

Congressional Budget Office

Nonpartisan Analysis for the U.S. Congress



**ANSWERS TO QUESTIONS
FOR THE RECORD**

Following a Hearing on
**Oversight of the
Congressional Budget Office**

Conducted by the
Committee on the Budget
U.S. House of Representatives

JANUARY 30 | 2026

On November 18, 2025, the House Committee on the Budget convened a hearing at which Phillip L. Swagel, Director of the Congressional Budget Office, testified about CBO's work.¹

After the hearing, Representatives Buddy Carter, Ben Cline, Andrew Clyde, Randy Feenstra, Brandon Gill, Glenn Grothman, Addison McDowell, and Lloyd Smucker submitted questions for the record. This document provides CBO's answers to those questions. It is available at www.cbo.gov/publication/62023.

Representative Carter's Questions About Innovative Medical Therapies and Prescription Drug Spending

Question. Can you commit to prioritize a CBO score of H.R. 4299 [the Protecting Patient Access to Cancer and Complex Therapies Act]? I would appreciate your consideration of this request.

Answer. CBO expects to be able to provide a range of the bill's estimated effects by late spring.

Current law specifies that beginning in 2028, the prices negotiated for prescription drugs covered under Part B of Medicare are supposed to be charged at the point of sale and serve as the basis for reimbursing physicians and other providers. H.R. 4299 would instead have drug manufacturers pay a rebate to the government and would base Medicare's reimbursement on the average sales price of a drug.

Completing a preliminary analysis of the bill's effects presents several analytical challenges. The analysis involves estimating effects on Medicare and possibly effects related to other entities that pay for health care. In addition, 2026 is the first year for negotiated prices in Part D of Medicare. The experience of that program will inform CBO's understanding of how negotiation might work in Part B, which is not scheduled to start using negotiated prices for two more years.

Question. How is CBO adapting its modeling to account for the next generation of innovative therapies like cell therapies and gene therapies that are durable in nature or curative to reflect the overall offset health

savings that would be generated by such therapies even if they have high up-front costs?

Answer. CBO is building its capacity to analyze proposals involving durable or curative therapies over various time spans. In the past, CBO has provided budgetary information—both within and beyond the standard 10-year period covered by cost estimates—for proposals related to anti-obesity medications and excise taxes on cigarettes.² The agency has also described how it approaches longer-term analyses of other health interventions, including gene therapies for sickle cell disease, treatment of hepatitis C, and preventive services.³

Although such interventions differ in the timing and size of their costs and potential savings, CBO uses a consistent approach to analyze them: The net budgetary effect reflects the federal government's share of treatment costs, any reductions in federal health care spending from improved health outcomes, and any changes in federal revenues or spending associated with increased longevity. If requested, and as practicable, CBO can use present-value estimates to assess the budgetary effects of such interventions beyond the standard 10-year period. (Present-value estimates express a flow of current and future income or payments in terms of an equivalent lump sum received or paid at a specific time.) Those estimates summarize the long-term effects of federal health care policies and indicate the extent to which up-front federal spending may be offset by future federal savings attributable to improvements in health outcomes.

Question. Over the next 5-10 years, how does CBO forecast the trajectory of 340B spending absent reform, and what are the implications for the federal budget?

Answer. CBO expects that in the absence of legislative or administrative changes, spending through the 340B Drug Pricing Program—which requires pharmaceutical manufacturers to sell outpatient prescription drugs

1. Testimony of Phillip L. Swagel, Director, Congressional Budget Office, before the Committee on the Budget, U.S. House of Representatives, *How CBO Supported Congress During the 2025 Budget Reconciliation Process* (November 18, 2025), www.cbo.gov/publication/61763.

2. Congressional Budget Office, *How Would Authorizing Medicare to Cover Anti-Obesity Medications Affect the Federal Budget?* (October 2024), www.cbo.gov/publication/60441, and *Raising the Excise Tax on Cigarettes: Effects on Health and the Federal Budget* (June 2012), www.cbo.gov/publication/43319.

3. Congressional Budget Office, *How Increased Use of Gene Therapy Treatment for Sickle Cell Disease Could Affect the Federal Budget* (December 2024), www.cbo.gov/publication/60775, *Budgetary Effects of Policies That Would Increase Hepatitis C Treatment* (June 2024), www.cbo.gov/publication/60237, and *How CBO Analyzes Approaches to Improve Health Through Disease Prevention* (June 2020), www.cbo.gov/publication/56345.

to participating health care facilities at discounted prices—will almost certainly grow faster than overall drug spending. Part of the reason for that expectation is ongoing growth in the number of off-site outpatient clinics that become eligible for the program when they are established or acquired by hospitals that participate in the program. (For reference, the Centers for Medicare and Medicaid Services project that national spending on prescription drugs will grow by an average of 5.6 percent a year in 2026 and 2027 and 4.7 percent a year over the 2028–2033 period. Those projections do not include spending on drugs administered by clinicians, which accounted for about half of spending on drugs purchased through the 340B program in 2021, CBO estimates.) CBO has not quantified projections of spending through the 340B program over the next 5 to 10 years.

The conclusion that spending through the 340B program is likely to grow faster than overall drug spending is based on CBO’s recent analysis of the program.⁴ That analysis found that drug spending by facilities participating in the 340B Prime Vendor Program grew at an average rate of 19 percent a year over the 2010–2021 period (from \$6.6 billion in 2010 to \$43.9 billion in 2021, both in 2021 dollars). In comparison, marketwide spending on brand-name drugs grew by 4 percent a year, on average, over the same period. About one-third of the increase in 340B spending during that period reflected broader trends in prescription drug spending. The rest was driven by factors that specifically affect the 340B program, particularly increases in vertical integration between hospitals and off-site clinics.

In CBO’s assessment, the 340B program encourages behaviors that tend to increase federal spending—such as prescribing more and higher-priced drugs, reducing manufacturers’ rebates, and encouraging further vertical integration—although the size of those effects is uncertain. CBO has not estimated how legislation to modify the 340B program would alter those behaviors or federal spending.

Representative Cline’s Question About Assumptions Used in CBO’s Baseline Projections

Question. The baseline that CBO is required to produce is often described as reflecting “current law.” Can CBO list and quantify each of the deviations from current law that are built into the baseline as a result of Section 257

4. Congressional Budget Office, *Growth in the 340B Drug Pricing Program* (September 2025), www.cbo.gov/publication/60661.

of the Balanced Budget and Emergency Deficit Control Act of 1985?

When CBO prepares a cost estimate that implicates these deviations from a true current law baseline, can CBO include supplementary information estimating the cost of the legislation relative to a baseline without those deviations? If CBO cannot provide this supplementary information, why not?

Answer. The Deficit Control Act’s instructions for preparing the baseline, including the required differences from current law, are described in detail in several CBO publications.⁵ For mandatory spending and revenues, CBO is required to assume that certain expiring programs will continue, that entitlement authority will be fully funded, and that expiring excise taxes dedicated to trust funds will continue. In CBO’s most recent baseline, published in January 2025, those assumptions account for \$3.1 trillion of the total deficit projected for the 2026–2035 period, excluding any effects on net interest.⁶ The Deficit Control Act also requires CBO to project discretionary spending throughout the period covered by the baseline, even though discretionary funding is generally provided on an annual basis.

