



## Testimony

# The Work of the Congressional Budget Office

**Keith Hall**  
**Director**

**Before the**  
**Committee on the Budget**  
**United States Senate**

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Chairman Enzi, Ranking Member Sanders, and Members of the Committee, I appreciate the opportunity to come before you today to discuss the work of the Congressional Budget Office. I would like to begin by thanking the Members of the committee and their staff for the support they have provided to CBO over many years, enabling the agency to provide timely, carefully thought-out nonpartisan budgetary and economic analysis to the Congress as it addresses the critical issues facing the nation. The Congressional budget process is complex, and CBO obviously plays a significant role in it. Over the years, CBO has relied on the budget committees to explain and communicate to others in the Congress what its role in that process is, to provide constructive feedback on how the agency can best serve the Congress, and to provide guidance on what legislative developments are occurring and what the Congress's priorities are. We are grateful for the support and guidance that the budget committees have provided throughout the 40 years of CBO's existence.

The Congressional Budget Act of 1974 instituted a formal process through which the Congress could develop, coordinate, and enforce its own budgetary priorities and created legislative institutions to implement the new Congressional budget process: the House and Senate Budget Committees to oversee execution of the budget process and the Congressional Budget Office to provide the budget committees and the Congress with objective, impartial information about budgetary and economic issues. CBO's work follows processes specified in that law or developed by the agency in concert with the budget committees and the Congressional leadership. The agency's chief responsibility under that law is to help the budget committees with the matters under their jurisdiction. It also supports other Congressional committees—particularly the Appropriations, Ways and Means, and Finance Committees, as required by the Budget Act—and the Congressional leadership.

To fulfill its mission to serve the Congress, CBO does the following:

- Prepares reports on the outlook for the economy;
- Analyzes trends and recent developments related to federal spending and revenues and constructs budget projections for the next 10 years and the longer term;

- Estimates the effects of the President's budgetary proposals and numerous alternative policy choices on the budget and the economy;
- Estimates the cost of legislative proposals—which involves providing formal cost estimates for all bills reported by committees of the House and Senate, many more informal cost estimates while legislation is being developed, estimates of the cost of all appropriation bills, and estimates of the cost of numerous amendments as legislation is considered by the House and Senate;
- Estimates the cost of intergovernmental and private-sector mandates in reported bills;
- Conducts policy studies of governmental activities, policy choices facing lawmakers, and other developments that have significant budgetary and economic impacts—which involves analyzing Social Security, Medicare, Medicaid, other benefit programs, national security issues, energy policy, environmental issues, tax policy, labor markets, education policy, housing policy, government credit programs, infrastructure, immigration policy, and many other topics; and
- Provides testimonies on a broad range of budget and economic issues.

In 2014, for example, CBO produced several hundred formal cost estimates and mandate statements, thousands of informal estimates, more than 100 “scorekeeping” tabulations for appropriation acts, and multiple budget projections and economic forecasts. In addition, the agency released several dozen analytic reports and working papers. (For some details, see the appendix.)

For fiscal year 2016, CBO has requested an appropriation of \$47.3 million, an increase of \$1.6 million, or 3.4 percent, from the \$45.7 million provided to the agency for 2015. In the coming year, CBO will continue to be guided by its core values, seek to devote additional resources to macroeconomic analysis and health care issues, and focus on meeting three broad goals: continuing to provide the Congress with budget and economic information that is objective, insightful, and timely; presenting and explaining the methodology and results of CBO's analyses clearly; and improving CBO's internal management.

## CBO Will Continue to Be Guided by Core Values

In a 1976 memorandum, CBO's founding director, Dr. Alice Rivlin, enunciated some of the agency's core values:

As we begin the first full year with the new Congressional budget procedures in place, I want to emphasize once again that CBO must be, and must be perceived to be, an objective, non-partisan, professional organization in the service of the Congress. . . . Our work and our publications must always be balanced, thorough and free of any partisan tinge. . . . Our task is to provide information which will help the whole Congress in reaching its decisions.

