



**TESTIMONY**

**The Congressional Budget Office's  
Request for Appropriations for  
Fiscal Year 2024**

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Before the Subcommittee on the Legislative Branch  
Committee on Appropriations  
U.S. House of Representatives

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Chairman Amodei, Ranking Member Espaillat, and Members of the Subcommittee, thank you for the opportunity to present the Congressional Budget Office's budget request. CBO requests appropriations of \$70.8 million for fiscal year 2024: 89 percent would be for pay and benefits; 8 percent would be for information technology, including tools to improve cybersecurity; and 3 percent would be for services for expert consultants, training, office supplies, and other items. The request amounts to an overall increase of \$7.5 million, or 12 percent, from the \$63.2 million that CBO received for 2023 (see Figure 1). The unusually large increase would allow the agency to increase the number of employees and cover the expenses for goods and services that were deferred in 2023, when CBO's appropriation was \$1.4 million less than the agency requested.

The requested budget is based on strong interest in CBO's work from Congressional leadership, committees, and Members. In 2022, the need to assess large and complex legislation—including the Consolidated Appropriations Act, 2023; the 2022 reconciliation act (P.L. 117-169); the Honoring Our PACT Act of 2022; and the CHIPS Act of 2022—strained the agency's resources in many areas. In the future, providing estimates and assistance to the Congress as it considers significant legislative initiatives, as well as proposals to address the nation's fiscal challenges, is likely to require additional resources.

In 2024, CBO will ensure, as it has throughout its history, that its work is objective and insightful. The agency will continue its practice of making no policy recommendations and carrying out its mission with integrity. The budgetary increase that CBO is requesting would strengthen the agency's ability to be even more responsive to Congressional needs by fully funding the staffing increase that is underway this year, by restoring the summer intern program, and by funding 11 new staff members in 2024:

- 7 staff members to conduct more analysis in the areas of climate change and infrastructure, defense and homeland security, income security, and immigration, as well as long-term projections;
- 2 staff members to support more senior analysts when demand surges for analysis of a particular topic or when additional assistance is needed for a complicated estimate; and

- 2 staff members to assist CBO's efforts in human resources and other operations.

The requested increase is larger than usual for a few reasons:

- The proposed budget would provide for a staffing increase to enable CBO to better respond to requests for support and analysis from committees and Members, as noted above.
- The high rate of inflation boosted CBO's personnel costs for 2023. As a result, and because the 2023 appropriation was constraining, the agency has had to cut back on purchases of certain services and equipment. Information technology, which includes both equipment and cloud services, is a key element in the agency's ability to carry out its work. The requested 2024 budget would enable CBO to catch up on deferred purchases on information technology.
- The higher costs for current personnel will carry over into 2024, and a further cost-of-living adjustment is planned for 2024. Attracting and retaining the expert staff that CBO needs to accomplish its mission requires the agency to offer competitive salaries.

## **CBO's Budget Request and Its Consequences for Staffing and Output**

In fiscal year 2024, CBO will continue its mission of providing objective, insightful, clearly presented, and timely budgetary and economic information to the Congress. The \$70.8 million requested would be used mostly for personnel salaries and benefits.

### **Funding Request for Personnel Costs and Consequences for Staffing**

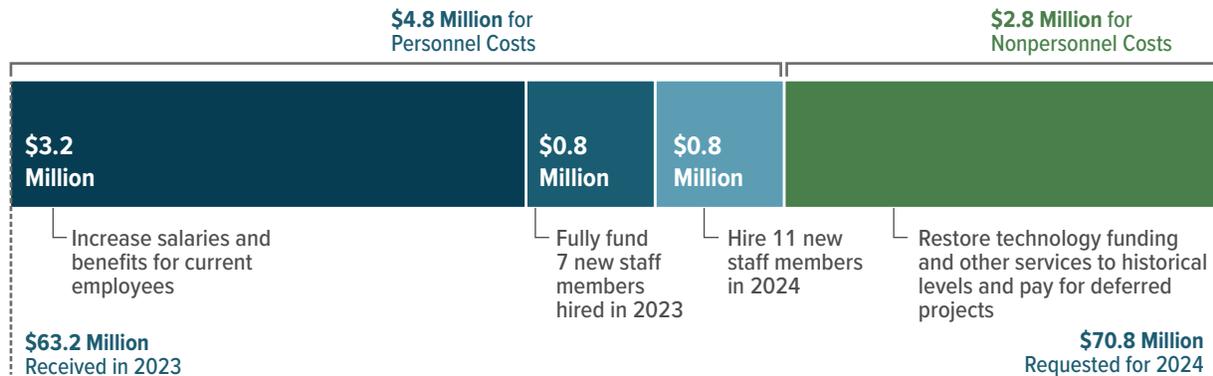
CBO requests \$63.1 million for salaries and benefits to support 290 full-time-equivalent positions (FTEs). That amount represents an increase of \$4.8 million, or 8.2 percent, from the \$58.3 million that was provided to CBO in fiscal year 2023. Of the \$4.8 million, \$4 million would support staff who are expected to be on board at the end of fiscal year 2023.