CBO is required to assume that most programs whose projected outlays exceed \$50 million in the current year will continue to operate throughout the baseline period, even if they are scheduled to expire. That assumption resulted in projected outlays in CBO’s January 2025 baseline of \$1.8 trillion over the 2026–2035 period. The largest such continuation in that baseline involved the Supplemental Nutrition Assistance Program (SNAP). The assumption that SNAP would continue through 2035 resulted in projected outlays for that program totaling \$1.1 trillion over the 2026–2035 period.⁷

The assumption that entitlement authority will be fully funded affects CBO’s projections of Social Security’s Old-Age and Survivors Insurance (OASI) benefits and of

5. See, for example, Congressional Budget Office, *CBO Explains the Statutory Foundations of Its Budget Baseline* (May 2023), www.cbo.gov/publication/58955.

6. Congressional Budget Office, *The Budget and Economic Outlook: 2025 to 2035* (January 2025), www.cbo.gov/publication/60870.

7. For details about the costs of each mandatory program that was assumed to continue beyond its scheduled expiration date in CBO’s January 2025 baseline, see Congressional Budget Office, “10-Year Budget Projections,” Supplemental Table 1 (January 2025), <https://tinyurl.com/2uch4me4>.

spending from the Highway Trust Fund. In the January 2025 baseline, that assumption caused projected outlays to be \$1.7 trillion greater over the 2026–2035 period than they would have been otherwise.⁸

Under that assumption, CBO’s January 2025 baseline included \$1.4 trillion more in OASI benefit payments through 2035 than would otherwise occur. Current law requires that OASI benefits be paid from the program’s trust fund. CBO projects that the fund’s balance will be exhausted in 2033. After that, the benefits payable from the fund will be limited to the amount of the program’s annual revenues, which will be roughly one-quarter smaller than the benefits scheduled under current law, CBO estimates.⁹ But because CBO is required to assume that entitlement authority will be fully funded, the baseline does not reflect that reduction.

Similarly, the accounts of the Highway Trust Fund cannot incur negative balances, although CBO projects that the balance of the mass transit account will be exhausted in 2027 and the balance of the highway account will be exhausted in 2028. CBO’s baseline for surface transportation spending reflects the assumption that obligations presented to the trust fund will be paid in full. As a result, projected outlays from the fund were \$0.3 trillion greater in the January 2025 baseline than they would have been without that assumption.¹⁰

CBO’s baseline projections of benefits paid by Social Security’s Disability Insurance program and by Medicare would also differ from current law once the balances in those programs’ trust funds were exhausted. That is not projected to occur until after 2035.

Expiring excise taxes dedicated to trust funds are also assumed to continue in CBO’s baseline. That assumption added \$0.4 trillion to CBO’s January 2025 projections of revenues over the 2026–2035 period. Most of the revenues from expiring taxes that are assumed to continue

come from taxes on fuels (such as gasoline and diesel), certain vehicles, and air travel. The revenues from those fuel and vehicle taxes are dedicated to the Highway Trust Fund; the revenues from the air travel taxes are dedicated to the Airport and Airway Trust Fund.

For discretionary funding, the Deficit Control Act requires CBO to project budget authority by adjusting the amounts provided in the current full-year appropriation for projected inflation.¹¹ If CBO’s baseline did not project discretionary budget authority in future years, the agency’s projection of the total budget deficit over the 2026–2035 period would be tens of trillions of dollars smaller and would be less useful as an indicator of future federal borrowing. (CBO routinely gives the House and Senate Budget Committees detailed projections of discretionary spending that do not incorporate annual adjustments for inflation. Information about those projections is also typically published in a section of CBO’s annual *Budget and Economic Outlook* or in a separate report.)

When preparing cost estimates for legislation that would affect programs whose costs are assumed to continue in the baseline, CBO typically provides information about the budgetary effects of the legislation without the assumptions required by the Deficit Control Act. For example, when CBO estimates the budgetary impact of a bill that would extend the authorization for an expiring program whose operations are assumed to continue in the baseline, the agency typically provides information about the cost of the extension relative to current law and any additional costs relative to the baseline assumption that the program will continue to operate past its expiration.¹²

Representative Clyde’s Questions About CBO’s Analyses, Budget Enforcement, Health Insurance Marketplaces, and Tax Enforcement

Question. What work does CBO already perform to assess the costs of executive actions, and are those costs reflected in the baseline? Does CBO estimate the costs

8. Congressional Budget Office, “Social Security Trust Funds” (January 2025), <https://tinyurl.com/jk7v9tbt>.

9. In the long-term projections that CBO published in June 2025, the gap between scheduled and payable benefits grows to about one-third by 2075. See Congressional Budget Office, *CBO’s 2025 Long-Term Projections for Social Security* (June 2025), www.cbo.gov/publication/61492.

10. That amount is the result of an interaction with the assumption that certain expiring transportation programs continue in the baseline. The amount would be smaller if CBO did not assume that those programs continued.

11. In years when caps on discretionary funding are in effect, CBO adjusts its projections of such funding to conform to the level of the caps.

12. See, for example, the second paragraph of the summary in Congressional Budget Office, cost estimate for H.R. 2, Agriculture and Nutrition Act of 2018 (May 2, 2018), www.cbo.gov/publication/53819.

of proposed and final regulations, and what limitations affect its ability to do so?

Answer. CBO incorporates the effects of administrative actions (such as proposed and final rules) in its baseline budget projections and in its work to assess the budgetary effects of legislative proposals.

Each update to CBO's baseline budget projections includes an analysis of the changes made since the previous projections were completed. When administrative actions have had a material impact on those projections, CBO includes in its analysis a description of those actions and their estimated budgetary effects.¹³

When updating its baseline projections, CBO accounts for newly finalized regulations and other administrative actions that are substantively different from what was previously expected. When a proposed rule is finalized, CBO incorporates the full budgetary effects of that action into its baseline. Similarly, in certain cases, CBO's baseline includes the effects of anticipated administrative actions that would be necessary for a given program to continue to operate in a way that is consistent with current law.

In updates to its baseline, CBO also accounts for proposed actions that signal a change in administrative policy. If the Administration has proposed a policy change through a clear, official, and public action (such as a proposed rule), CBO typically updates the baseline to reflect 50 percent of the budgetary effects it estimates would occur if the policy was implemented. That treatment reflects uncertainty about whether the change will occur and what the outcome might be. If the Administration has not taken a clear, official, and public action that details a proposed change, CBO's baseline does not incorporate that change.

When preparing cost estimates for legislation, CBO must often anticipate administrative actions that will be necessary for a given program to operate in a way that is consistent with the law as specified. For example, although the 2022 reconciliation act provided instructions to the Department of Health and Human Services (HHS) for implementing the Medicare drug negotiation program, it also granted HHS substantial discretion in designing key elements of the program. Therefore,

13. For more information, see Congressional Budget Office, *CBO Explains How It Incorporates Administrative and Judicial Actions When Updating Its Baseline Projections and Preparing Cost Estimates* (December 2024), www.cbo.gov/publication/60846.

in producing its cost estimate, CBO had to anticipate, among other issues, how HHS would identify drugs that would be affected by the new program.

