



Congressional Budget Office

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How CBO Promotes Integrity in Its Analyses

Presentation at a Seminar Organized by the
Association for Integrity and Responsible Leadership in
Economics and Associated Professions

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Director

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

It provides analysis of budgetary and economic issues that is **objective** and **impartial**. The agency is strictly **nonpartisan**.

CBO's Staff

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

CBO has about **235 employees**, who are hired solely on the basis of professional competence, without regard to political affiliation. Most have advanced degrees.

CBO's Products

- **Baseline budget projections** and **economic forecasts** covering the 10-year period used in the Congressional budget process
- **Long-term budget projections**
- **Cost estimates** of legislation, including analyses of federal mandates
- **Analysis of the President's budget** (including its likely economic effects and their budgetary feedback)
- **Scorekeeping** for enacted legislation
- **Analytic reports** examining specific federal programs, aspects of the tax code, and budgetary and economic challenges

CBO's Estimates

CBO's estimates **focus on the next 10 years** but sometimes look 20 years ahead or more.

They are meant to **reflect the middle of the distribution** of possible outcomes.

The estimates **incorporate behavioral responses** to the extent feasible, on the basis of the available evidence.

They **are open to new information** and may change as a result.

They **include explanations** of the analysis to the extent feasible.

Maintaining the Credibility of CBO's Work

CBO does not

- Make policy recommendations
- Write legislation
- Implement programs or regulations
- Enforce budget rules
- Evaluate the historical performance of government programs

CBO 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 ideas as well as the lessons of experience

To ensure objectivity

- CBO's analysts carefully examine the relevant research literature and data
- CBO enforces strict rules to prevent its employees from having financial conflicts of interest and to limit its employees' political activities

CBO's analytic reports

- Go through rigorous internal review by many people at different levels in the organization
- Incorporate feedback, when that is practical, from outside experts with a broad range of views who specialize in the issue at hand

CBO aims to make its analysis transparent in many ways, including

- Explaining the **revisions** to its major economic and budget projections
- Describing the **uncertainty** of its projections and quantifying that uncertainty when appropriate
- Evaluating the projections
 - *CBO's Revenue Forecasting Record*
 - *CBO's Economic Forecasting Record: 2015 Update*

A **Panel of Economic Advisers** improves CBO's understanding of economic research, macroeconomic developments, and economic policy.

A **Panel of Health Advisers** improves CBO's understanding of health research and of developments in health care delivery and financing.

Members of CBO's panels of advisers

- Are widely recognized experts on a range of issues
- Have a variety of backgrounds, areas of knowledge, and experience
- Join periodic meetings at CBO and provide their views between meetings via email exchanges and telephone calls