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Testimony Submitted to the
House Appropriations Subcommittee on the Legislative Branch
Concerning the Congressional Budget Office
For the FY 2021 Appropriations Bill

Dear Chairman Ryan, Ranking Member Herrera Beutler, and Members of the Committee,

Thank you for the opportunity to submit testimony regarding the Fiscal Year (FY) 2021 House Legislative Branch Appropriations bill. On behalf of National Taxpayers Union (NTU), the nation's oldest taxpayer advocacy organization, we urge you to require a report from the Congressional Budget Office (CBO) on the costs, benefits, and feasibility of allowing lawmakers to request and receive formal CBO cost estimates prior to legislative markups.

CBO produces hundreds of formal cost estimates for proposed legislation every year, but almost 90 percent of these estimates are produced after a bill has been reported out of committee and to the full House or Senate.¹ While CBO receives “thousands of requests for informal reviews each year,” and will provide informal cost estimates for some bills prior to committee markup, it is clear that the vast majority of legislation marked up by Congressional committees come with no formal cost estimate.²

For a group like NTU, this is troubling. NTU has had a major impact on tax, spending, and regulatory policies for decades, and like the Committees of Congress we rely in part on CBO cost estimates to make the case for or against legislation with our grassroots network. Providing lawmakers with access to official, public cost estimates prior to legislative markups would allow Committee Members, NTU, and other stakeholders to address the spending, revenue, and deficit impacts of legislation before bills are considered by the full chambers.

Fortunately, there is bipartisan interest in asking CBO to produce more formal cost estimates prior to legislative markups. In 2017, amidst the debate over House Republican replacements for the Affordable Care Act (ACA), Congressman Ro Khanna (D-CA) introduced legislation that would have required CBO to produce cost estimates before any ACA-related legislation was considered by the House Committees on Ways and Means, Energy and Commerce, or Rules.³ The legislation garnered 13 Democratic co-sponsors representing 10 states.⁴

¹ Congressional Budget Office. (February 2018). “How CBO Prepares Cost Estimates.” Retrieved from: <https://www.cbo.gov/system/files/115th-congress-2017-2018/reports/53519-costestimates.pdf>

² Edelberg, Wendy, and Gullo, Teri. “CBO’s Cost Estimates.” Congressional Budget Office, October 29, 2015. Retrieved from:

<https://www.cbo.gov/sites/default/files/114th-congress-2015-2016/presentation/50934-costestimates.pdf#page=7>

³ Congressman Ro Khanna. (March 8, 2017). “Release: CBO Score Needed Before Health Care Replacement Bill Markup.” Retrieved from:

<https://khanna.house.gov/media/press-releases/release-cbo-score-needed-health-care-replacement-bill-markup-2>

⁴ Congress.gov. “Cosponsors: H.Res.178 — 115th Congress (2017-2018).” Retrieved from:

<https://www.congress.gov/bill/115th-congress/house-resolution/178/cosponsors?searchResultViewType=expanded&KWICView=false>

Many Republicans are also interested in this policy. The Republican Study Committee (RSC), which includes 147 House Republicans, included the following proposal in their FY 2020 Budget:

“...allow the chairman of a committee or the chair of the Committee on the Budget to request CBO prepare a preliminary report including estimated budgetary authority on legislation to be considered in committee.”⁵

In 2018, then-House Budget Committee Chairman Steve Womack (R-AR) asked CBO how feasible it would be for CBO to provide cost estimates prior to markups. CBO answered in short, “about 65 analysts are devoted to producing cost estimates after full committee markup, but producing estimates [on a routine basis] before markup would eliminate some of the work that now occurs afterward. Nevertheless, the additional resources that would be required would probably be substantial.”⁶ CBO added it would be happy to prepare a detailed estimate if helpful.

Despite the potential need for additional resources at CBO, making cost estimates available prior to markups would allow lawmakers to more fully analyze and consider the budgetary impact of bills at an early stage in the legislative process. CBO should conduct a detailed study of this proposal. To that end, NTU is requesting that the following language be included in the FY 2021 Legislative Branch appropriations bill:

Congressional Budget Office Cost Estimates Prior to Committee Markups: Within 180 days of enactment of this legislation, the Congressional Budget Office (CBO) shall provide to appropriators and make publicly available a report on the costs and benefits of allowing certain lawmakers to request and receive formal cost estimates of legislation prior to committee markups. CBO should examine the feasibility, cost, benefits, and drawbacks of allowing either the Chair of a committee, or the Chair and Ranking Member of a committee, or the Chairs and Ranking Members of the Committees on the Budget, to request formal cost estimates, and provide guidance on the amount of time and resources such requests would demand from CBO. It also shall assess whether and how many additional personnel might be required to accomplish this task.

As previously mentioned, NTU strongly supports allowing lawmakers to request formal cost estimates from CBO prior to legislative markups. However, we seek a clear picture of the additional burdens such a proposal will put on CBO, and request their input on the matter. We believe a report from CBO is the best way to receive this input. Thank you for your time and consideration, and I am happy to answer any and all questions the Committee may have.

⁵ Republican Study Committee. (May 2019). “Preserving American Freedom: Republican Study Committee Fiscal Year 2020 Budget.” Retrieved from: <https://mikejohnson.house.gov/sites/mikejohnson.house.gov/files/Final%20RSC%20FY%202020%20FOR%20PRI%20NT.pdf#page=135>

⁶ Congressional Budget Office. (July 26, 2018). “Answers to Questions for the Record Following a Hearing Conducted by the House Committee on the Budget on CBO Oversight: Economic Assumptions, Baseline Construction, Cost Estimating, and Scoring.” Retrieved from: https://www.cbo.gov/system/files/2018-07/54205-QFR-HBC_Oversight.pdf#page=8