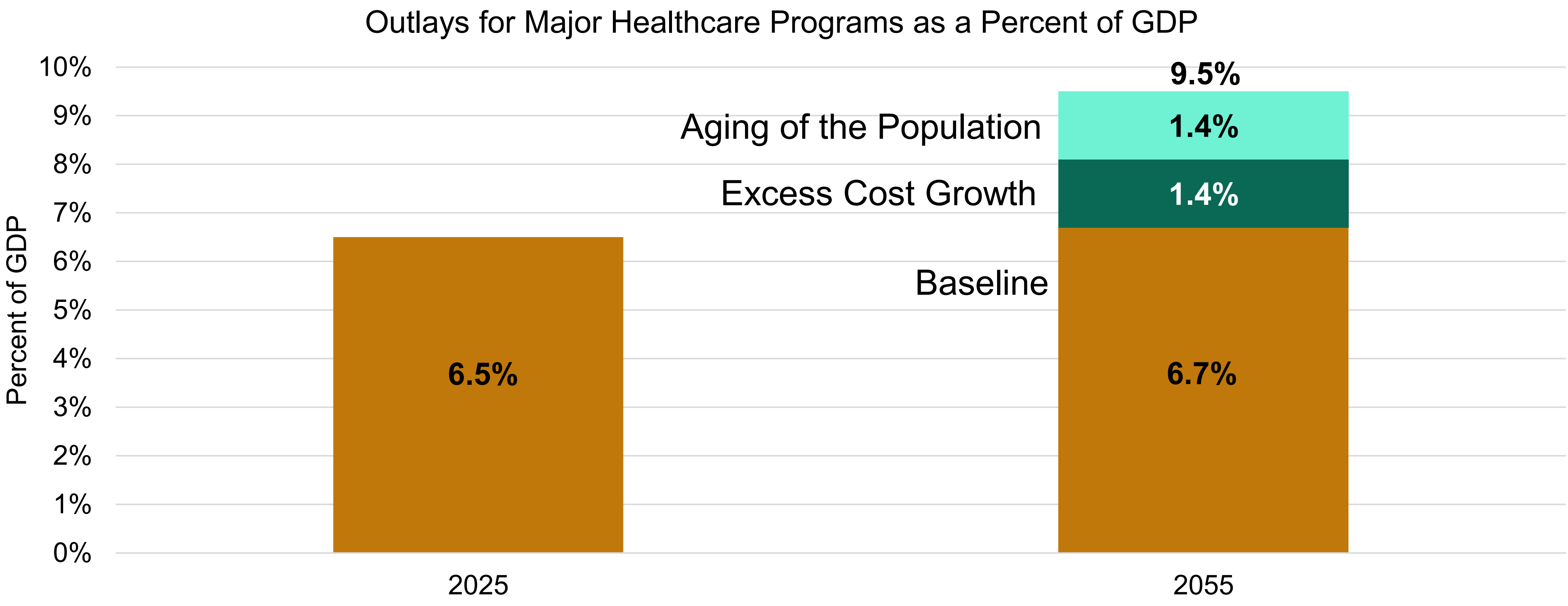
Source: Congressional Budget Office, *The Demographic Outlook 2026 to 2056,* January 2026