The agency is committed to providing information that is:

- Objective—representing not the personal opinions of CBO staff but the consensus and diversity of views of experts from around the country;
- Insightful—applying the best new evidence and innovative ideas as well as the lessons of experience;
- Timely—responding as quickly as possible to the needs of the Congress; and
- Clearly presented and explained—so that policymakers and analysts understand the basis for the agency's findings and have the opportunity to question the analysis and methods used.

In keeping with CBO's mandate to provide analysis that is objective and impartial, the agency makes no policy recommendations. Instead, it strives to present fully and fairly the likely consequences of alternative proposals being considered by the Congress so that lawmakers can make informed policy choices.

All of CBO's estimates and reports are reviewed internally for objectivity, analytical soundness, and clarity. That rigorous process involves multiple people at different levels in the organization. In addition, CBO consults with numerous outside experts who represent a variety of perspectives. The experts include professors, analysts at think tanks, representatives of industry groups, other private-sector experts, and people working for federal agencies and for state and local governments. CBO's analytic

reports are reviewed by outside experts who specialize in the issue at hand and who have diverse views about the topic being analyzed and methods of analysis. In some cases, those experts are members of CBO's Panel of Economic Advisers or Panel of Health Advisers. Although such experts provide considerable assistance, CBO is solely responsible for its work.

CBO makes its work widely available to the Congress and the public by releasing publicly all of its formal cost estimates and analytic reports. It delivers its work to interested Members of Congress and their staff, including, in particular, the sponsor of legislation or requester of a report, the Chairman and Ranking Member of the committees of jurisdiction, and the budget committees. Soon after delivery to those key interested parties, the agency posts the work on its website. In addition, an email service, Twitter announcements, and RSS feeds notify subscribers when the agency publishes work. CBO continually strives to make its work more accessible on its website and on its social media platforms. For example, the agency has made a number of enhancements to the website, such as creating a special collection for major recurring reports and producing an online version of its budget options volume.

In some circumstances, though, the needs of the Congress lead CBO to keep the results of an analysis confidential. Such analyses include informal cost estimates and other types of information produced to assist in the development of legislation. Those informal communications are preliminary because they do not undergo the same review required for formal estimates. They are often prepared when committees are evaluating alternative proposals to accomplish their goals, have not made any specific proposals public, and need the flexibility to modify their proposals before they become public, sometimes in response to CBO's preliminary estimates. In fact, CBO's analysts often provide informal, preliminary estimates to committee staff for a broad range of legislative options, making possible the consideration of different approaches before a specific legislative path is decided upon. In such situations, CBO recognizes that the confidentiality of its work is critical to committees' deliberations, so it keeps its informal estimates confidential as long as the proposals are not made public. (Such confidentiality generally does not apply to proposals that differ only in minor details from ones that are in the public domain.) However, once such a proposal becomes public—as introduced legislation or through public discussion of its major elements—

CBO makes its estimate for that proposal available to any interested party in the Congress.

## **CBO Aims to Devote More Resources to Macroeconomic Analysis and Health Care Issues**

About one-quarter of the requested increase in CBO's budget, roughly \$440,000, would fund three new full-time-equivalent positions (FTEs): The agency aims to boost its staffing from the 235 FTEs contemplated in the 2015 appropriation to 238 for 2016. The additional FTEs would be devoted to analyzing the economic effects of federal tax and spending policies, including conducting "dynamic analysis" of certain legislation as specified in the budget resolution, and analyzing health care issues.

### **Give Special Emphasis to Dynamic Analysis**

In May 2015, the Congress adopted a concurrent resolution on the budget for fiscal year 2016 requiring CBO, to the greatest extent practicable, to incorporate macroeconomic effects into its cost estimates for major legislation approved by Congressional committees. Because macroeconomic analyses require complex modeling and a significant amount of time, they can be produced only for a small number of major proposals, and only if time allows.

With a few exceptions, CBO's cost estimates for individual legislative proposals in previous years have not reflected changes in behavior that would affect the total output of the economy, such as any changes in the labor supply or private investment resulting from changes in fiscal policy, and that would thereby affect the federal budget. That is, CBO's cost estimates have generally not included what is sometimes known as dynamic scoring. CBO and the budget committees have followed that approach since the Congressional budget process was established in the 1970s, reflecting the infeasibility of completing macroeconomic analysis of all proposed legislation, the negligible budgetary impact of the macroeconomic effects of most legislation, and the uncertainty of such estimates. The only exceptions have been a few cost estimates for immigration legislation that would have substantially increased the size of the U.S. labor force. Assuming that those bills would have had no effect on overall output would have ignored one of their primary effects and distorted the estimates too severely.