Of the total requested amount:

- \$45.2 million would cover salaries—an increase of \$3.4 million, or 8.1 percent, from the amount provided in 2023. The requested increase would fund the hiring of 11 new staff members in 2024 and fully fund staff members hired at various times throughout

Figure 1.

### Components of Requested \$7.5 Million Increase (Reflects rounding)



Data source: Congressional Budget Office.

2023. It would also provide for inflation adjustments and performance-based salary increases for current staff in 2024. Employees earning less than \$100,000 would receive an across-the-board increase of 5.3 percent, whereas employees earning \$100,000 or more (for whom more of their compensation is based on performance) would receive a 3.3 percent increase.

- \$17.9 million would fund benefits—an increase of \$1.4 million, or 8.5 percent, from the amount provided in 2023. The requested increase would cover growth in the cost of federal benefits and would fund benefits for 11 new staff members.

#### Funding Request for Nonpersonnel Costs

CBO requests \$7.7 million for costs other than personnel costs. Those funds would cover current information technology operations—such as cybersecurity, software and hardware maintenance, software development, communications, and purchases of commercial data and equipment—and would pay for services for expert consultants, training, office supplies, travel, interagency agreements, facilities support, printing and editorial support, financial management operations (including auditing of the agency’s financial statements), subscriptions to library services, and other items.

The requested amount is \$2.8 million, or 56.5 percent, larger than the amount provided in fiscal year 2023. Expenses for certain computing services and equipment are unusually low in 2023, which helps to pay for higher-than-expected personnel costs. For 2024, CBO is requesting sufficient funding to return to planned

operations. That funding would, among other things, continue to provide computing capabilities for many CBO staff whose workstations have migrated to cloud-based systems and improve CBO’s ability to detect, assess, and recover from cyberattacks. Much of the agency’s spending on cybersecurity is a cost of maintaining access to data that are essential to CBO’s analyses.

#### Consequences for Output

The requested funding would allow CBO to produce a great deal of valuable analysis for the Congress, including analysis in areas in which the agency anticipates additional legislative activity and oversight. It would also allow CBO to provide more technical assistance to committees and Members when they are crafting legislation and faster turnarounds when demand surges. (See Table 1.) In addition to providing major products, CBO would be able to continue to produce other important material, such as slide decks, interactive tools, and blog posts.

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. Nevertheless, the demands on the agency remain intense and strain its resources in many areas. Even with high productivity by a dedicated staff, CBO expects that it will not be able to produce as many estimates and other analyses as committees, leadership, and individual Members request.



Table 1.

**The Congressional Budget Office's Major Products, Calendar Years 2022 to 2024**

Type of Product	2022, Actual	2023, Estimate	2024, Estimate
<b>Fulfilled Requests for Technical Assistance.</b> Such requests typically come from committees and Members of Congress seeking a clear picture of the budgetary impact of proposals before they introduce or formally consider legislation.	Thousands	Thousands	Thousands
<b>Cost Estimates.</b> Most cost estimates include both estimates of federal costs and assessments of the cost of mandates imposed on state, local, and tribal governments or the private sector.	760	700	700
<b>Estimates for Suspension Bills.</b> For bills considered under suspension of the rules in the House of Representatives, CBO provides estimates of the bills' effects on mandatory spending and revenues.	390	300	300
<b>Scorekeeping Tabulations.</b> Those tabulations include account-level estimates for individual appropriation acts at all stages of the legislative process, as well as summary tables showing the status of discretionary appropriations (by appropriations subcommittee) and running totals on a year-to-date basis.	100	100	100
<b>Reports, Working Papers, Testimonies, and Interactive Tools.</b> CBO's publications are generally required by law or prepared in response to requests from the Chairs and Ranking Members of key committees. They examine the outlook for the budget and the economy, major issues affecting that outlook under current law, the budgetary effects of policy proposals that could change that outlook, the details of the federal budget process, and a broad range of related budgetary and economic topics in such areas as health care, defense policy, Social Security, and climate change.	83	70 to 80	70 to 80

Data source: Congressional Budget Office.