Social Security's Structural Imbalance



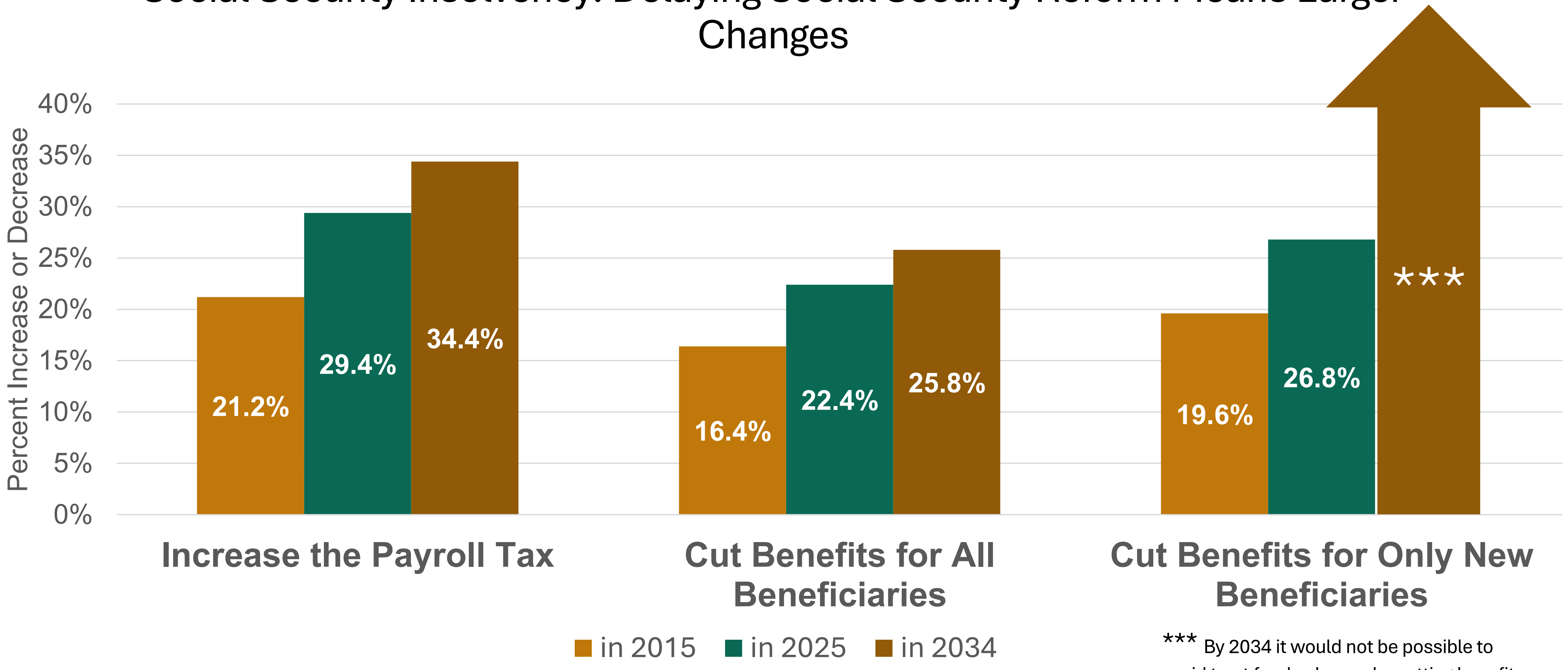
Source: 2025 Social Security Trustees Report, Table VI.G4