Nevertheless, CBO has devoted significant effort to developing analytical tools that enable the agency to assess the macroeconomic effects of fiscal policies. In selected reports—as distinguished from cost estimates—CBO has provided estimates of the effects that significant changes in federal spending and tax policies would have on the overall economy. Some of those analyses have also examined how the projected changes in the economy would in turn affect the federal budget. Recent reports incorporating such analyses include the agency's annual examination of the economic impact of the President's budget, its annual *Long-Term Budget Outlook*, and several reports on the macroeconomic effects of alternative budgetary paths, including those specified in the recently passed Congressional budget resolution. CBO has also reported on some of the economic effects of policies on other occasions—for the American Recovery and Reinvestment Act of 2009, the Affordable Care Act, and proposed legislation to increase the minimum wage, for instance.

CBO expects to devote considerable attention to further developing its capacity to conduct dynamic analysis in the coming year, so that it can effectively carry out the requirements specified in the budget resolution. The agency anticipates that the form in which the information is provided to the Congress will evolve over time depending on what sort of presentation seems most useful. Cost estimates that incorporate dynamic analysis will include all of the information typically presented in cost estimates as well as information on the macroeconomic effects and the uncertainty surrounding those effects. To the extent possible within the time available, CBO will explain the basis for determining the budgetary impact of macroeconomic effects. The agency has already shifted some resources to bolster its dynamic analysis and has requested funding for additional staff to work on such analyses.

### **Give Special Emphasis to Analysis of Federal Health Care Spending**

CBO faces significant challenges in projecting the future costs of federal health care programs and in analyzing proposals to change those programs. Although spending for health care in the United States has grown more slowly in recent years than it had previously, health care spending per person has grown faster, on average, than the nation's economic output per person during the past few decades.

CBO expects that federal spending on the government's major health care programs will continue to rise substantially relative to the size of the economy, though the estimates are subject to a considerable degree of uncertainty. A particular challenge currently is assessing the extent to which the recent slowdown in the growth of health care spending results from temporary factors like the recession or, instead, reflects more enduring developments. CBO has found no direct link between the recession and slower growth in spending for Medicare. Accordingly, over the past several years, CBO has substantially reduced its 10-year and long-term projections of spending per person for Medicare, for Medicaid, and for the country as a whole. However, the growth rates for such spending per person are expected to rebound somewhat from their recent very low levels without returning all the way to the high levels of the past.

Interest in legislative proposals related to health care—on the part of committees of jurisdiction, the Congressional leadership, and the budget committees—remains very high. The enactment of the Affordable Care Act in 2010 has been followed by a great deal of Congressional interest in analysis of that legislation and of possible modifications to it. Several developments and possibilities could heighten that interest, along with CBO's workload. More data will become available about the costs of the expansion of health insurance coverage under the Affordable Care Act, which will further understanding of potential effects of changing that law. In addition, the Supreme Court's upcoming ruling regarding that act could require changes to CBO's baseline projections for health care spending and could lead to significant legislative activity.

In the coming year, CBO expects to expend a great deal of effort analyzing health care spending. The agency is in the process of analyzing various aspects of the health care system and enhancing its analytical capacity to assess the effects of future legislation on that system and on the federal budget. It is training a number of new analysts to replace those who have recently retired or accepted attractive offers to work elsewhere and continues to recruit analysts to boost the quantity of analysis while maintaining or enhancing the quality.

### **CBO Will Focus on Meeting Three Broad Goals**

On a broader scale, in carrying out its mission of serving the Congress during 2015 and 2016, CBO will focus on meeting three goals:

- Continue to provide the Congress with budget and economic information that is objective, insightful, and timely.
- Continue to present and explain the methodology and results of CBO's analyses clearly.
- Continue to improve CBO's internal management.

