

MAG Management Committee

May 9, 2012

# LEGISLATIVE UPDATE

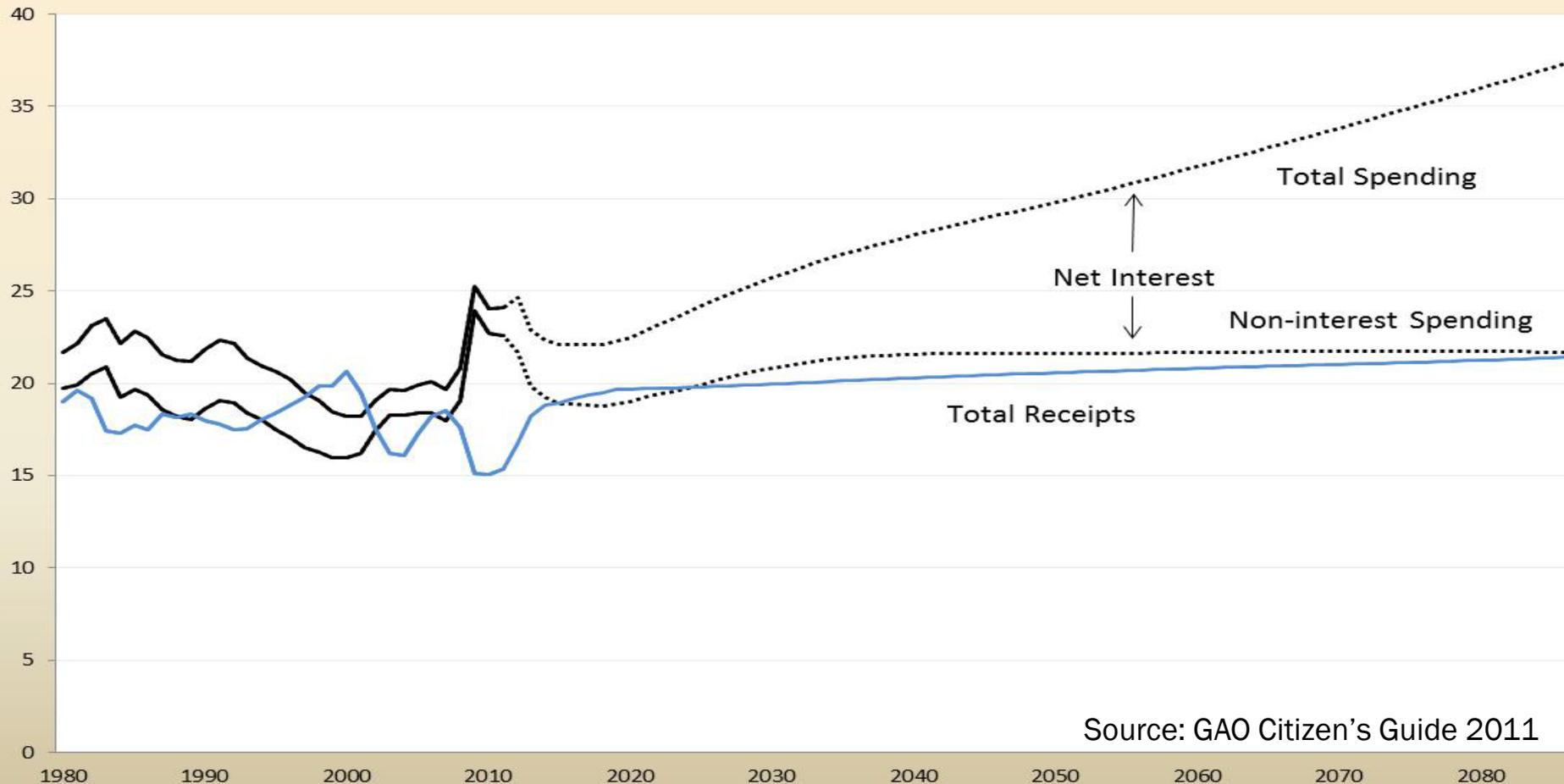
# FEDERAL BUDGET

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- ✘ Congress currently working on FY 2013
- ✘ **Announced Priority: Deficit reduction**
  - + House: Rep. Ryan Plan
  - + Senate: Bowles-Simpson plan

**Chart 2: History and Current Policy Projections for Total Spending, Net Interest, Non-interest Spending, and Total Receipts, 1980-2086**