Aging and Excess Cost Growth Drive Spending in Major Healthcare Programs



Source: Congressional Budget Office, *The Long-Term Budget Outlook*, March 2025

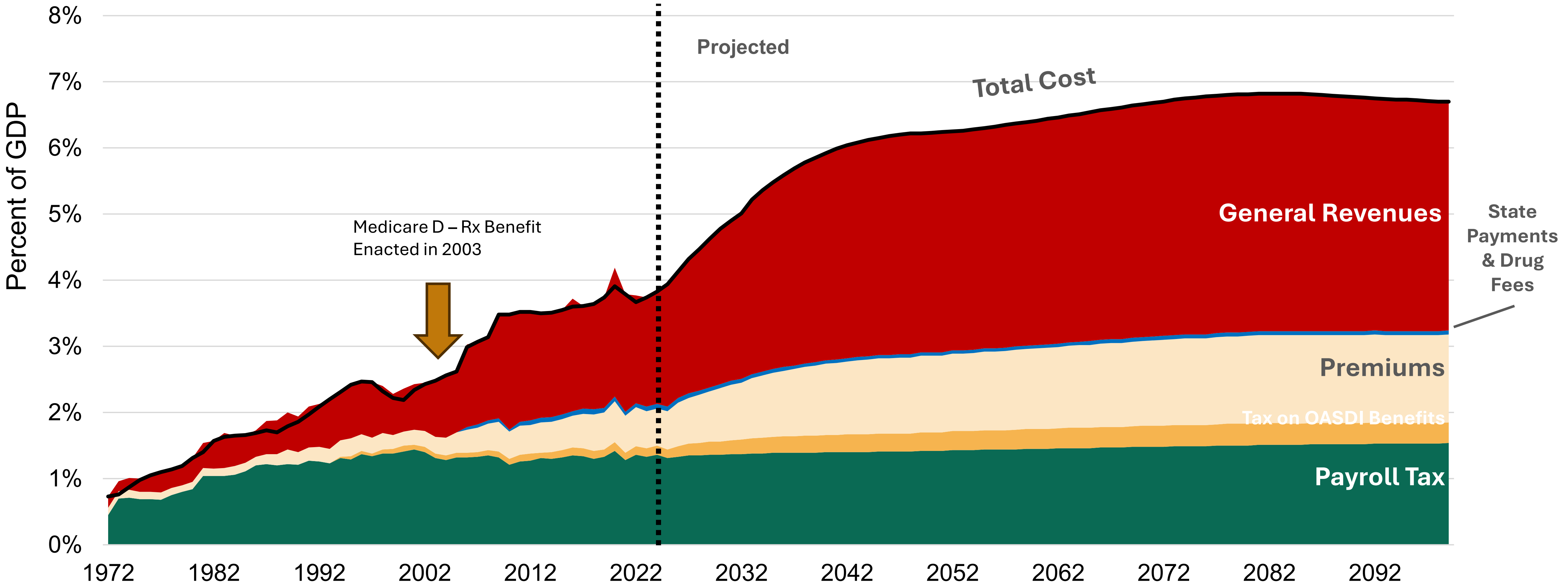
Illustrative Scenarios for Addressing 75-Year Social Security Insolvency: Delaying Social Security Reform Means Larger Changes



*** By 2034 it would not be possible to avoid trust fund solvency by cutting benefits for only new beneficiaries

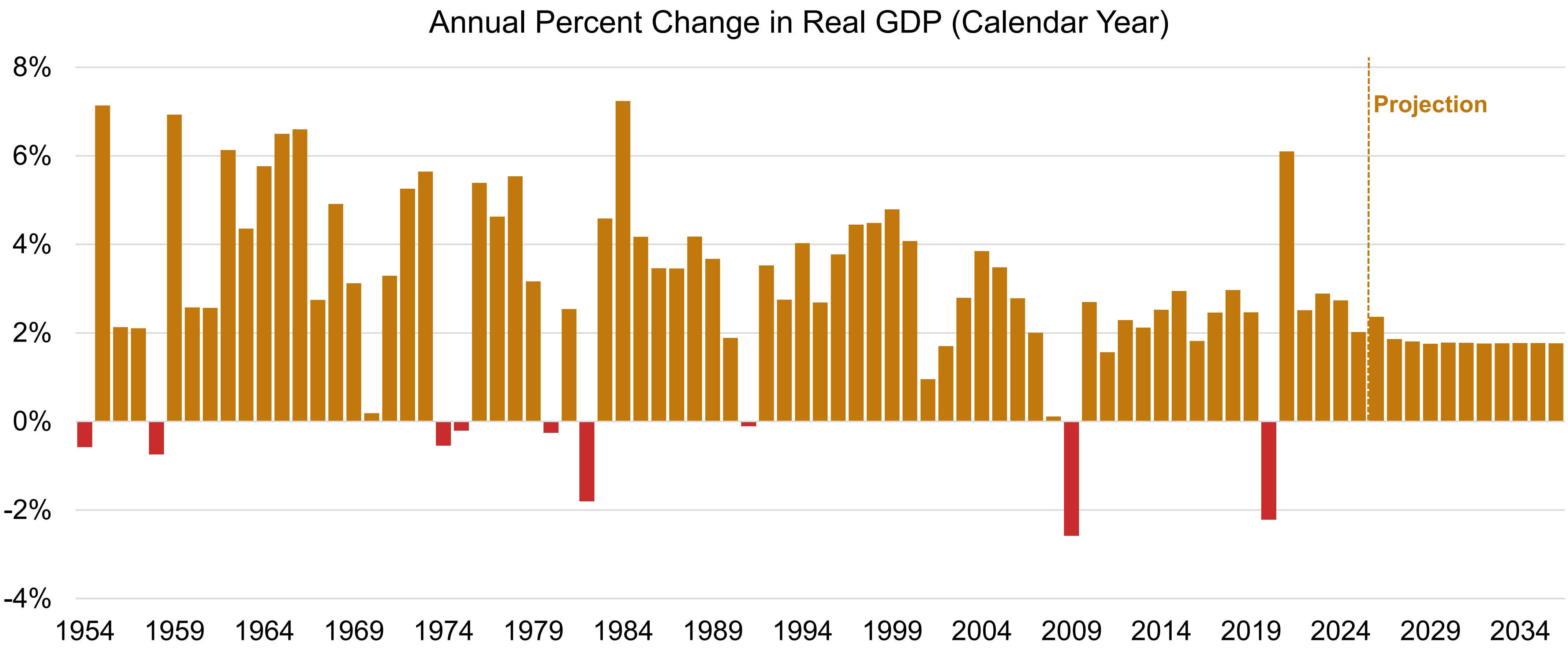
Source: Social Security Administration, Concord Coalition Calculation