### **Continue to Provide the Congress With Budget and Economic Information That Is Objective, Insightful, and Timely**

In the coming year, CBO expects to provide the following estimates and other analyses to the Congress in quantities roughly similar to last year's:

- About 20 reports presenting an assessment of budgetary developments during the current fiscal year, the outlook for the budget and the economy, analyses of the President's budget, long-term budget projections, and options for reducing budget deficits;
- More than 500 formal cost estimates, most of which will include not only estimates of federal costs but also assessments of the cost of mandates imposed on state, local, and tribal governments or the private sector;
- Thousands of preliminary, informal cost estimates, the demand for which is very high as committees seek to have a clear picture of the budgetary impact of proposals and variants of proposals before they formally consider legislation;
- About 120 scorekeeping tabulations, including account-level detail for individual appropriation acts at all stages of the legislative process and summary tables showing the status of discretionary appropriations (by appropriations subcommittee) and running totals on a year-to-date basis; and
- Roughly 85 analytic reports and other publications—generally required by law or prepared in response to requests from the Chairmen and Ranking Members of key committees—on a broad range of topics, including health care, policies for increasing economic growth and opportunity, changes in benefit programs, defense policy, infrastructure, energy policy, and the government's role in the financial system. Those publications will also include working papers to enhance the transparency of CBO's analysis and to encourage external review of that analysis.

Such a body of analysis requires very hard work by CBO's highly dedicated staff. Nevertheless, the agency expects that the anticipated volume of estimates and other analyses it can produce will fall considerably short of the number of Congressional requests. The demands on CBO remain intense, especially with regard to health care issues: In addition to the interest in analyses of the Affordable Care Act and possible modifications to it, committees are considering many other types of proposals for changes in federal health care programs. Also, the slow recovery from the economic downturn has spurred interest in the agency's economic forecasts and in policies that might affect economic growth and opportunity in both the near term and the longer term. Moreover, the surge in federal debt and the high level of projected deficits have led to ongoing Congressional efforts to enact fundamental changes in spending and tax policies. Other issues arise frequently and create a heavy workload—including, for example, ones surrounding the Highway Trust Fund, immigration, defense authorization bills, farm legislation, employment benefits, trade adjustment assistance, and reform of the Postal Service.

Analyzing the possibilities and proposals has strained the agency's resources in many areas. As a result, responding in a balanced way to requests from both the majority and minority of multiple committees in both the Senate and the House is a continuing challenge. CBO regularly consults with committees and the Congressional leadership to ensure that its resources are focused on the work that is of highest priority to the Congress.

### **Continue to Present and Explain the Methodology and Results of Analyses Clearly**

CBO makes a considerable effort to make its work transparent by explaining the basis of its findings so that Members of Congress, their staff, and outside analysts can understand the results and question the methodologies used. In particular, although much of the work that CBO does is extremely technical in nature, the agency devotes substantial time and energy to presenting the work as clearly and nontechnically as possible.

Obtaining feedback in response to those efforts is a key element of CBO's efforts to ensure that the information it provides is of the highest quality; another key element is conducting extensive external review of the agency's analytic reports before they are released and of the methodologies on which its products are based.

In the coming year, input from outside experts and extensive external review will remain an important component of transparency:

- CBO will continue to solicit external professional review of its work so that the agency's analyses reflect both the consensus and diversity of views of experts from around the country.
- CBO's reports will be reviewed by outside experts before publication. Those reviewers will include professors, analysts at think tanks, private-sector experts, and employees at other government agencies. CBO will select reviewers whom it expects to have diverse views about the topics being analyzed and methods of analysis.
- The agency's cost estimates will often draw on consultation with outside experts.
- The agency's Panel of Economic Advisers will meet twice to provide input on the agency's latest economic forecast and other issues, and the agency's Panel of Health Advisers will meet to evaluate the agency's analyses of health care issues and examine new research in health care and health care financing. CBO will also regularly consult with those distinguished experts and other experts for guidance on the agency's work on a broad range of topics.

