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**ADVANCING AMERICAN FREEDOM**  
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## The Debt Limit Leads to Conservative Victories

**TOPLINE:** The debt limit was breached on January 1, 2025. Since then, the Treasury has been using "extraordinary measures" to pay bills without borrowing money. **The Congressional Budget Office estimates the ability to keep using these measures will be exhausted by the end of September.**

**BACKGROUND:** Congress instituted the debt limit in 1917 to make it easier for the federal government to borrow money to fight World War I. Before the debt limit, Congress had to pass a bill to authorize each new issuance of debt. Today, some are calling for the debt limit to be suspended for the entirety of the Trump Administration.

**Here's why eliminating the debt limit is the wrong move for fiscal conservatives:**

### Conservative Principles for Addressing the Debt Limit:

- Debt is a national security risk and economic anchor that threatens the future of America.
- A statutory debt limit forces Congress to address spending.
- The debt limit must be retained as a unique congressional curb on unchecked borrowing.
- The statutory debt limit has been successfully paired with spending cuts and reforms eight times over the past 40 years.

### Conservative Wins Thanks to the Debt Limit:

- **1985** - Balanced Budget and Emergency Deficit Control Act: Required a gradual reduction and eventual elimination of budget deficits over FY1986-FY1991, specified annual deficit limits, and established a budget sequestration process.
- **1987** - Balanced Budget and Emergency Deficit Control Reaffirmation Act: Extended the balanced budget target to FY1993 but revised the budget sequestration process that had been invalidated by the Supreme Court.
- **1990** - Budget Enforcement Act: Included **\$324 billion in spending cuts** and debt service savings, established discretionary spending caps and PAYGO procedures.
- **1993** - Omnibus Budget Reconciliation Act: Included **\$255 billion in spending cuts** and debt service savings and extended discretionary spending caps and PAYGO procedures from the Budget Enforcement Act of 1990.
- **1997** - Budget Enforcement Act: Included **\$198 billion in spending cuts** and debt service savings and extended discretionary spending caps and PAYGO procedures through FY2002.
- **2010** - Statutory PAYGO Act: **Reestablished statutory PAYGO** enforced by sequestration.
- **2011** - Budget Control Act (Cut, Cap, and Balance): Established statutory discretionary that immediately **cut spending by \$917 billion**, established a Joint Select Committee on Deficit Reduction to report legislation **reducing the deficit by \$1.5 trillion** over FY2012-FY2021, and established automatic cuts if the committee, Congress, and the president failed to enact at least \$1.2 trillion in savings over that period.
- **2023** - Fiscal Responsibility Act: **Established discretionary spending caps** for FY2024 and FY2025, rescinded unused COVID funds, and rescinded some expanded funding for the IRS.

**BOTTOMLINE:** Washington has a spending problem. Conservatives need the debt limit to fight for fiscal sanity in Washington D.C. Suspending the debt limit will weaken fiscal Conservatives' leverage to stop federal overspending.



For more information, please contact AAF Policy Director  
John Shelton at [john@advancingamericanfreedom.com](mailto:john@advancingamericanfreedom.com)