

## What They Are Saying:

### H.R. 4642, the Fiscal Contingency Preparedness Act

**WASHINGTON, D.C.** – The bipartisan “*Fiscal Contingency Preparedness Act*,” sponsored by Ben Cline (R-VA) and co-led by Jared Golden (D-ME), would require the federal government to assess and report its ability to respond to major national emergencies like economic downturns, energy crises, and national security threats.

The legislation directs the Secretary of the Treasury and the Director of the Office of Management and Budget (OMB) to produce an annual report measuring the government’s fiscal strength and readiness. After this report is released, the Government Accountability Office (GAO) would conduct an independent review and publish its findings to ensure accuracy and transparency.

Stakeholders and industry experts urging swift passage of H.R. 4642 include:

#### WHAT THEY’RE SAYING



#### **Maya MacGuineas, Committee for a Responsible Federal Budget**

*“Policymakers and the public need access to the best available analysis on how a severe economic shock may impact the federal government’s finances. While our nation’s largest banks are required to undergo regular stress tests to prepare for an unexpected shock, the federal government lacks an equivalent playbook. It is essential that the federal government be prepared for a possible fiscal emergency, and we commend Representatives Cline and Golden for introducing this bipartisan, commonsense proposal to strengthen our fiscal resilience.”*



#### **Kurt Couchman, Americans for Prosperity**

*“To counter risks to the republic, Congress must know what they are. The Fiscal Contingency Preparedness Act by Senators Young and Warner and Representatives Cline, Golden, and colleagues would have the budget agencies ‘stress-test’ the federal government’s finances every year. This information would be even more useful in the context of an effective, comprehensive budget that gives Congress the tools to address threats and other challenges facing the American People.”*



**Demian Brady, National Taxpayers Union Foundation**

*“The bipartisan Fiscal Contingency Preparedness Act would require the Treasury Department, in coordination with the Office of Management and Budget, to assess the federal government’s ability to respond to future fiscal shocks—including geopolitical conflicts, economic downturns, and natural disasters. The goal is to identify gaps and develop strategies to improve the government’s capacity to manage emergencies. This review would complement regular findings from the Congressional Budget Office warning that high deficits constrain lawmakers’ ability to respond effectively when the next crisis hits. By shedding light on these fiscal vulnerabilities, the analysis would help inform policymakers about the risks posed by the \$37 trillion federal debt and prompt serious action to rein in wasteful unneeded programs.”*



**William McBride, Tax Foundation**

*“With the federal government's debt burden approaching record levels, it is sensible to require an annual stress test of the federal budget to prepare for the inevitable economic downturn or other unforeseen crises. History has shown these fiscal shocks can result in a surge in deficits and interest on the debt, a precarious outcome that lawmakers should be fully informed about based on the most advanced methods available.”*



**William Glass, Millennial Debt Foundation**

*“For the last three years, Millennial Debt Foundation has warned state leaders that federal funding should be treated with suspicion and that they should prepare contingency plans for federal funding shocks. These warnings attempt to ease the chaos caused by Washington's refusal to live within its means. So we are grateful to endorse a bill requiring the federal government to exercise at least some attempt at foresight. Contingency planning alone is not enough, especially if the plan is more unaccountable deficit growth, but a lot of good may come from forcing the Treasury to anticipate the likely consequences of federal inaction. We thank Representatives Cline, Golden, Bergman, and Gluesenkamp-Perez, along with Senators Young and Warner, for their leadership, and we congratulate them on their care in doing the people's business.”*



**Paul Winfree, Economic Policy Innovation Center**

*“Fiscal space is the room the government has for borrowing without undermining debt sustainability or risking a loss of market confidence. Maintaining sufficient fiscal space is important to allow lawmakers to respond to unforeseen events such as war, natural disasters, or recessions. The Fiscal Contingency Preparedness Act, introduced by Reps. Ben Cline (R-VA) and Jared Golden (D-ME), would require the U.S. Department of the Treasury to stress test the government’s fiscal capacity to respond to these types of crisis events. This important proposal would help policymakers understand the limits of America’s fiscal space and make better budgetary decisions.”*



**Dominik Lett, Cato Institute**

*“Congressional responses to national emergencies—such as the Great Recession and COVID-19 pandemic—have placed a significant strain on our nation’s finances, driving up deficits and the debt. The Fiscal Contingency Preparedness Act would help lawmakers and the public understand the budgetary risks posed by future crises, whether from a recession, pandemic, or conflict. America cannot afford to be surprised by the fiscal consequences of the next shock.”*



**Carolyn Bourdeaux, Concord Action**

*“Fiscal resilience isn’t a luxury—it’s a necessity. The Fiscal Contingency Preparedness Act is a vital step toward restoring public trust and ensuring that our government can respond effectively when the next crisis hits. This bipartisan legislation brings much-needed transparency and accountability to our fiscal outlook and helps lay the groundwork for responsible, forward-looking decision-making.”*



**Nan Swift, R Street Institute**

*“The R Street Institute is pleased to support the bipartisan “Fiscal Contingency Preparedness Act.” Consistent, transparent consideration of potentially costly, economically disruptive crises is an essential element of responsible and sustainable financial planning. Unoffset emergency spending in response to events such as natural disasters, global conflicts, or the COVID-19 pandemic has become a major contributor to our worsening debt and gloomy fiscal outlook. Conducting regular stress tests—a common practice in the private sector—will help decision-makers be better prepared against future calamities and provide insight into the changes needed to protect our well-being. Though we can’t predict the precise nature or timing of the next fiscal shock, we can know with certainty that challenges will come. It’s essential that lawmakers take steps now to increase our economic resilience.”*



**Brett Loper, Peterson Solutions Fund**

*“As our national debt soars beyond \$37 trillion, we need proactive measures and informed decision-making to help prepare for unforeseen, but inevitable, future emergencies. The Fiscal Contingency Preparedness Act is commonsense bipartisan legislation, designed to equip policymakers with essential data for when our country’s already stressed finances face unexpected crises such as recessions, natural disasters or national security threats.”*



**Michele Stockwell, Bipartisan Policy Center Action**

*"The burden of the national debt has already made life less affordable for everyday Americans, but the debt's harm could still increase substantially. As the Fiscal Contingency Preparedness Act correctly observes, an external event could spark a fiscal crisis, and our country must examine the dynamics of such a crisis so we can prevent one while we still can. BPC Action applauds Representatives Cline and Golden for introducing this legislation and calls on Congress to enact it."*



**Ben Ritz, Progressive Policy Institute**

*Everybody knows our ballooning national debt threatens to leave future policymakers without the fiscal space they need to respond to a crisis, but nobody knows just how big that threat is. The Fiscal Contingency Preparedness Act gives today's policymakers the tools they need to better understand fiscal risk and take proactive steps to mitigate it while they still can."*



**Problem Solvers Caucus**

*"With the national debt now exceeding \$38 trillion and annual interest payments projected to hit \$1 trillion this year — more than current spending on defense or Medicare — the nation's fiscal trajectory is unsustainable. At our current spending levels, our debt could significantly constrain our ability to respond effectively in times of crisis. The Fiscal Contingency Preparedness Act legislation directs the Secretary of the Treasury and the Director of the Office of Management and Budget (OMB) to carry out annual 'fiscal stress tests.' These assessments would provide lawmakers with critical information about vulnerabilities in our finances, the potential costs of various emergencies, and the trade-offs associated with different policy responses. While no one can predict when the next crisis will occur, this bill would ensure policymakers are not flying blind."*