

# Introduction to the Role of the Congressional Budget Office

April 3, 2024

Presentation at the Alliance for Health Policy's 2024 Health Policy Academy

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# What Is CBO's Purpose?

CBO was created by the Congressional Budget and Impoundment Control Act of 1974.

CBO was established to give the Congress a stronger role in budget matters.

The agency provides analysis of budgetary and economic issues that is objective and impartial. It is strictly nonpartisan and does not make policy recommendations.

CBO follows processes that are specified in statute or that it has developed in concert with the Budget Committees and Congressional leadership. CBO's chief responsibility under the Budget Act is to help the Budget Committees with the matters under their jurisdiction.

# What Information Does CBO Generally Provide to the Congress?

- **Baseline projections**—projections of federal spending and revenues under current law that help the Congress formulate its budget plan.
- **Cost estimates**—estimates of legislative proposals' effects on the federal budget that help the Congress stay within its budget plan.
- **Identification of federal mandates** (requirements that legislation imposes on state, local, or tribal governments or on private-sector entities) and estimates of their costs.
- **Scorekeeping information**, including estimates of the effects of proposed and enacted legislation on the major categories within the budget (appropriations, mandatory spending, and receipts).
- Estimates of the economic and budgetary effects of **policy options**.

# **CBO's Assessments Are Based on Detailed Analysis**

CBO bases its assessments on:

- Detailed understanding of federal programs and revenue sources;
- Examination of the relevant research literature;
- Analysis of data reported by federal statistical agencies and other groups;
- Consultation with outside experts in academia, think tanks, industry groups, the private sector, and federal, state, and local agencies; and
- Discussion with CBO's Panel of Economic Advisers and Panel of Health Advisers.

## What Does CBO Not Do?

- **Make policy recommendations.** CBO is strictly nonpartisan and makes no judgments about the merits of legislative proposals.
- **Write legislation.** Instead, CBO analyzes different proposals and options.
- **Implement programs or regulations or enforce budget rules.** The Budget Committees, other federal agencies, and the Office of Management and Budget are responsible for those roles.
- **Audit operations of government programs.** That is the role of the Government Accountability Office.

# **CBO's Organization and Staffing**

The agency employs about 270 full-time staff.

The Director is appointed jointly by the Speaker of the House and the President pro tempore of the Senate.

All staff are appointed by the Director solely on the basis of professional competence, without regard to political affiliation.

Eighty percent of CBO's professional staff hold advanced degrees in economics, public policy, public administration, or a related field.

## What Does CBO Produce in an Average Year?

In a typical year, CBO publishes the following on its website, [www.cbo.gov](http://www.cbo.gov):

- About 80 reports, working papers, testimonies, and interactive tools; and
- About 700 cost estimates, most with statements about the costs of mandates.

The agency also fulfills thousands of requests for technical assistance each year.