CBO uses available information to assess the probable timing and size of the budgetary effects that would result from administrative actions. That information may include public statements and documents, information submitted with the President's budget proposals, previous actions by the Administration, the nature of the considerations that are likely to bear on the Administration's decisions, and other relevant factors. The amount of information available for such an assessment differs greatly for different actions. Sometimes legislation is implemented in a way that differs from what CBO initially expected on the basis of the specifications in the law, public statements, or other information. In such cases, CBO provides information about the budgetary effects of those actions as soon as practicable, as well as with the next set of baseline budget projections.

Question. Congress frequently exempts certain legislation from PAYGO scoring or simply wipes the PAYGO scorecard entirely, preventing sequestration from occurring. It is essentially akin to running up a trillion-dollar credit card bill each year and then shredding the statement as if nothing happened. What is CBO's role in the Statutory PAYGO process?

Answer. CBO's cost estimates for legislation provide information about budgetary effects that are subject to the budget enforcement procedures outlined in the Statutory Pay-As-You-Go Act of 2010 (S-PAYGO). Enforcement of S-PAYGO is handled by the Office of Management and Budget (OMB), generally on the basis of its own estimates. Under that law, OMB is required to maintain 5-year and 10-year PAYGO scorecards that it updates with the estimated cumulative changes to mandatory outlays and revenues attributable to newly enacted legislation. If either scorecard indicates a net increase in the deficit, OMB is required to order a sequestration, or cancellation of budgetary resources, to eliminate the overage.¹⁴

The S-PAYGO law specifies that Congress could require that OMB use estimates by CBO and the staff of the Joint Committee on Taxation of budgetary effects subject

14. For more information about S-PAYGO, see Congressional Budget Office, *The Statutory Pay-As-You-Go Act and the Role of the Congress* (August 2020), www.cbo.gov/publication/56506.

to the law's budget enforcement procedures. That has rarely been done historically.

Question. Does CBO's baseline assume that Congress will continue to prevent sequestration from occurring?

Answer. No. In accordance with section 257 of the Balanced Budget and Emergency Deficit Control Act of 1985, CBO's baseline generally reflects current law and does not incorporate assumptions about specific Congressional actions to prevent sequestrations.

A sequestration under S-PAYGO is triggered when there is a balance on OMB's scorecard at the end of a legislative session. That balance can change up until the time a sequestration is ordered. Lawmakers can prevent sequestrations from happening through various actions, such as reducing deficits, moving balances, or eliminating balances.

Question. Section 71301 of P.L. 119-21, the One Big Beautiful Bill Act, restricts eligibility for ACA premium tax credits for certain classes of alien. CBO's score of this law shows that Section 71301 would reduce direct spending by \$21.775 billion over the next five years and \$69.765 billion over the next ten years. Can you please provide an analysis of the number of aliens affected by this section over each of these time periods, with a breakdown by class of alien.

Answer. In its cost estimate for section 71301, CBO estimated that enacting that section would reduce the number of immigrants enrolling in coverage through the health insurance marketplaces established by the Affordable Care Act (ACA) by an average of 600,000 per year from 2025 to 2029 and 800,000 per year from 2025 to 2034. Those estimates are the average number of person-years of marketplace coverage that would no longer receive premium tax credits; CBO did not estimate the number of individual immigrants who would be affected by section 71301 or the duration of the effects for specific people. Enacting section 71301 would also affect immigrants by reducing the number of person-years of coverage through the Basic Health Program by an average of 200,000 per year over both the 2025–2029 and 2025–2034 periods, CBO estimated.¹⁵

15. Created under the ACA, the Basic Health Program allows states to establish a health insurance program primarily for people with income between 138 percent and 200 percent of the federal poverty guidelines (commonly known as the federal poverty level). The

Under section 71301, the following groups of immigrants will be made ineligible for the premium tax credit beginning in 2027:

- People who have pending asylum applications, who have been granted asylum, or who were permitted to enter the United States lawfully through the use of parole authority;¹⁶
- People with temporary protected status and those granted deferred action, including recipients under Deferred Action for Childhood Arrivals;
- People granted statutory withholding of removal;
- Temporary workers;
- Nonimmigrants (including student exchange visitors and others admitted as nonimmigrants under the Immigration and Nationality Act); and
- Trafficking victims and refugees.

CBO estimated the total effect of the provision and did not estimate a breakdown of the number of affected immigrants by status. Some immigrants qualify for more than one status; for example, someone who was paroled into the United States could also have a pending asylum claim.

To estimate the effects of enacting section 71301 on marketplace enrollment, CBO used data from Citizenship and Immigration Services and the Department of State to determine how many people in the population meet those immigration criteria. CBO adjusted those data to reflect the population projections it published in the January 2025 *Demographic Outlook* and later administrative and judicial actions taken through April 10, 2025 (that date was used for consistency during subsequent consideration of all reconciliation legislation).¹⁷ CBO then estimated the subset of affected people who would meet other eligibility criteria to claim the premium tax credit, including income-based requirements, and the rate at which they would enroll in health insurance plans through the marketplaces. Estimated rates of claiming the premium tax credit reflect CBO's expectation that recent immigrants

federal government provides states with funding equal to 95 percent of the subsidies for which those people would have been eligible if they had purchased health insurance through a marketplace.

16. Parole authority allows people to enter the country temporarily on a case-by-case basis for urgent humanitarian reasons or for significant public benefit.

17. Congressional Budget Office, *The Demographic Outlook: 2025 to 2055* (January 2025), www.cbo.gov/publication/60875.

participate in federal benefit programs to a lesser extent than similar people who were born in the United States.¹⁸

Question. Individual coverage exchange plans created by the Affordable Care Act (ACA) face a significant problem: nearly 12 million people, about 35 percent of all exchange enrollees in 2024, do not use their benefits at all. For these “zero-claim enrollees,” health coverage does not translate into health care. Many are considered “phantoms”—individuals who remain enrolled but are effectively absent from the market because they have other coverage or are unaware they are enrolled in an exchange plan. Large insurers benefit substantially from this phantom enrollment, collecting billions in taxpayer funds to cover individuals who incur no costs. Could you provide an analysis of the effect on the Federal deficit to subsidize these “phantom” enrollees? Does CBO have analysis on how many of these “phantoms” have other health care plans?

Answer. People enrolled in health insurance plans purchased through the marketplaces established by the ACA who are “effectively absent from the market” probably increase the federal budget deficit. The effect on the deficit reflects two factors that move in opposite directions:

- The deficit is increased by the cost of premium tax credits for subsidized marketplace enrollees, regardless of whether those enrollees use their coverage.
- Insurers tend to lower premiums over time when average claims are lower, so an increase in the number of enrollees who are “effectively absent from the market” reduces the deficit by reducing the premium tax credits paid for other enrollees.