CBO's documents and related information will aim to go well beyond presentations of results:

- Formal cost estimates will describe the basis for the estimate—that is, the information that CBO collected and how that information was used in constructing the estimates.
- The agency will document and explain the revisions to its budget projections in each successive baseline, and it will report on the accuracy of its projections. CBO has recently released an assessment of the accuracy of its economic forecasts and will soon release a similar analysis of its revenue forecasts.
- The agency will publish supplementary data and other technical information with some of its key reports.
- Many of CBO's reports will provide substantial discussions of the relevant research literature and CBO's modeling approaches—in the text, in separate boxes, or in appendixes.

- CBO will publish background reports and working papers providing details about its analyses for nonexperts and technical descriptions for experts.

And the agency will promote transparency by providing broad access:

- When CBO completes a budget or economic projection, a cost estimate for a public piece of legislation, or another type of analysis, it will make the results of that analysis available immediately to all Members of Congress, their staff, and the public.
- CBO's analysts will regularly explain details underlying the agency's estimates and other analyses to interested Hill staff.
- To promote discussion among experts in the field, CBO's analysts will present their work—including descriptions of their modeling approaches—in working papers and at professional conferences.

Examples from CBO's past work illustrate other aspects of the agency's commitment to transparency. For instance, when CBO revised its views of the effectiveness of malpractice reform in reducing health care costs, of the effect of prescription drug use on Medicare's spending for other health care services, and of the effect on the budget deficit of raising Medicare's age of eligibility to 67, it issued reports explaining why.

In addition, CBO undertakes and publishes analyses of the sensitivity of its estimates to key parameters. For example, CBO's analyses of the economic effects of fiscal policies include alternative estimates that would apply if various effects were stronger or weaker than expected—such as the amount of short-term restraint provided by higher taxes or lower government spending, the response of the labor supply to changes in tax rates, the effects of budget deficits on private saving and international capital flows, and the effect of changes in federal investment on the economy. Similarly, a report on employment-based health insurance under the Affordable Care Act showed how the results would vary if employers' and employees' responses to that act differed from the agency's expectations.

Because the overall demand for CBO's work is high and its resources are constrained, the agency needs to balance

the desire to publish more detail about finished analyses with requests for new analyses and with its other responsibilities, such as regularly updating its baseline budget and economic projections. Much of CBO's analysis is very technical, so publishing explanations of the models and other analytic techniques used is time-consuming. Because the pace of Congressional action often requires CBO to produce its analysis quickly, the amount of explanation that can be provided when an estimate or analytic report is released is usually limited by the time available. How to strike the appropriate balance between publishing additional explanation, undertaking new analyses, and pursuing other responsibilities is part of the guidance about priorities that CBO seeks from committees and the Congressional leadership.

### **Continue to Improve Internal Management**

In addition to focusing directly on serving the Congress, CBO devotes resources to attracting and retaining talented people, developing their skills, and providing the support services and other infrastructure needed to make them as productive as possible. In a recent assessment conducted by the Partnership for Public Service, CBO was ranked the sixth best place to work among 30 small federal agencies and received higher ratings than all but one of the midsized and large agencies. CBO is incorporating the feedback from the survey into the broad management goals that it has pursued in recent years, including keeping staff current in their fields and enhancing the agency's ability to communicate clearly.

CBO continues to face considerable competitive pressure in attracting and retaining the highly educated and skilled employees that it needs. More than two-thirds of CBO's staff consists of economists and budget analysts. Talented people with those backgrounds are highly sought by other government agencies, private analytic organizations, universities, and private companies. Some of CBO's economists and budget analysts could earn significantly higher compensation working in the executive branch, and many could do so working in the private sector. Moreover, the gap between the compensation that CBO can provide and the compensation that people with such backgrounds can receive elsewhere is increasing. For example, in the past 17 years, the average inflation-adjusted annual salary paid to professors of economics has risen by about 47 percent, while the highest inflation-adjusted annual salary paid at CBO has fallen by 7 percent. In addition, most of CBO's staff who are not economists or budget analysts work in



other fields with competitive private labor markets; that group includes information technology professionals, lawyers, and others.