**Strengthening Responsiveness**

CBO seeks to provide information at the time when it is most useful to the Congress. Depending on its purpose, that information takes a variety of forms, such as cost estimates, background information, and technical assistance. In most cases, CBO completes a cost estimate before legislation comes to a floor vote. In addition, the agency works to provide technical assistance, reports, and other information to lawmakers and their staff during earlier stages of the legislative process.

Beginning in fiscal year 2019, the Congress increased CBO's budget in part to allow the agency to implement a plan to strengthen its responsiveness to the Congress. To carry out that plan, CBO has expanded staffing in high-demand areas, such as health care and immigration. It has increased its use of assistant analysts, who can move from one topic to another to support more senior analysts when demand surges for analysis of a particular topic or when additional assistance is needed for a complicated estimate. In addition, CBO is engaging expert consultants in complex areas, such as health policy, economic forecasting, and climate-related research. Finally, the agency is continuing to expand its use of team approaches for large and complicated projects. That approach has been

particularly effective in enabling CBO to produce timely analysis of legislation involving health care.

CBO's goal is to increase the number of staff with overlapping skills within and across teams. In some cases, those skills will consist of expertise related to particular topics, such as defense or transportation. In other cases, they will be more technical, such as the ability to design and improve simulation models. In a similar vein, CBO plans to invest additional resources in bolstering analysts' ability to coordinate work that requires expertise from across the agency. Another objective is to give additional senior analysts responsibility for projects that span multiple subject areas.

The budgetary increase that CBO is requesting would allow it to increase its efforts to be responsive. In 2023 and 2024, CBO plans to hire additional staff who will increase the agency's expertise and modeling capability in the areas of defense, income security, immigration, and Social Security, as well as long-term projections—areas in which CBO expects the Congress to have increased interest.

**Enhancing Transparency**

CBO works hard to make its analysis transparent and plans to strengthen those efforts, building on the



increased emphasis that it has placed on the endeavor over the past several years. In 2023 and 2024, many of CBO's employees will spend part of their time on efforts to make the agency's analysis more transparent.

### **Testifying and Publishing Answers to Questions**

In 2023 and 2024, CBO expects to testify about its baseline projections and other topics in response to requests by the Congress. That work will involve presenting oral remarks, answering questions at hearings, and presenting written statements, as well as publishing answers to Members' questions for the record. CBO will continue to address issues raised as part of the oversight provided by the House and Senate Budget Committees and the Congress generally.

### **Explaining Analytical Methods**

CBO plans to publish material providing general information to help Members of Congress, their staff, and others better understand its work. For example, CBO will explain its analytical methods for a report that examines the federal government's exposure to flood risk through residential mortgage guarantee programs. CBO also is preparing various primers to help Congressional staff understand budgetary concepts and the agency's processes. The documents will explain topics such as rescissions, the laws that govern how the agency's baselines are constructed, the fiscal measures the agency considers when constructing its long-term budget analysis, and the methods it uses to prepare baseline projections and cost estimates. Working papers, too, will provide such explanations for various topics, and in some cases, CBO will be able to publish the computer code used in models.

### **Releasing Data**

In 2023 and 2024, CBO will maintain its practice of publishing extensive sets of data to accompany its major recurring reports, including detailed information about 10-year budget projections, historical budget outcomes, 10-year projections for federal trust funds, revenue projections by category, spending projections by budget account, tax parameters, effective marginal tax rates on labor and capital, and 10-year projections of economic variables, including the economy's potential (or sustainable) output.

The agency will also provide details about its baseline projections for the Federal Pell Grant Program, student loan programs, Medicare, the military retirement program, the pension benefit guarantee program, the Social Security Disability Insurance program, the Social

Security Old-Age and Survivors Insurance program, the trust funds for Social Security, child nutrition programs, child support enforcement and collections, foster care and adoption assistance programs, the Supplemental Nutrition Assistance Program, the Supplemental Security Income program, the Temporary Assistance for Needy Families program, the unemployment compensation program, the Department of Agriculture's mandatory farm programs, federal programs that guarantee mortgages, programs funded by the Highway Trust Fund, benefits for veterans and military personnel stemming from the Post-9/11 GI Bill, and veterans' disability compensation and pension programs.