In CBO’s assessment, the cost of subsidizing the additional enrollees probably exceeds the federal savings that result from premium reductions. CBO has not estimated how many people are unaware that they are enrolled in

a marketplace plan and has not quantified the effect of those two factors on the budget deficit.

CBO and the staff of the Joint Committee on Taxation (JCT) have not estimated how many marketplace enrollees without claims also have Medicaid coverage, but they have estimated overall trends in double coverage in Medicaid and marketplace plans. In 2024, 1.6 million full-time-equivalent enrollees in marketplace plans also had Medicaid coverage, up from 300,000 in 2019.

In CBO’s and JCT’s assessment, two policies contributed to that increase. The first was the expansion of the premium tax credit structure provided in the American Rescue Plan Act of 2021 and later extended through calendar year 2025 by the 2022 reconciliation act. That expansion increased the availability of fully subsidized marketplace plans (those with zero net premiums). Enrollees who were passively reenrolled in a fully subsidized plan or who were fraudulently enrolled in one by an agent or broker may not have been aware of their marketplace coverage, and those who were aware typically had no monetary incentive to actively terminate their coverage before enrolling in Medicaid.

The second policy contributing to the increase was a pause, beginning in 2021, in the requirement that marketplaces terminate advance premium tax credits for enrollees who did not respond to requests for additional information after periodic checks of electronic records showed that they appeared to be enrolled in Medicaid or the Children’s Health Insurance Program (CHIP) as well as in a marketplace plan. CBO expects that the number of marketplace enrollees who are also enrolled in Medicaid or CHIP will decline significantly in 2026. Reasons for that expected decline are that enhanced subsidies expired at the end of 2025, which decreased the availability of fully subsidized plans, and periodic checks of electronic records resumed in full in the summer of 2025.

Question. CBO is currently developing a plan to make more of the account-level analysis of appropriation bills publicly available in an accessible format. Given that a plan has been in development for several years, please provide a detailed description of CBO’s plan and the timeline by which CBO anticipates accomplishing each step. Your 2023 report stated that “CBO also distributes detailed reports about appropriations bills to interested parties in the Congress.” Please describe who currently counts as an “interested party” for purposes of receiving

18. Benjamin D. Sommers and others, “Assessment of Perceptions of the Public Charge Rule Among Low-Income Adults in Texas” *JAMA Network Open*, vol. 3, no. 7 (July 2020), <https://tinyurl.com/mrx54hbd>; Hamutal Bernstein and others, *One in Seven Adults in Immigrant Families Reported Avoiding Public Benefit Programs in 2018* (Urban Institute, May 2019), <https://tinyurl.com/2s38j6xw>; and Valerie Lacarte, Mark Greenberg, and Randy Capps, *Medicaid Access and Participation: A Data Profile of Eligible and Ineligible Immigrant Adults* (Migration Policy Institute, October 2021), <https://tinyurl.com/5ycvnxrj>.

CBO's analysis of appropriations bills. Would CBO allow all Members of Congress and the public to be considered "interested" in the appropriations bills?

Answer. Having consulted with the House and Senate Appropriations and Budget Committees, CBO will begin posting detailed reports for the fiscal year 2026 appropriation bills soon after they are enacted. Those reports will be available as supplemental information on the web pages where CBO posts its summary cost estimates for the different appropriation packages. For example, on the page where CBO posted an estimate for Public Law 119-37, the Continuing Appropriations, Agriculture, Legislative Branch, Military Construction and Veterans Affairs, and Extensions Act, 2026, CBO will provide detailed reports for the agencies covered by 3 of the 12 appropriation acts included in that legislation. CBO will continue to look for ways to make more information available during the appropriation process.¹⁹

For many years, CBO has been providing analyses of appropriation bills to interested parties, which mainly consist of staff of the Appropriations and Budget Committees and Congressional staff who request the information. Posting detailed reports on CBO's website will make such information broadly accessible.

Question. The Inflation Reduction Act of 2022 provided the Internal Revenue Service (IRS) billions of dollars to increase enforcement of the tax code. CBO estimated that the enhanced IRS resources would result in \$7.118 billion in higher revenues by the end of FY 2024 because of enhanced enforcement activities. However, data released by the Biden Administration showed that actual collections fell far short of the CBO's estimate, totaling only \$1.3 billion through FY 2024. This means that actual revenue collections came in at just 18 percent of the CBO's projection through FY 2024.

Given that the actual, observed return on investment for IRS enforcement was much lower than the CBO's model projected, what steps has the CBO taken to update its modeling? What steps has CBO taken to ensure serious errors such as this one are not made in the future?

19. Congressional Budget Office, cost estimate for Senate Amendment 3937 to H.R. 5371, the Continuing Appropriations, Agriculture, Legislative Branch, Military Construction and Veterans Affairs, and Extensions Act, 2026 (November 10, 2025), www.cbo.gov/publication/61747.

Answer. Shortly after the enactment of the 2022 reconciliation act (P.L. 117-169), CBO estimated that the increase in mandatory funding for IRS enforcement activities would result in \$2.0 billion of additional revenues in fiscal year 2023 and \$5.1 billion of revenues in 2024, for a total of \$7.1 billion through 2024.²⁰ In February 2024, CBO explained that it had reduced its projections of revenue collections from IRS enforcement activities, in part because of delays by the IRS in hiring and training new auditors.²¹

The IRS has not provided an estimate of total revenues for 2023 and 2024 resulting from initiatives that used funding from the 2022 reconciliation act, nor has it released the information that CBO would use to estimate revenues in those years. Although the IRS has published information about revenues associated with specific initiatives—such as the targeting of high-income nonfilers and high-income filers with tax debts (which, it estimates, resulted in \$1.3 billion in revenues as of September 6, 2024)—it has not tracked all collections tied to funding from the 2022 reconciliation act.²² Without additional information from the IRS, it is unclear how the returns on spending for IRS enforcement activities differed from what CBO previously projected.

Data on outlays through fiscal year 2025 show that the mandatory funding in the IRS's taxpayer services and enforcement accounts has largely been exhausted, although funding remains for other activities. That exhaustion occurred because lawmakers rescinded the mandatory funding provided by the 2022 reconciliation act and because the IRS used the funds differently than specified in the guidance it provided to CBO in 2021.

If, in the future, CBO estimates the revenue effects of increases in IRS enforcement funding, those estimates will reflect the IRS's challenges with hiring skilled

20. Congressional Budget Office, *Estimated Budgetary Effects of Public Law 117-169, to Provide for Reconciliation Pursuant to Title II of S. Con. Res. 14* (September 2022), p. 3, www.cbo.gov/publication/58455.

21. Congressional Budget Office, *How Changes in Funding for the IRS Affect Revenues* (February 2024), www.cbo.gov/publication/59972.

22. Department of the Treasury, "U.S. Department of the Treasury, IRS Announce \$1.3 Billion Recovered from High-Income, High-Wealth Individuals Under Biden-Harris Inflation Reduction Act Initiatives" (press release, September 6, 2024), <https://home.treasury.gov/news/press-releases/jy2562>.

enforcement personnel. Such challenges can result in long delays between when funds are obligated and when tax revenues reflect the changes in IRS enforcement activities. In addition, funding for other IRS activities may complement activities funded by the enforcement account and affect revenues. CBO continues to seek additional information about the expected returns on new initiatives and new strategies to enforce tax laws and about the relationships between various IRS activities to use in its future estimates.

