



# Committee On Finance

Max Baucus, Ranking Member

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## **Baucus Comments on New Debt Limit Estimates**

(WASHINGTON, D.C.) U.S. Senator Max Baucus, ranking member of the Senate Finance Committee, released new information from the Treasury Department regarding the statutory limit on the federal debt. According to the Treasury Department, the limit on federal debt will not have to be raised in 2005. The agency had previously estimated that the government would reach the debt limit in 2005.

Currently, the limit is \$8.184 trillion. The Congressional budget resolution instructs the Finance Committee to report legislation by September 30, 2005 to increase the debt limit by \$781 billion. Senator Baucus issued the following statement on the news of the debt limit:

“The Treasury Department has informed me that it is reasonably confident that the government will not reach the debt limit in 2005. The Treasury Department’s best estimate is that the government will reach that limit in the first quarter of calendar year 2006.

“Although it is good news that the government will not hit the debt limit as soon as we had expected, the broader financial picture is still quite troubling. Since 2002, the government has had to raise the debt ceiling four times, including the impending increase. With this next increase, the government will have increased the debt limit by more than \$3 trillion since 2002. In the face of record deficits, government needs to show more fiscal discipline.”

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