To attract and retain talented employees, CBO relies heavily on the nonmonetary rewards of working at the agency. Fortunately, the appeal of the agency's mission to provide objective analyses, the intellectual challenges, the open and collaborative culture that the agency has maintained since its founding, and the satisfaction of public service have enabled CBO to build a dedicated and skilled workforce. However, with the current limits on the salaries that CBO can pay in the competitive markets for economists, budget analysts, and other professionals, hiring and retaining strong performers will be difficult over the long term.

This testimony incorporates information from *CBO's Appropriation Request for Fiscal Year 2016*, testimony provided by CBO's Director before the Subcommittee on the Legislative Branch of the Senate Committee on Appropriations on March 10, 2015. That document represents the work of many people at CBO.

This testimony is available on CBO's website, at [www.cbo.gov/publication/50177](http://www.cbo.gov/publication/50177).



Keith Hall  
Director





## Appendix: CBO's Products in 2014

In 2014, the Congressional Budget Office produced several hundred formal cost estimates and mandate statements, thousands of informal estimates, more than 100 “scorekeeping” tabulations for appropriation acts, and multiple budget projections and economic forecasts. In addition, the agency released several dozen analytic reports and working papers.

### Formal Cost Estimates and Mandate Statements

CBO completed more than 600 formal cost estimates in 2014. They generally included explanations of the components of the estimates and the estimating methodology used. Major cost estimates included, for example, those for the Howard P. “Buck” McKeon National Defense Authorization Act for Fiscal Year 2015 (H.R. 4435), the TRIA Reform Act of 2014 (H.R. 4871), the Postal Reform Act of 2014 (S. 1486), the SGR Repeal and Medicare Beneficiary Improvement Act of 2013 (S. 1871), and the Veterans Access to Care Act of 2014 (H.R. 3230).

The vast majority of the formal cost estimates also included mandate statements, which assess whether legislation contains intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and, if so, assess the magnitude of the mandates’ effects on the private sector and on state, local, and tribal governments.

That count of formal estimates greatly understates CBO’s total cost-estimating workload because most of the agency’s estimates are provided on a preliminary, informal basis, when legislative proposals are still at the early stages of development by committees or by the leadership of the House or Senate. CBO provided thousands of informal cost estimates in 2014.

In addition, CBO provided estimates pursuant to the Statutory Pay-As-You-Go Act of 2010. Such estimates are

requested by one of the budget committees for inclusion in the *Congressional Record* before House or Senate passage of legislation.

### Scorekeeping Tabulations

On an ongoing basis during 2014, CBO provided spending estimates with account-level detail for individual appropriation acts at all stages of the legislative process. Those tabulations totaled 110 last year. The agency also provided periodic summary tables showing the status of discretionary appropriations (by appropriations subcommittee) and running totals on a year-to-date basis.

### Budget and Economic Projections and Related Analyses

CBO provided two 10-year economic projections in 2014 (in February and August) and three 10-year budget projections (in February, April, and August). Those projections were presented in *The Budget and Economic Outlook: 2014 to 2024* (February), *Updated Budget Projections: 2014 to 2024* (April), and *An Update to the Budget and Economic Outlook: 2014 to 2024* (August). CBO also released an extensive amount of additional data related to those projections.

CBO produced analyses of the budgetary and economic impacts of the President’s budgetary proposals in *An Analysis of the President’s 2015 Budget* (April) and *The Economic Effects of the President’s 2015 Budget* (July).

In addition, the agency provided a comprehensive analysis of the federal budget over a 25-year horizon in *The 2014 Long-Term Budget Outlook* (July). That report also included analysis of the economic outcomes under different budgetary paths and of the uncertainty surrounding long-term budget projections, as well as supplemental projections extending to 75 years.

Continuing its practice of producing a compendium of possibilities for cutting federal spending or increasing federal tax revenues, CBO published *Options for Reducing the Deficit: 2015 to 2024* (November).

At the beginning of every month in 2014, CBO published its *Monthly Budget Review*. That report provides a timely analysis of the previous month's outlays and revenues and a review of budgetary developments for the fiscal year to date.