Increasing Share of General Revenues Will Cover Growing Cost of Medicare (Includes both HI and SMI)



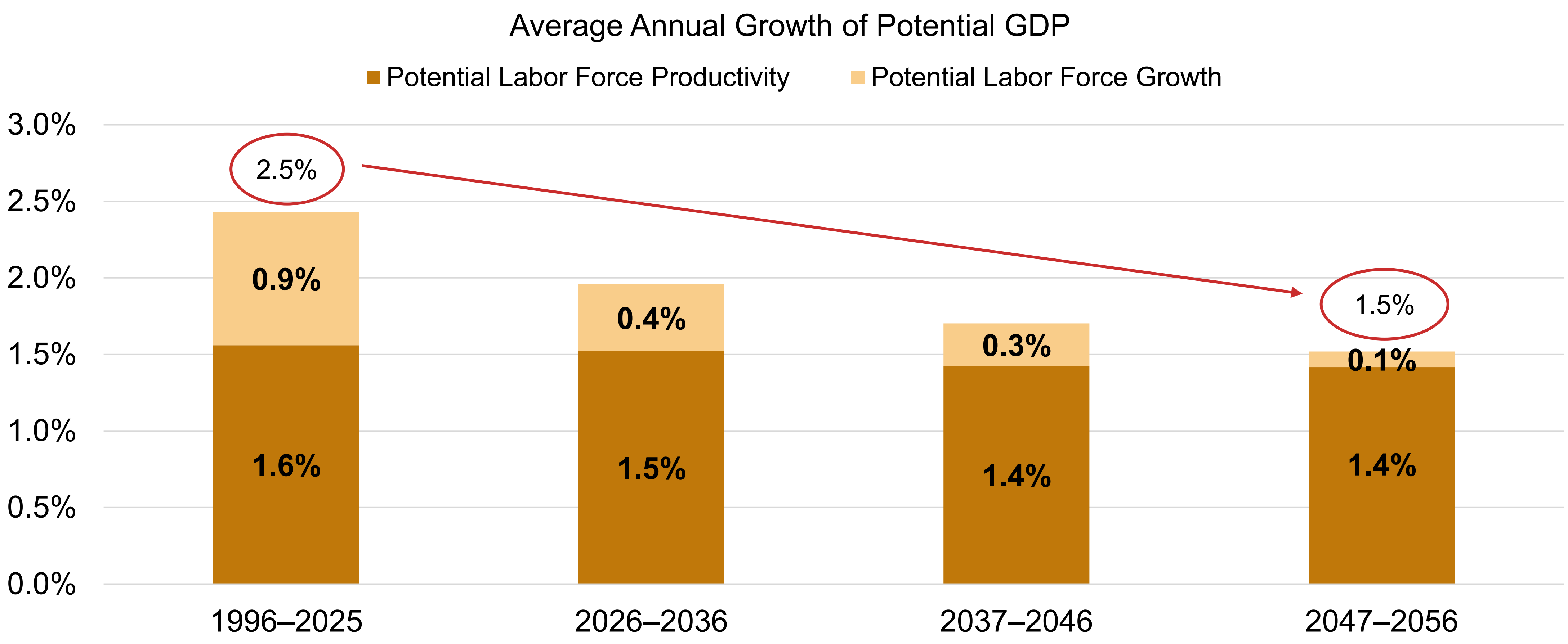
Source: 2025 Summary of the Social Security and Medicare Trustees Reports, Chart C

