

Getting America's Debt under Control

Before Debt Limit Is Raised, Americans Deserve Spending Cuts and Path to Balance

- Washington is spending far more money than tax revenues cover, once again reaching the limit for how much debt it may borrow. The debt limit was reached on May 19, 2013, with an unprecedented \$16.7 trillion in national debt—larger than the entire U.S. economy as measured in gross domestic product (GDP).
- Many lawmakers want to simply increase the debt limit and continue out-of-control government spending. But now is the time for Congress to get our nation's finances under control.

Follow the Money to Find Needed Reforms

Real Cuts in Wasteful Spending

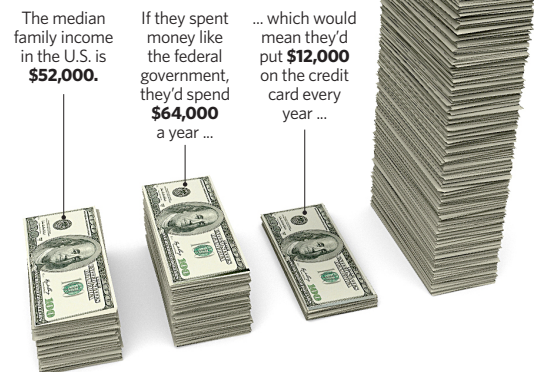
- Workers and families have tightened their budgets, and so should Congress. After four years of trillion-dollar deficits and a massive stimulus failure, Washington still borrows 19 cents of every dollar it spends.
- From wasting \$890 million on keeping 13,712 empty bank accounts open to spending more than \$4 million on one lavish IRS conference, Washington's reckless spending drives the debt ever higher.
- Soaring debt is hurting our economy today and threatens future prosperity. No more empty promises or budget gimmicks: We need real spending cuts now.

Entitlement Reforms that Fix Outdated, Unsustainable Programs

- Congress should first completely defund Obamacare to stop this massive government takeover of health care in its tracks.
- Then, Congress must reform Social Security, Medicare, and Medicaid. Since these three big entitlement programs consume 45 percent of the federal budget, reform is a must to achieve real savings.
- Entitlement programs are growing on autopilot

What If a Typical Family Spent Money Like the Federal Government?

IN 2013 DOLLARS



and they will deplete the budget, leaving little room to fund anything else.

- Already, vital investments in our nation's military readiness are being slashed because Congress and the President are failing to solve the nation's entitlement spending crisis.

Putting the Budget on Path to Balance in 10 Years

- It's not enough for lawmakers to pay lip service to the debt and its crushing effect on our nation and economy. They must be held accountable to put the federal budget on a path to balance in 10 years.
- Heritage's fiscal plan, Saving the American Dream, shows how to eliminate chronic deficits and live within our means—a leaner, more efficient federal government. And we do it without raising taxes.

Americans Hope for a Brighter Tomorrow

- Americans understand that our country is facing a ruinous path that could lead us to decline as a nation, awash in debt and lacking in opportunities.
- If Washington starts now to curb government spending and reform outdated programs, our country will be on a path toward a balanced budget and brighter future.