## Analytic Reports

In addition to the budget and economic projections and related reports (discussed above), CBO published several dozen analyses of budget and economic issues in 2014. Some of those analyses took the form of formal reports; others were conveyed through testimonies before Congressional committees, answers to questions for the record following a Congressional hearing, letters to Members of Congress, and infographics (visual presentations of estimates and analysis). Those analyses, arranged by topic, are listed below.

In conjunction with some of its analytic reports, CBO posted supplemental data, and it posted certain data of interest as stand-alone publications. In addition, the agency posted more than 35 presentations, most drawn from published analyses. And it produced blog posts on various topics.

### Analyses of Broad Budgetary Issues

*Answers to Questions for the Record Following a Hearing on the 2014 Long-Term Budget Outlook Conducted by the House Committee on the Budget* (September)

*Sequestration Update Report: August 2014*

*CBO's Projections of Federal Receipts and Expenditures in the National Income and Product Accounts* (August)

*The 2014 Long-Term Budget Outlook* (Testimony before the House Committee on the Budget, July)

*Answers to Questions for the Record Following a Hearing on the Budget and Economic Outlook for 2014 to 2024 Conducted by the House Committee on the Budget* (June)

*Answers to Questions for the Record Following a Hearing on the Budget and Economic Outlook for 2014 to 2024 Conducted by the Senate Committee on the Budget* (June)

*Letter to the Honorable Paul Ryan on the Feasibility of CBO Undertaking the Analyses That Would Be Required by the Amendments to H.R. 1874, the Pro-Growth Budgeting Act of 2013* (April)

*Discretionary Spending in 2013* (Infographic, April)

*The Federal Budget in 2013* (Infographic, April)

*Mandatory Spending in 2013* (Infographic, April)

*Revenues in 2013* (Infographic, April)

*Budgetary and Economic Outcomes Under Paths for Federal Revenues and Noninterest Spending Specified by Chairman Ryan, April 2014*

*A Review of CBO's Activities in 2013 Under the Unfunded Mandates Reform Act* (March)

*Letter to the Honorable Paul Ryan Regarding Federal Spending for Major Mandatory Spending Programs and Tax Credits That Are Primarily Means-Tested* (March)

*The Budget and Economic Outlook: 2014 to 2024* (Testimony before the Senate Committee on the Budget, February)

*The Budget and Economic Outlook: 2014 to 2024* (Testimony before the House Senate Committee on the Budget, February)

*Unauthorized Appropriations and Expiring Authorizations* (January)

*Final Sequestration Report for Fiscal Year 2014* (January)

*Letter to the Honorable Patty Murray Regarding CBO's Report on Appropriations and Sequestration for Fiscal Year 2014* (January)

### Analyses of Broad Economic Issues

*The Economic and Budgetary Effects of Producing Oil and Natural Gas From Shale* (December)

*Federal Policies and Innovation* (November)

*How CBO Analyzes the Effects of Changes in Federal Fiscal Policies on the Economy* (November)

*Characteristics of the Long-Term Unemployed in March 2007 and March 2014* (October)

*Answers to Questions for the Record Following a Hearing on the Minimum Wage Conducted by the Senate Committee on Health, Education, Labor, and Pensions* (May)

*Increasing the Minimum Wage: Effects on Employment and Family Income* (Testimony before the Senate Committee on Health, Education, Labor, and Pensions, March)

*Estimated Impact of the American Recovery and Reinvestment Act on Employment and Economic Output in 2013* (February)

*Revisions to CBO's Projection of Potential Output Since 2007* (February)

*The Effects of a Minimum-Wage Increase on Employment and Family Income* (February)

*The Slow Recovery of the Labor Market* (February)

### **Analyses of Financial Markets and Credit Programs**

*Transitioning to Alternative Structures for Housing Finance* (December)

*Answers to Questions for the Record Following a Hearing on the Export-Import Bank Conducted by the House Committee on Financial Services* (October)

*Budgetary Estimates for the Single-Family Mortgage Guarantee Program of the Federal Housing Administration* (September)

*Estimates of the Cost of the Credit Programs of the Export-Import Bank* (Testimony before the House Committee on Financial Services, June)

*Fair-Value Estimates of the Cost of Selected Federal Credit Programs for 2015 to 2024* (May)