Representative Feenstra's Questions About the Save Our Seniors Act

Question. I introduced the Save Our Seniors (SOS) Act, which would require the CBO to include a simple graph in its ten-year economic outlook, showing the effect to payable benefits if the Social Security Trust Fund becomes insolvent. It's a simple reform that adds a straightforward, easy-to-understand graph that would not require any changes to the baseline utilized for the rest of the Outlook.

The Social Security Trustees Reports and the CBO's Long Term Social Security document already have this transparency so the data, and a similar chart, already exists. These documents show both scheduled and payable benefits so policymakers can see the magnitude of the funding gap and impending insolvency. I believe this information needs to also be included in the Ten-Year Economic Outlook, one of the most widely viewed and relied upon documents the CBO produces.

How do you think this information's inclusion in the economic outlook might be beneficial to the public and policymakers?

Answer. Including information about a payable-benefits scenario in CBO's *Budget and Economic Outlook* would increase awareness among the public and policymakers of what would happen if the balance of the Old-Age and Survivors Insurance Trust Fund was exhausted.

Question. This legislation was designed to streamline the information's inclusion, without requiring the CBO to develop a separate baseline for the Outlook and avoid violation of the 1985 law. If the SOS Act passes into law, is there additional help that we in Congress can provide to streamline the inclusion of the required chart in the economic outlook?

Answer. The February 2026 *Budget and Economic Outlook* will include information about a payable-benefits scenario for Social Security, including the chart you mention. The process of including it will be sufficiently streamlined without additional help.

Representative Gill's Questions About the CBO Scheduling Reform Act

Question. I introduced H.R. 6140, the Congressional Budget Office Scheduling Reform Act, that would require the CBO to publish the expected public date of major reoccurring reports by December 31 for the following year. These reports include: the baseline budget and its updates; options to reduce the deficit; the accuracy of budgetary projections for the most recently completed fiscal year; and programs or activities with unauthorized appropriations. CBO would be required to update the schedule as you deem necessary.

If passed, would this be something that CBO could successfully implement?

Yes or No: Do you think this bill "falsely implies that CBO is not keeping the public informed about its publications."

Answer. If H.R. 6140 was enacted, CBO could implement it. For more than a decade, CBO has been publicly announcing on its blog the release dates for certain reports, such as *The Budget and Economic Outlook*, *The Long-Term Budget Outlook*, and *Options for Reducing the Deficit*. Since 2019, the agency has published a quarterly report that lists recent publications and work in progress, including the topics of requested reports that are expected to be released in the coming months.²³ In addition, CBO notes releases that are planned for the coming week on its press center web page (a practice that began in 2017).²⁴ That page also includes a schedule for publishing some of the agency's upcoming major reports, including *The Budget and Economic Outlook* and updates, *Options for Reducing the Deficit*, *Expired and Expiring Authorizations of Appropriations*, and reports about the accuracy of CBO's baseline projections.

CBO does not view H.R. 6140 as implying that the agency is not keeping the public informed.

23. CBO's quarterly work-in-progress reports are available at Congressional Budget Office, "CBO Operations," www.cbo.gov/taxonomy/term/3/recurring-reports.

24. Congressional Budget Office, "Press Center," www.cbo.gov/about/press-center.

Representative Grothman's Questions About Budget Information and CBO's Transparency and Responsiveness

Question. If the House or Senate Budget Committees, or other congressional committees, were to formally request it, would the Congressional Budget Office prepare and publish a supplemental report or table, presented alongside its regular Baseline and its Budget and Economic Outlook, that provides two parallel ten-year projections? The first projection would reflect the current statutory baseline, which continues to inflate and permanently extend expiring emergency and designated spending. The second projection would reflect an adjusted baseline that removes all emergency and disaster spending after its expiration date and does not assume any future continuation or inflation of that spending.

Answer. Yes. CBO would prepare two sets of projections. Currently, in its baseline reports, CBO typically notes any extrapolations of emergency-designated, supplemental, or certain other discretionary funding. CBO also typically prepares alternative projections (extrapolating or not extrapolating emergency funding) along with each baseline projection. Budget totals from those projections are often provided in a separate report or chapter about the budgetary effects of policy alternatives, and account-level details are provided to the Budget Committees.²⁵ (Those projections usually do not reflect effects on the economy or budgetary feedback.)

Sometimes, when the amount of such funding has been particularly large, CBO has consulted with the Budget Committees about whether to extrapolate it. For example, in May 2022, CBO sought guidance about whether to extrapolate funding provided in the Infrastructure Investment and Jobs Act (IIJA, P.L. 117-58) in its baseline. After consulting with the committees, CBO applied the statutory provisions that require it to project future discretionary funding, if appropriations for those years have not been provided, by adjusting the amounts provided in the current full-year appropriation for projected inflation. CBO noted in its May 2022 *Budget and Economic Outlook* that extrapolating the appropriated amounts caused the baseline to contain much more

spending than the IIJA provided.²⁶ CBO went on to note that its treatment of the IIJA increased its baseline projections of discretionary outlays over the 2022–2032 period by a total of \$839 billion.

Question. If the House or Senate Budget Committees, or other congressional committees, were to formally request it, would the Congressional Budget Office publish a list that identifies, for each of the nearly two thousand spending accounts, the House and Senate authorizing committees of jurisdiction as well as the relevant House and Senate Appropriations subcommittee that oversees each account?

Answer. Yes. CBO currently provides Congressional staff with information about baseline accounts that is sorted by House or Senate authorizing committee on the basis of the agency's understanding of primary oversight by committees. Some programs, such as Medicare, fall under the jurisdiction of more than one committee. For such programs, CBO does not have estimates of how much of the funding in those programs' accounts is associated with each of the relevant committees. CBO does not make determinations about which programs and accounts fall within a committee's jurisdiction. Those assignments are made by House and Senate officials.

Question. CBO has made important strides in increasing transparency in recent years. Are there any legal restrictions that inhibit additional transparency steps, such as making models available publicly?

Answer. Yes. CBO looks to further improve transparency, but in some instances, legal restrictions affect the agency's ability to make models available. Making some models publicly available would allow users to take projections that CBO has already published and reverse-engineer the values of inputs to those models. Because those models' input data are legally restricted and cannot be disclosed, the models cannot be disclosed.

Restricted data are confidential, proprietary, or otherwise sensitive data that are safeguarded under strict federal standards. For example, CBO must adhere to federal statutes that bar the disclosure of federal tax information and to

25. See, for example, Congressional Budget Office, *Budgetary Outcomes Under Alternative Assumptions About Spending and Revenues* (May 2024), www.cbo.gov/publication/60114.

26. See Box 3-4, "How the IIJA Affects CBO's Baseline Projections of Discretionary Spending," in *The Budget and Economic Outlook: 2022 to 2032* (May 2022), www.cbo.gov/publication/57950.

federal privacy laws that protect individually identifiable data, which are often required in CBO's analyses.

