



Congressional Budget Office

CBO's Role in the Legislative Process

114th Congress New Member Orientation

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Director

November 17, 2014

The Congressional Budget Office provides the Congress with objective, nonpartisan information about the federal budget and the economy

CBO Provides Information of Various Sorts:

Baseline budget projections and **economic forecasts** that cover the 10-year period used in the Congressional budget process

Long-term budget projections

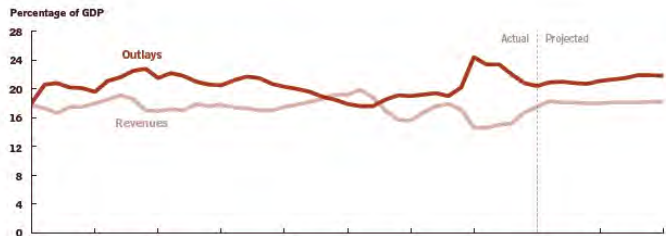
Analysis of the **President's budget** (including its likely economic effects and their budgetary feedback)

Cost estimates for legislation (including analyses of federal mandates)

Analytic reports that examine specific federal programs, aspects of the tax code, and budgetary and economic challenges

CBO

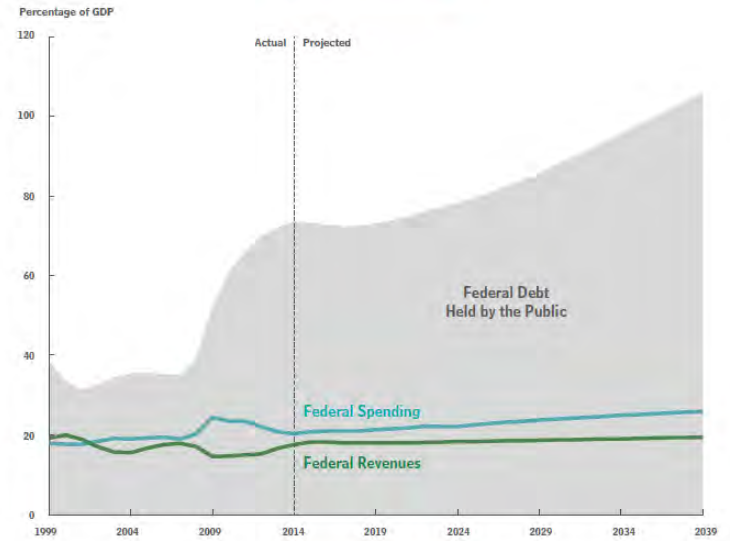
An Update to the Budget and Economic Outlook: 2014 to 2024



AUGUST 2014

CBO

The 2014 Long-Term Budget Outlook



JULY 2014



CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE

October 3, 2014

H.R. 5492
Inspector General Empowerment Act of 2014

*As ordered reported by the House Committee on Oversight and Government Reform
on September 17, 2014*

SUMMARY

H.R. 5492 would authorize the appropriation of \$68 million over the 2015-2021 period for the Council of the Inspectors General on Integrity and Efficiency (CIGIE).

Based on information from selected Inspector Generals (IGs) and assuming appropriation of the authorized amounts, CBO estimates that implementing H.R. 5492 would cost \$44 million over the 2015-2019 period. Enacting the bill would not affect direct spending or revenues; therefore, pay-as-you-go procedures do not apply.

H.R. 5492 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would not affect the budgets of state, local, or tribal governments.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary effect of H.R. 5492 is shown in the following table. The costs of this legislation fall within all budget functions that have spending on IGs.

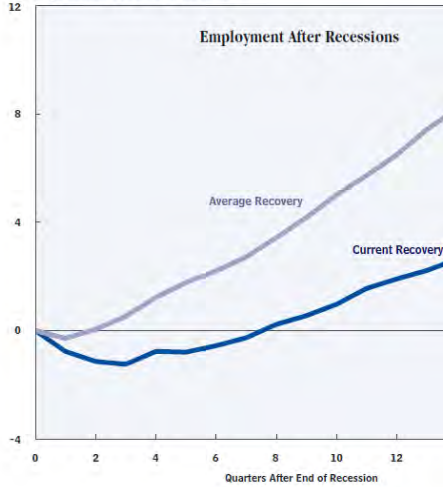
	By Fiscal Year, in Millions of Dollars					2015- 2019
	2015	2016	2017	2018	2019	
CHANGES IN SPENDING SUBJECT TO APPROPRIATION						
Authorization Level ^a	8	9	9	10	10	46
Estimated Outlays	6	9	9	10	10	44

a. H.R. 5492 also would authorize the appropriation of \$11 million in each of fiscal years 2020 and 2021.

CBO

The Slow Recovery of the Labor Market

Percentage Difference From End of Recession



FEBRUARY 2014

CBO

Competition and the Cost of Medicare's Prescription Drug Program



JULY 2014

CBO

Veterans' Disability Compensation: Trends and Policy Options



AUGUST 2014

CBO's Estimates...

Focus on the **next 10 years**, but sometimes look out 20 years or more

Are meant to reflect the **middle of the distribution** of possible outcomes

Incorporate **behavioral responses** to the extent feasible, based on whatever evidence is available

May change over time in **response to new analysis** by CBO and others

Provide **explanations of the analysis** to the extent feasible

CBO Does Not ...

Make policy recommendations

Write legislation

Enforce budgetary rules

Implement programs or regulations

Audit spending or receipts

More About CBO's Cost Estimates

They show changes, relative to current law, in spending and revenues, by year for up to 10 years.

We prepare between 500 and 600 written estimates a year. Most of those estimates are completed after bills are approved by committees; they run from 1 page to 10 pages or more; and they are all posted on CBO's website (www.cbo.gov).

We also prepare thousands of informal estimates each year to assist the Chairs and Ranking Members of committees during the process of drafting legislation or considering amendments. Those estimates are confidential because they apply to confidential proposals under development.