



AAF: Mandatory Spending and Interest Put National Debt on Autopilot

With FY24 appropriations finally finished, conservatives are right to point out that the process is dysfunctional. Congress must fix its broken process, starting with addressing autopilot government spending and interest payments that threaten to choke the budget.

Conservatives who say they are serious about tackling the \$34.6 trillion national debt must be prepared to address the broken appropriations process and mandatory spending. Mandatory spending and interest payments account for 72% of *all* federal spending. Any conservative who ignores these items on autopilot simply isn't serious about reducing the size of government.

2023 Snapshot: Mandatory Spending and Interest Payments Dominate Budget

- 61% of all federal spending was for mandatory spending programs:
 - Medicaid, Obamacare, Social Security, Supplemental Nutrition Assistance Program, Federal civilian retirement, and unemployment compensation.
- \$659 billion (11%): total federal interest payments on our national debt.
- 72% of federal spending was NOT controlled by the annual appropriations process.
- Just 28% of federal spending was controlled by Congress' regular process.

Lookahead: Social Security and Medicare (CMS) are Headed to Automatic Cuts

- By 2033, the Social Security Trust Fund will be OUT of money (i.e., insolvent).
- Insolvency triggers a 23% benefit cut for the 68 million Americans on Social Security.
- By 2031, CMS will also be insolvent.
- CMS insolvency will result in the senior Americans no longer being able to access the healthcare they need: "Beneficiary access... could rapidly be curtailed."

Conservatives are right to be concerned about the appropriations process. However, focusing on discretionary spending cuts without addressing autopilot spending misses the bigger picture.