In many cases, CBO relies on formal agreements to gain access to data that are sensitive or have restricted uses (typically because of statutory limitations on the agencies that collect or maintain the data). Those agreements lay out the scope of the data, the responsibilities of CBO and the agency providing the data, measures to ensure the data's security, and the information the data are expected to provide. Those agreements also typically specify how CBO's analysts should access the data, which analysts are allowed access, and how long the data access period will last. Obtaining data from other federal agencies through such agreements requires time and resources.

The Congressional Budget Office Data Sharing Act, enacted on September 30, 2024, affirms that CBO is obligated to protect the data it receives and maintain the same level of confidentiality as the data's originating agencies.²⁷

Question. One of the standards of reputable academic research is ensuring that others can replicate results of modeling. Will CBO strive to provide sufficient transparency so that independent sources can replicate your results?

Answer. Yes, CBO strives to ensure the replicability of its analytical results as it looks to publish more information about its models. As part of its commitment to bolstering transparency, CBO posts advanced modeling resources on the web-based platform GitHub, where users can examine computer code, data, and other documentation associated with the agency's models. Some of the resources posted there allow users to replicate CBO's results.

For example, one of CBO's repositories on GitHub contains data and computer code that allow users to replicate the central estimates of the effects of the three illustrative policies presented in CBO's 2019 report *Financial Regulation and the Federal Budget*.²⁸ CBO's premium growth model, also posted on GitHub, allows users to replicate the agency's projections of how quickly

premiums for private health insurance will change over time and how those projections differ under alternative scenarios.²⁹ Another GitHub repository enables users to replicate the evaluations that CBO regularly conducts of the accuracy of its projections of key budgetary measures, such as outlays, revenues, deficits, and debt.³⁰

In many instances, however, full replication by outside users is not possible, because CBO's analyses rely on confidential, proprietary, or otherwise legally restricted data that cannot be publicly disclosed. In those cases, CBO seeks to provide as much information as possible about its methods, assumptions, and results without violating legal or contractual restrictions on data use.

Question. What are some barriers you see in providing enough information to the public so independent sources can replicate your results? How can we address those barriers?

Answer. In some cases, CBO could publish its models and users would not be able to replicate its findings because the models use data that are legally restricted. Independent sources would need to obtain their own legal access to the same data. Congress could facilitate that by making more information, such as tax data, accessible to independent sources.

When restrictions on the sharing of confidential and proprietary data are satisfied, ensuring the replicability of CBO's analytical results—such as by posting code and supporting information on GitHub—still requires significant time and expertise from the agency's analysts as they also work to meet the needs of Congress. The total amount of resources CBO has to serve Congress is limited and creates trade-offs between supporting replicability and fulfilling other requests and obligations to Congress.

CBO will continue to assess opportunities for posting computer code that allows for replicability of its analytical results, in addition to providing documentation that explains the modeling resources and methods underlying those results. Congress can support CBO by providing additional resources, such as dedicated funding for transparency efforts, while continuing to bolster the agency's ability to access key data, as it did with the

27. For more information, see Congressional Budget Office, *CBO's Agreements to Access Data Since September 30, 2024* (September 2025), www.cbo.gov/publication/61548.

28. See https://github.com/US-CBO/financial_regulation_model; and Congressional Budget Office, *Financial Regulation and the Federal Budget* (September 2019), www.cbo.gov/publication/55586.

29. See <https://github.com/US-CBO/premium-growth-model>.

30. See <https://github.com/US-CBO/eval-projections>.

Congressional Budget Office Data Sharing Act, enacted on September 30, 2024.

Question. Has CBO considered expanding the information provided in cost estimates to provide better transparency for the assumptions underlying the estimate?

Answer. Yes, CBO constantly considers the trade-offs involved in providing legislative cost estimates more quickly and expanding the information included in those estimates. Many cost estimates have a section, called “Basis of Estimate,” that discusses the assumptions, reasoning, analytical methods, and sources of data used to develop the estimate. That section can also include an explanation of the legislation’s effects on direct spending, spending subject to appropriation, and revenues, as well as a description of areas of significant uncertainty. CBO also regularly publishes reports and supporting documents that explain its analyses, including its general analytical approach and how it applies that approach to specific issues.

Question. Are there any restrictions on CBO that prevent it from including supplementary information regarding projected debt servicing costs in cost estimates for legislation that affects the deficit?

Answer. By long-standing convention, CBO’s cost estimates do not typically account for the cost of servicing the additional federal debt that would result from enacting a piece of legislation. Any change in practice to account for debt-service effects in cost estimates used for budget enforcement purposes would occur at the direction of the House and Senate Budget Committees.

CBO has provided separate estimates of debt-service effects when requested by Congress. For example, the agency was asked to examine the debt-service effects of the 2025 reconciliation act (P.L. 119-21) after it passed the House of Representatives in May 2025.³¹ CBO also incorporated debt-service costs in its dynamic analysis of the House-passed legislation.³²

CBO provides an easy-to-use tool on its website that policymakers, Congressional staff, and the public can use to calculate debt-service costs for proposed legislation.³³ In many cases, adding debt-service effects to cost estimates would be feasible and would require only limited additional resources from CBO.³⁴

Question. The Congressional Budget Act requires CBO to provide cost estimates for legislation, but only after the bill is reported out of committee. That means at the markup, Members can be operating in the dark. CBO often works with the committee to provide informal estimates, but that information may not be available to all Members of the committee. Prior to a committee’s consideration of fiscally significant legislation, could CBO publicly provide a preliminary cost estimate?

Answer. CBO would require more time and resources to compile and standardize preliminary information in a way that would make it suitable for public release.

CBO provides budgetary and economic information at various stages of the legislative process. As Congress develops legislation, the agency often provides preliminary information that is kept confidential so that Members and staff can evaluate and revise proposals. For legislative text that is already public, preliminary information is made available to Members or staff who ask about it. (Public legislative proposals include introduced bills and amendments, proposals in the President’s budget, policy options that CBO has analyzed in one of its reports, and bills that have been voted on by committees or by the House or Senate. They also include proposals that have been widely discussed in the public domain or that have been publicly discussed in some detail by their sponsors.)

Sometimes the preliminary information that CBO provides is piecemeal, or includes estimates for a range of options, or is provided quickly and in real time as legislative proposals evolve. Such information might not reflect the bill that was introduced, or it could cease to

31. Congressional Budget Office, *Debt-Service Effects Derived From H.R. 1, the One Big Beautiful Bill Act* (June 2025), www.cbo.gov/publication/61459.

32. Congressional Budget Office, cost estimate for H.R. 1, the One Big Beautiful Bill Act (dynamic estimate) (June 17, 2025), www.cbo.gov/publication/61486.

33. Congressional Budget Office, “How Changes in Revenues and Outlays Would Affect Debt Service, Deficits, and Debt” (interactive tool, March 5, 2025), www.cbo.gov/publication/60835.

34. For more information, see Congressional Budget Office, *Adding Debt-Service Effects to CBO’s Cost Estimates* (June 2024), www.cbo.gov/publication/60277.

be pertinent if a bill was modified in committee. Those factors, among others, complicate CBO's ability to make preliminary estimates public.