*Report on the Troubled Asset Relief Program—April 2014*

### **Analyses of Health Care Issues**

*Comparing the Costs of the Veterans' Health Care System with Private-Sector Costs* (December)

*How Initiatives to Reduce Fraud in Federal Health Care Programs Affect the Budget* (October)

*Competition and the Cost of Medicare's Prescription Drug Program* (July)

*Payments of Penalties for Being Uninsured Under the Affordable Care Act: 2014 Update* (June)

*Updated Estimates of the Effects of the Insurance Coverage Provisions of the Affordable Care Act, April 2014*

*Approaches to Reducing Federal Spending on Military Health Care* (January)

### **Analyses of Highway Financing and Infrastructure Issues**

*Answers to Three Questions Regarding the Status of the Highway Trust Fund* (June)

*Answer to a Question Regarding the Status of the Highway Trust Fund* (June)

*The Highway Trust Fund and the Treatment of Surface Transportation Programs in the Federal Budget* (June)

*Answers to Questions for the Record Following a Hearing on New Routes for Funding and Financing Highways and Transit Conducted by the Senate Committee on Finance* (June)

*The Status of the Highway Trust Fund and Options for Financing Highway Spending* (Testimony before the Senate Committee on Finance, May)

*Public-Private Partnerships for Highway Projects* (Testimony before the House Panel on Public-Private Partnerships, Committee on Transportation and Infrastructure, March)

### **Analyses of National Security Issues**

*An Analysis of the Navy's Fiscal Year 2015 Shipbuilding Plan* (December)

*Long-Term Implications of the 2015 Future Years Defense Program* (November)

*Growth in DoD's Budget From 2000 to 2014* (November)

*Historical and Planned Future Budgets for the Missile Defense Agency's Ground-Based Midcourse Defense Program* (July)

*Letter to the Honorable Howard P. “Buck” McKeon Regarding a Preliminary Estimate of the Direct Spending Effects of H.R. 4435, the Howard P. “Buck” McKeon National Defense Authorization Act for Fiscal Year 2015 (May)*

### **Analyses of Tax Issues**

*Taxing Capital Income: Effective Marginal Tax Rates Under 2014 Law and Selected Policy Options (December)*

*The Distribution of Household Income and Federal Taxes, 2011 (November)*

*Answers to Questions From Senator Hatch About Various Options for Payroll Taxes and Social Security Tax Issues (July)*

### **Other Analyses**

*CBO’s 2014 Long-Term Projections for Social Security: Additional Information (December)*

*Letter to the Honorable Paul Ryan Regarding Estimating the Budgetary Effects of Disposing of Land and Associated Natural Resources (December)*

*Letter to the Honorable Patrick J. Leahy Regarding Budgetary Impact of Court Decisions Related to Salaries and Benefits of Federal Judges (September)*

*Veterans’ Disability Compensation: Trends and Policy Options (August)*

*The Renewable Fuel Standard: Issues for 2014 and Beyond (June)*

*Letter to the Honorable Ron Wyden Regarding S. 1875, the Wildfire Disaster Funding Act of 2013, and H.R. 3992, the Wildfire Disaster Funding Act of 2014 (May)*

### **Working Papers**

To enhance the transparency of CBO’s work and to encourage external review of that work, the agency’s working papers provide technical descriptions of official CBO analyses or present independent research by CBO analysts. In 2014, CBO posted eight working papers:

*Updated Death and Injury Rates of U.S. Military Personnel During the Conflicts in Iraq and Afghanistan (December)*

*Assessing the Design of the Low-Income Subsidy Program in Medicare Part D (October)*

*Labor Force Participation Elasticities of Women and Secondary Earners Within Married Couples (September)*

*Modeling the Budgetary Costs of FHA’s Single Family Mortgage Insurance (September)*

*Examining the Number of Competitors and the Cost of Medicare Part D (July)*

*Complementary Putty-Clay Capital and Its Implications for Modeling Business Investment and Measuring Income from Intangible Capital (April)*

*The Long-Run Effects of Federal Budget Deficits on National Saving and Private Domestic Investment (February)*

*Market Efficiency and the U.S. Market for Sulfur Dioxide Allowances (January)*

