



## Press Release

# Highlights of the CBO Budget Outlook

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AAF's Director of Fiscal Policy Gordon Gray breaks down the key points of the Congressional Budget Office's (CBO) newly released *An Update to the Budget Outlook: 2020-2030*. The analysis, the first to fully incorporate the impact of COVID-19, shows that the economic and budgetary consequences of the pandemic combine to push the United States into its highest levels of indebtedness in its history, Gray notes.

His central points:

- According to CBO's projection's, the debt will reach the highest levels in U.S. history in 2023;
- The combined economic, legislative, and technical effects of the COVID-19 pandemic are projected to add \$4.4 trillion to baseline deficits, but net of substantially discounted debt service costs, the change in projected deficits since March is "only" \$2.1 trillion over 2020-2030; and
- The deficit is projected to be lower, in both nominal terms and as a share of GDP, in 2025 than CBO estimated in its last projection.

[Read the analysis.](#)