The U.S. Economy Is Projected to Slow



Source: U.S. Bureau of Economic Analysis (historical data) and *The Budget and Economic Outlook: 2026 to 2036, February 2026*

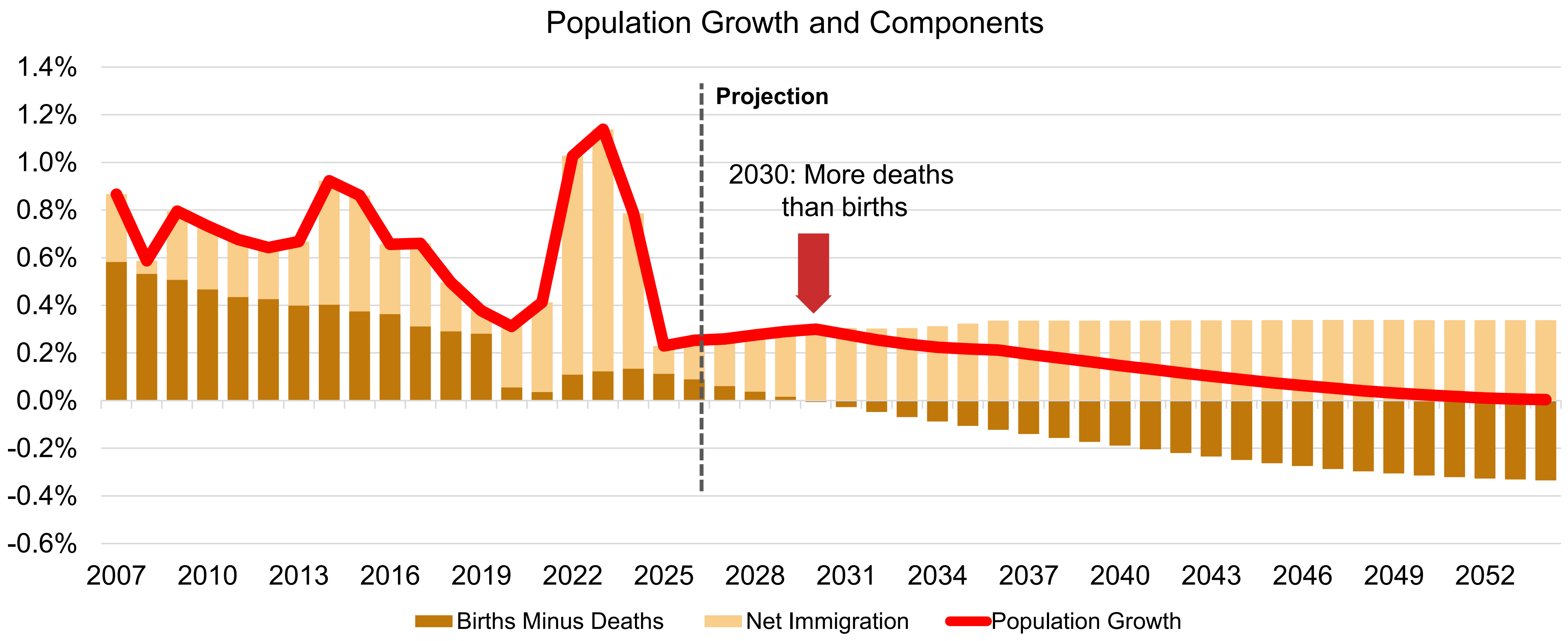
Domestic Output is Constrained by Two Key Labor Market Variables