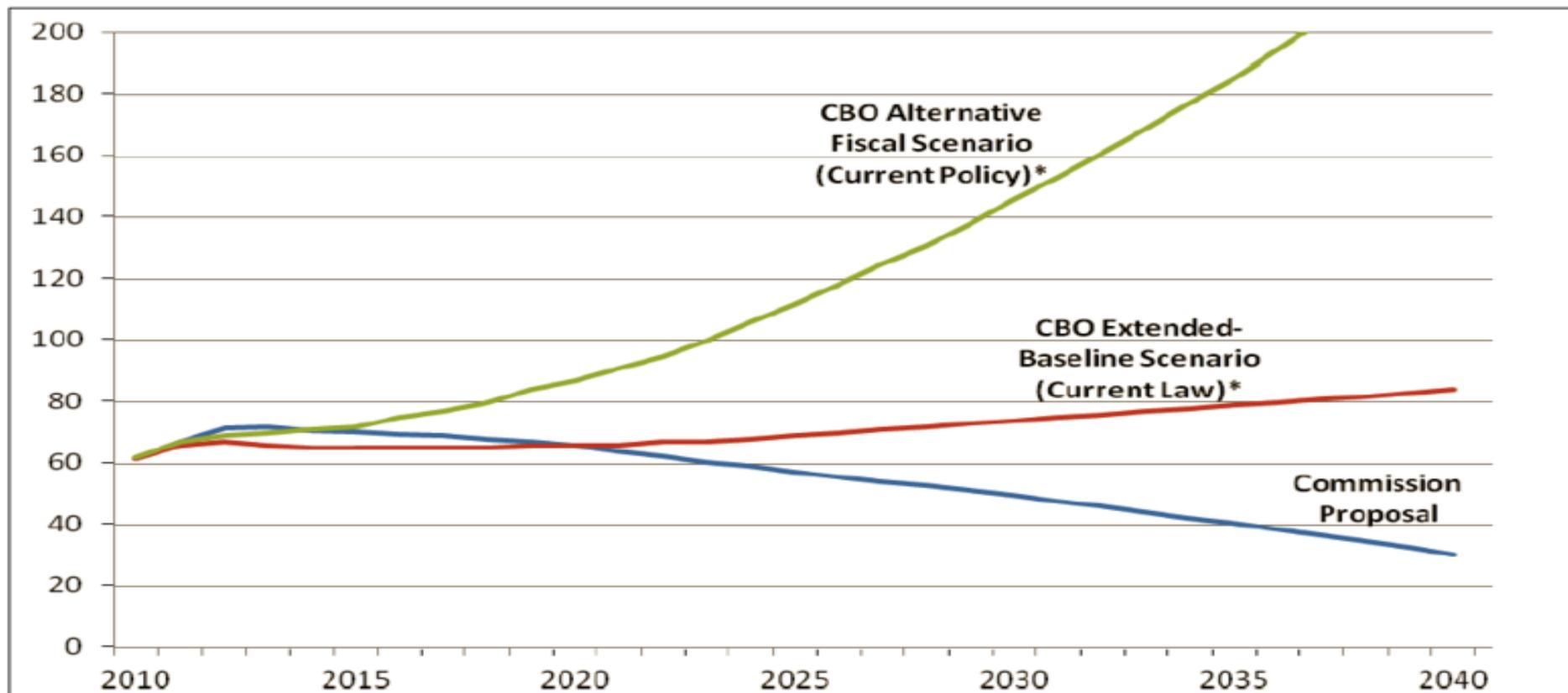
Percent of GDP



Source: GAO Citizen's Guide 2011

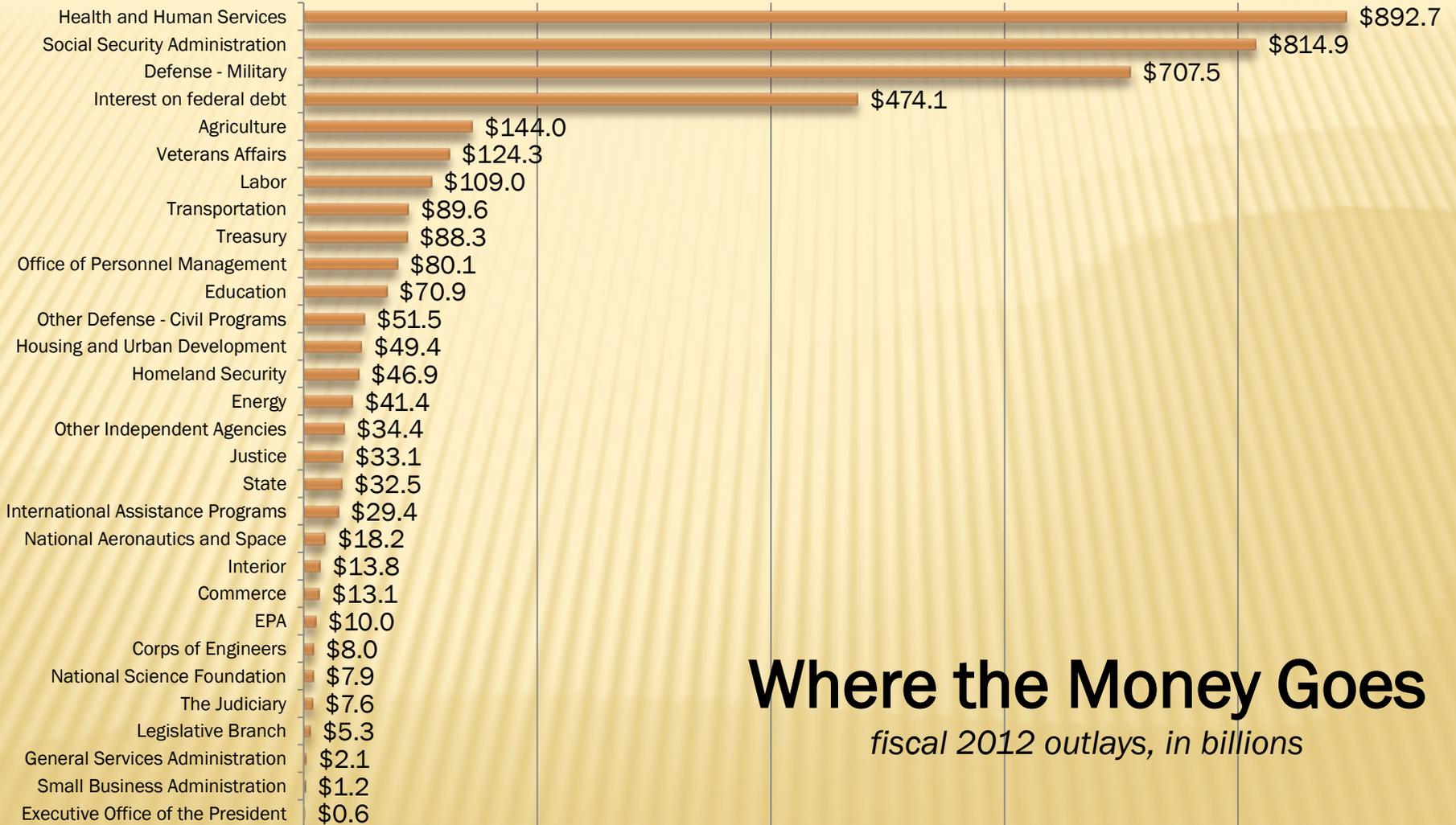
# U.S. Public Debt as a % GDP Under Various Scenarios

% GDP



Source: *Report of the National Commission on Fiscal Responsibility and Reform* - December 2010

