CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE

September 16, 2015

H.R. 692
Default Prevention Act

As ordered reported by the House Committee on Ways and Means on September 10, 2015

H.R. 692 would allow the Department of the Treasury to issue debt to pay principal and interest on debt held by the public and debt held by the Old-Age and Survivors Insurance Trust Fund and Disability Insurance Trust Fund, if the statutory limit on debt is reached. The bill would require the Treasury to provide a weekly report to the House Committee on Ways and Means and the Senate Committee on Finance outlining the exempted transactions until a new debt limit is enacted.

CBO estimates that enacting H.R. 692, by itself, would not affect direct spending or revenues because it would not change any of the government's tax or spending policies. Therefore, pay-as-you-go procedures do not apply. In addition, CBO estimates that the bill would not significantly add to the Treasury's administrative costs; any such costs would be subject to the availability of appropriated funds.

H.R. 692 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act.

The CBO staff contact for this estimate is Meredith Decker. This estimate was approved by Theresa Gullo, Assistant Director for Budget Analysis.