Representatives Grothman and McDowell's Questions About CBO's Use of Artificial Intelligence

(The two representatives submitted identical versions of the first three questions in this group. The final question was submitted only by Representative McDowell.)

Question. Given recent advances in technology in recent years, it is possible to imagine an AI powered platform trained on CBO's underlying data and modeling that allows Congressional offices (and perhaps even the public) to obtain informal, preliminary cost estimates for certain types of policy proposals. Has CBO considered this type of concept?

Answer. CBO has not yet considered building a platform powered by artificial intelligence (AI), training it on the agency's underlying data and modeling, and then making the platform available to Congressional offices or the broader public. CBO has, however, produced several tools that give users the ability to interact with a set of the agency's models.³⁵ Although those tools are not as advanced as an AI-powered platform, they are useful and important steps in the direction of providing the functionality of user-driven analysis.

Question. What sort of limitations does CBO currently face that would affect its ability to advance such a platform?

Answer. The largest limitations CBO would face in creating such a platform would be skills and resources. Building an AI platform would require a team of data engineers, software engineers, AI engineers, and cybersecurity experts. Once the platform was built, maintaining it would involve substantial costs for data storage, computational processing, performance tracking, model updates, and user support. Another issue is that some of the data sources that CBO uses in its models and cost estimates contain confidential or proprietary information. Guardrails would have to be built around such an AI platform to ensure that no sensitive data inadvertently became available.

Question. What additional authorities or resources would CBO require from this Committee to carry out a proposal like this?

Answer. Before devoting resources to building an AI-powered platform that could produce preliminary, informal cost estimates for certain types of policy proposals, CBO would look to Congress for guidance about the scope and functionality of the platform necessary to meet Congress's needs. (For example, would the platform be intended only for Congressional users, or would it be available to the public? Which types of policy proposals would the platform support?) If Congress wishes, CBO can formulate a budget and a plan to work on this project and include it in a future budget request.

Question. How is CBO incorporating artificial intelligence capabilities into its toolkit to improve modeling and other work?

Answer. CBO has been actively exploring and adopting AI-powered tools in its work since April 2023, when the agency formed an AI working group. In July 2023, CBO agreed on contract terms with OpenAI and began allowing staff to experiment with the free version of ChatGPT. In November 2023, CBO began evaluating GitHub Copilot, an AI-powered coding assistant.

Because of the positive results from those early initiatives, CBO now provides agencywide access to two secure, enterprise-level AI platforms for staff to use in their work. Having access to AI platforms with strong data-privacy protections has allowed CBO staff to use AI on a wide range of tasks, such as writing computer code, summarizing draft legislation, and writing documentation.

Representative McDowell's Questions About CBO's Responsiveness to Congress

Question. What are the greatest impediments to CBO right now in working to improve its service and responsiveness to Congress? Aside from appropriations, what other steps can this committee or Congress as a whole take to improve CBO's ability to meet the needs of members and committees?

Answer. As Congressional priorities and processes have changed, CBO's workload has grown considerably. Consequently, CBO receives more requests than its resources can support. The agency is spending more time providing technical assistance to committees during the drafting stage of legislation, is being asked more often to prepare cost estimates for bills that are heading for votes

35. Those tools are available at Congressional Budget Office, "Easy-to-Use Modeling Tools," www.cbo.gov/models/tools.

without first being marked up by committees, and is increasingly being asked to respond to requests for information outside of legislative cost estimates. The agency must strive to meet new demands while also fulfilling its statutory requirements to prepare cost estimates for bills approved by committees and reports about the budget and the economy.

To improve CBO's ability to meet Congress's needs, the Budget Committees and other committees can help CBO identify areas on which to focus its resources, so the agency can develop capacity in areas of substantial Congressional interest. Developing or enhancing analytic capabilities in a particular area can take time, so the earlier CBO can identify priority areas, the better equipped it will be to respond to Congressional requests for analysis in those areas. Such guidance is particularly helpful because CBO's staff numbers about 270 people, which is less than one-half the size of the Congressional Research Service and less than one-tenth the size of the Government Accountability Office.

Question. Can you describe how CBO prioritizes Member requests for analysis and information and the extent to which you have the resources you need to support all the requests you receive from Congress?

Answer. The Congressional Budget Act of 1974 specified that CBO works for all Congressional committees and set the agency's priorities. According to the law's provisions, CBO's chief responsibility is to help the House and Senate Budget Committees with matters under their jurisdiction. Priority is also given to the House and Senate Appropriations Committees, the House Ways and Means Committee, and the Senate Finance Committee. CBO also works closely with the House Rules Committee and with the leadership of both chambers to ensure that the agency provides budgetary information when it is needed.

Although CBO must prioritize work for committees, it also provides services to individual Members' offices as time allows. For example, members of CBO's staff meet with Members of Congress frequently to provide feedback on bills, answer questions, and talk about aspects of the budget or the economy. CBO also reviews thousands of proposed amendments to legislation for hundreds of Members. In addition, the agency offers help—in phone calls, emails, and meetings—to Members and their staff as they consider and draft bills or when they have questions about a complicated estimate or report.

CBO has also created tools for Congressional staff to use, including a waterfall table for projecting discretionary spending, a debt-service calculator, and a workbook that allows users to define and analyze alternative economic scenarios.

Even with providing that assistance, CBO receives significantly more requests each year than its resources can support. CBO's recent budget requests have asked for funding to increase its staff to 285 people, which would allow the agency to better meet its responsibilities under the Budget Act. To fully meet the needs of individual Members, CBO would require a significant increase in its budget.

Question. What advances has CBO made, and what are your plans to continue improving congressional outreach efforts?

Answer. CBO's advances and plans include the following:

- *Enhancing outreach, especially at the start of a new Congress.* CBO's Director and staff members regularly conduct outreach to Congressional committees and Members' personal offices to explain the agency's work, respond to questions, learn Members' interests, and solicit feedback. (In 2025, for example, the Director met with dozens of Members either individually or in groups.) Such outreach is a particular focus at the beginning of each new Congress, as part of CBO's efforts to identify legislative priorities and issues on the horizon and to make Congress aware of CBO as a resource. CBO plans to do more of that outreach, particularly with Members' personal offices.
- *Providing forums to learn about CBO's models and work.* CBO's staff give presentations to Members and Congressional staff (sometimes in collaboration with Congressional committees and the Congressional Research Service) about CBO's budget and economic projections, how it prepares cost estimates, and other topics. Such presentations allow CBO to explain its work and answer questions. CBO plans to do more of those presentations, with a particular focus on its modeling. For example, CBO recently met with staff of the Budget Committees to explain its modeling on tariffs. CBO aims to expand the reach of such presentations, focusing on models for policies germane to specific committees.
- *Finding innovative ways to keep Congress and the public informed of CBO's work.* In 2024, the agency launched

a quarterly email newsletter, *CBO's Quarter in Review*, which provides a roundup of the agency's most recent publications and cost estimates in an accessible HTML format. CBO will continue to enhance such communications with Congress and the public and will aim to send more frequent email newsletters.