Totals may not add due to rounding

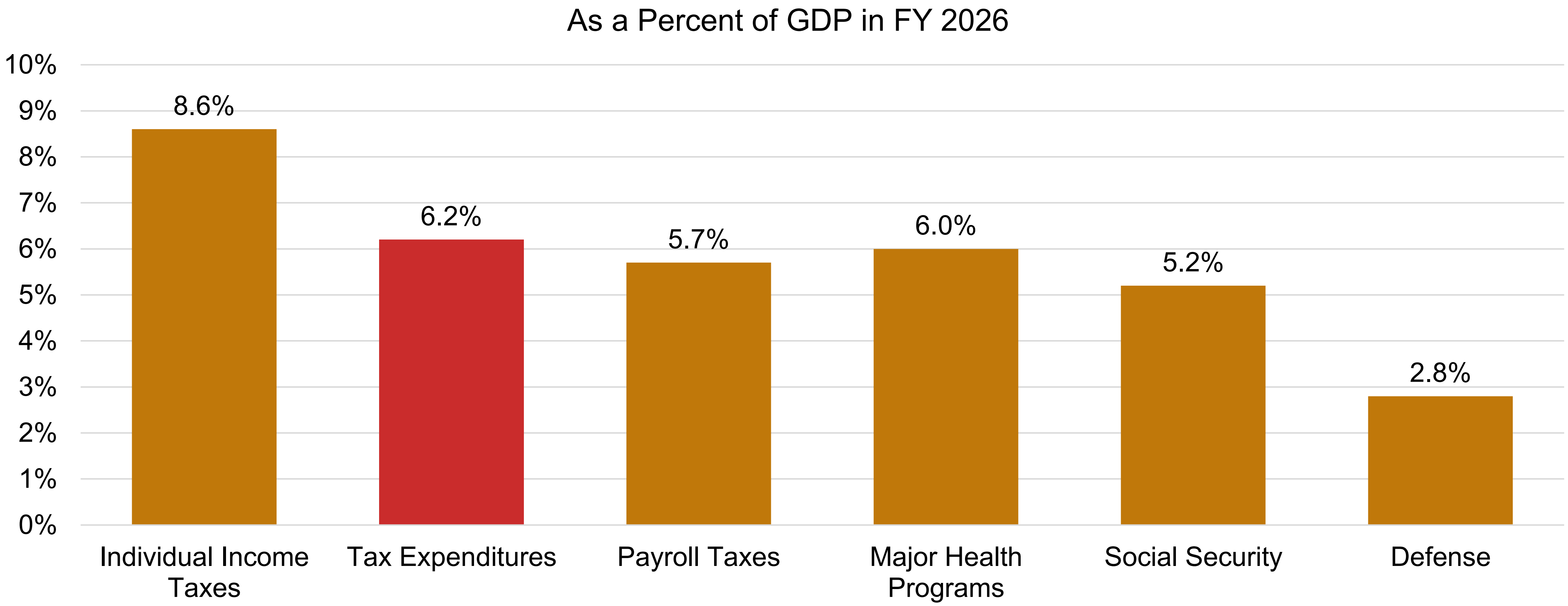
Source: Congressional Budget Office, *The Long-Term Budget Outlook*, February 2026, Concord calculations

U.S. Population Growth is Slowing



Source: Congressional Budget Office, *The Demographic Outlook: 2026 to 2056* January 2026