Other data will provide details about long-term budget projections, projections underlying Social Security estimates, more than a thousand expired or expiring authorizations of appropriations, and dozens of federal credit programs. When CBO analyzes the President's budget request, it will post a set of files providing estimates of the budgetary effects of specific proposals. The agency will also continue to post the data for various reports' charts and tables.

### **Analyzing the Accuracy of CBO's Estimates**

In 2023 and 2024, CBO will continue to release reports analyzing the accuracy of its past projections of outlays, revenues, deficits, and debt. And the agency will compare its projections of federal subsidies for health insurance with actual amounts.

### **Comparing Current Estimates With Previous Ones**

In several of its recurring publications—reports about the budget and economic outlook, federal subsidies for health insurance, and the long-term budget outlook—CBO will continue to explain the differences between the current year's projections and those produced in the previous year. In its cost estimates, CBO will continue to identify related legislative provisions for which it has provided recent estimates and explain the extent to which the provisions and estimates at hand are similar or different.

### **Comparing CBO's Estimates With Those of Other Organizations**

CBO will compare its budget projections with the Administration's and its economic projections with those of private forecasters and other government agencies when possible. And in various reports, the agency will include comparisons of its estimates with estimates made

by other organizations. When time does not allow for publication but interest is high, analysts will discuss such comparisons with Congressional staff.

### Estimating the Effects of Policy Alternatives

In 2023 and 2024, CBO will update some of its interactive tools and release new ones to help the Congress and the public better understand the effects of potential changes to federal policies. Reports will also illustrate the potential effects of various policy proposals.

### Characterizing the Uncertainty of Estimates

CBO will update an interactive workbook showing its estimates of how changes in economic conditions affect the federal budget. The agency's reports about the 10-year outlook for the budget and the economy, the long-term outlook for the budget, and federal subsidies for health insurance will contain substantial discussions of the uncertainty of CBO's projections. In addition, in most cost estimates in which uncertainty is significant, CBO will include a discussion of the topic.

### Creating Data Visualizations

In 2023 and 2024, CBO will provide information about its budget and economic projections in slide decks and create infographics about actual outlays and revenues. The agency will also produce more reports that rely principally on visual presentations. And it will look for opportunities to include graphics to enhance the explanations in some cost estimates.

### Conducting Outreach

CBO will continue to communicate every day with Congressional staff and others outside the agency to explain its findings and methods, respond to questions, and obtain feedback. The agency's Director will meet regularly with Members of Congress to do the same. After each set of baseline projections is published, CBO's staff will meet with Congressional staff to discuss the projections and answer questions.

CBO will obtain input from its Panel of Economic Advisers, its Panel of Health Advisers, and other experts. Many reports will benefit from outside experts' written comments on preliminary versions. For some recurring

reports produced on compressed timetables, such as the one about CBO's long-term budget projections, the agency will solicit comments on previous publications and selected technical issues to incorporate improvements in future editions.

CBO's staff will give presentations on Capitol Hill—some in collaboration with Congressional committees and the Congressional Research Service—on CBO's budget and economic projections and on other topics. Those presentations will allow CBO to explain its work and answer questions. The agency will also give presentations about its findings and about work in progress in a variety of venues to offer explanations and gather feedback. In addition, CBO will use blog posts to summarize and highlight various issues.

This testimony summarizes information in the Congressional Budget Office's budget request for fiscal year 2024. That budget request was prepared by Leigh Angres, Tracy L. Henry, and Kamna Virmani with assistance from Angela D. Clark, Dana Ealey, Ann E. Futrell, and Kevin Laden and with guidance from Mark Smith. It is available at [www.cbo.gov/publication/58881](http://www.cbo.gov/publication/58881).

Mark Hadley reviewed the testimony. John Skeen edited it, and Jorge Salazar created the graphics, and he and R.L. Rebach prepared the text for publication. The testimony is available at [www.cbo.gov/publication/58960](http://www.cbo.gov/publication/58960).

CBO seeks feedback to make its work as useful as possible. Please send comments to [communications@cbo.gov](mailto:communications@cbo.gov).



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