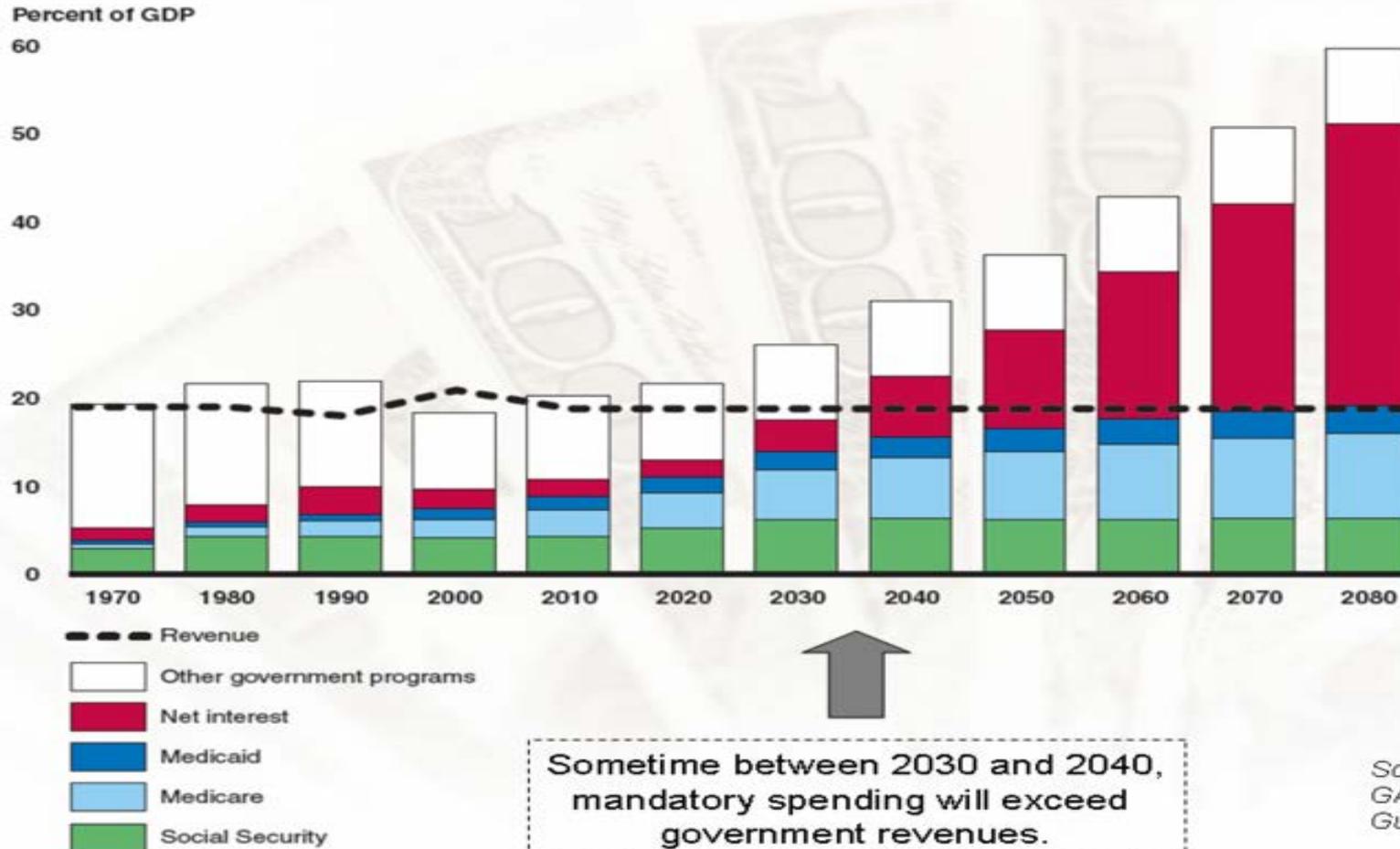
\*Note: Explanations of the Alternative and Baseline scenarios are included on graph's article page.



# Where the Money Goes

*fiscal 2012 outlays, in billions*

# Current Trends Are Not Sustainable



# 2012 ELECTIONS

## Senate

51 Democrats

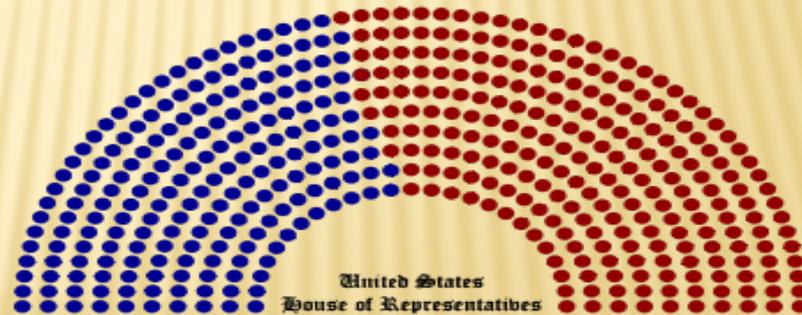
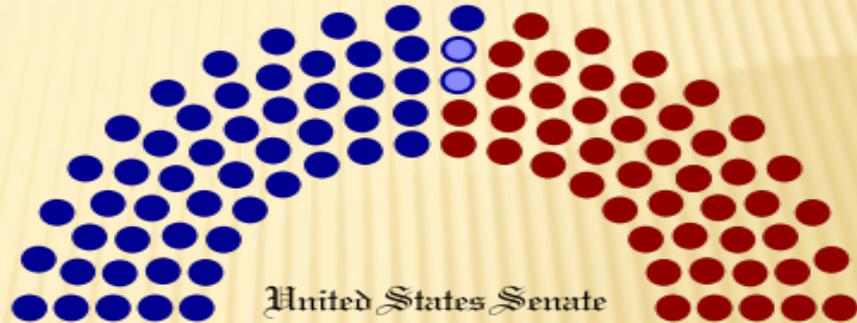
2 Independents

47 Republicans

## House

179 Democrats

255 Republicans



# 2012 ELECTIONS

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What to Expect:  
**Spending Reductions**

Decision Timing Outlook:  
**Lame duck session**