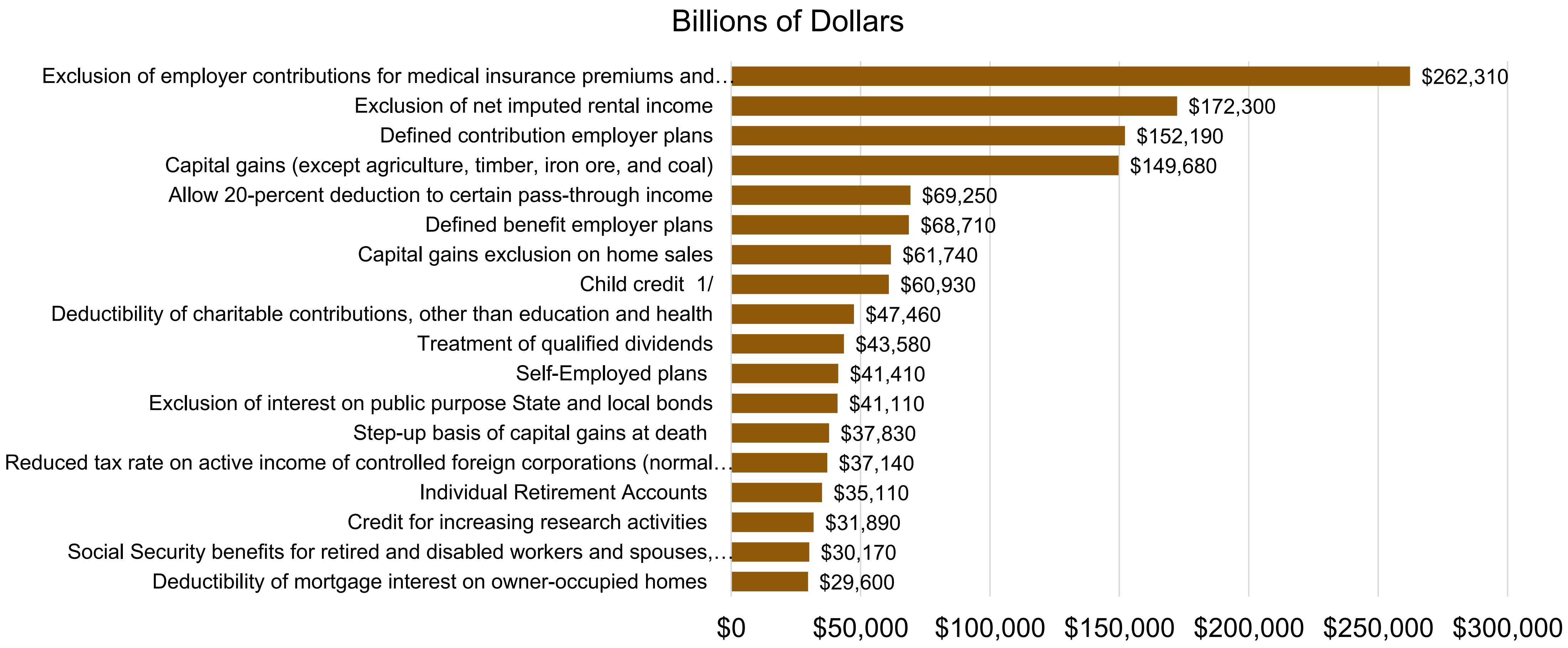
Tax Expenditures Relative to Other Select Budget Categories in 2026



Source: Congressional Budget Office, *An Update to the Budget and Economic Outlook, February 2026; US Dept of Treasury, Tax Expenditure Budget, 2026*

Spending Through the Tax Code: Largest Tax Expenditures in 2025

Foregone Revenue for ALL Tax Expenditures: $1.9 Trillion (Estimated, 2026)



Source: U.S. Treasury, Tax Expenditure Budget, 2026 https://home.treasury.gov/policy-issues/tax-policy/tax-expenditures

What can I do?

- If you are interested in being more involved email us at concord@concordcoalition.org
- Download and share our podcast Facing the Future
- Give this chart talk in your community, take the Fiscal Challenge, or lead a Principle & Priorities exercise.
- Follow us on Twitter: @ConcordC; LinkedIn: The-Concord-Coalition, Facebook: ConcordCoalition
- Support The Concord Coalition financially.
- We need your help! Spread the word!