- *Making resources related to CBO's models more accessible.* When practicable, the agency posts data, computer code, and documentation associated with its models on the web-based platform GitHub.³⁶ Users can examine those resources and explore outcomes under alternative scenarios. CBO has also created several easy-to-use modeling tools for exploring alternative legislative and policy scenarios based on the agency's models. Those accessible modeling tools, along with the more advanced modeling resources posted on GitHub, are listed on CBO's website.³⁷

Representative Smucker's Questions About CBO's Transparency, Analyses, and Models

Question. When CBO released the code for its capital tax model, the Yale Budget Lab used that code to do further research—creating an open-source model to simulate the revenue effects and tax burden impacts of potential policy changes. Why not have this transparency for all of CBO's work? Why does CBO not release source code for baselines and major legislation scoring?

Answer. Transparency is central to CBO's mission.³⁸ As practicable, the agency publicly posts computer code, data, and documentation associated with its models, some of which underpin the agency's baseline projections and major legislative cost estimates.

CBO is committed to expanding those transparency efforts. But it faces technical, operational, and legal constraints that limit its ability to release computer code for models underlying all analytical work, including for every baseline update or cost estimate for major legislation.

Releases. CBO posts advanced modeling resources on the web-based platform GitHub.³⁹ One example available on GitHub is CBO's premium growth model, which helps the agency's analysts estimate how quickly premiums for private health insurance will change over time.⁴⁰ Projections of those premiums are used in several components of CBO's baseline, including estimates of federal health subsidies. They are also used to assess the effects of legislation that would alter markets for private health insurance.

CBO plans to publicly post additional models, such as a model it uses to estimate the effects of higher tariffs on the federal budget and trade flows. That model will support key projections in the February 2026 edition of CBO's *Budget and Economic Outlook*.

In addition, CBO offers a number of easy-to-use modeling tools on its website, such as a simplified version of the model used to develop the agency's baseline projections of discretionary spending.⁴¹

Constraints. CBO faces limitations in posting computer code for all of the models that underlie its analyses. Time, staffing, and workload constraints, as well as requirements to protect confidential and proprietary datasets, make it challenging for CBO analysts to provide open-source versions of the agency's models while at the same time working to fulfill the agency's statutory obligations and other requests made by Congress.

Given the range of modeling questions CBO is asked to address, and the frequency with which its models are updated, creating open-source versions of many models that would be suitable for use by audiences outside the agency would require substantial resources. CBO operates under resource constraints and receives more requests for legislative analysis than can be addressed at any given time, requiring it to balance competing priorities. Expanding efforts such as developing open-source code and comprehensive documentation for models used in baseline projections and major legislative analyses would

36. Such resources are available at <https://github.com/us-cbo>.

37. Congressional Budget Office, "Easy-to-Use Modeling Tools," www.cbo.gov/models/tools, and "Advanced Models and Details," www.cbo.gov/models/details.

38. For details, see Congressional Budget Office, "Transparency," www.cbo.gov/about/transparency.

39. Such resources are available at <https://github.com/us-cbo>. For more details, see Congressional Budget Office, "How CBO Shares Its Models," *CBO Blog* (November 19, 2025), www.cbo.gov/publication/61878.

40. See <https://github.com/US-CBO/premium-growth-model>.

41. Congressional Budget Office, "Easy-to-Use Modeling Tools," www.cbo.gov/models/tools, and "CBO's Waterfall Model for Projecting Discretionary Spending, January 2025" (interactive tool, January 28, 2025), www.cbo.gov/publication/61180.

therefore require trade-offs in how the agency's resources are allocated. CBO has worked to make its modeling more accessible when resources have become available.

CBO's models differ in complexity, from spreadsheet calculations to large-scale simulation models that account for a broad set of factors. The number of models that the agency produces each year varies. Many of CBO's models are continually refined and maintained by the agency's analysts; in addition, new models are created each year in response to the interests of Congress. CBO's models require frequent updates and improvements and reflect continual changes in legislation.

Many of CBO's models also rely on confidential or proprietary datasets, and legal statutes and agreements prohibit their public release. Such datasets include federal tax information, protected health information, and confidential or proprietary business information.

Question. Are transparency activities distributed across analysts or concentrated in a dedicated team? How is transparency currently prioritized relative to CBO's other work?

Answer. Transparency remains an agencywide priority for CBO.⁴² Transparency-related activities are distributed across the agency's divisions and are not concentrated in a dedicated team. Almost all staff members contribute to the agency's transparency efforts by spending at least some of their time on such activities.

CBO must constantly balance its efforts to improve transparency with its commitment to respond quickly to Congress's needs. By law, CBO's chief responsibility is to assist the House and Senate Budget Committees.⁴³ The Congressional Budget Act of 1974 also gives priority for CBO's assistance to the House and Senate Appropriations Committees, the House Ways and Means Committee, and the Senate Finance Committee. In addition, the agency works closely with Congressional leadership.

CBO fulfills thousands of requests for technical assistance from Members of Congress and their staff each

42. See, for example, Congressional Budget Office, *Transparency at CBO: Plans for 2025 and a Review of 2024* (April 2025), www.cbo.gov/publication/61199.

43. For details, see Congressional Budget Office, "Introduction to CBO," www.cbo.gov/about/overview.

year.⁴⁴ At the same time, the Budget Act sets requirements for certain analyses and major products—such as cost estimates and CBO's baseline budget and economic projections—that guide much of the agency's work.

CBO's efforts to bolster transparency often involve a trade-off in which the agency must weigh the benefits and costs of devoting resources to different activities. CBO welcomes feedback about what people find most useful and suggestions about ways in which it can further explain its work.

Question. CBO is often required to produce estimates with highly uncertain outcomes. When our counterparts in the intelligence community do this, they assign a confidence level, like "high," "moderate," or "low," to provide context for their prediction. CBO does not. Why does CBO not assign confidence intervals to its projections? This would allow us to understand your models' sensitivity to uncertainty. Although CBO publishes alternative assumptions, why are those findings listed in a separate report? Why not include them alongside the original estimates?

Answer. In past reports, CBO has provided intervals for some of its key projections. For projections of economic activity and budget deficits, for example, the agency has displayed the range of values within which there is a two-thirds chance that future outcomes will fall.⁴⁵ Those ranges of uncertainty are based on analyses of past errors.

When CBO publishes a legislative cost estimate that is especially uncertain, it discusses the main sources of uncertainty as part of the cost estimate.⁴⁶ In general, uncertainty in cost estimates is not quantified, because doing so would substantially delay the delivery of an estimate that supports a committee's work. Also, data about the likelihood of a range of outcomes, which CBO would need for such a quantitative analysis, is generally

44. Congressional Budget Office, "How CBO Supports the Congress," *CBO Blog* (January 16, 2025), www.cbo.gov/publication/61141.

45. See, for example, Congressional Budget Office, *Additional Information About the Economic Outlook: 2025 to 2035* (January 2025), Figures 8 and 9, www.cbo.gov/publication/61135, and *The Budget and Economic Outlook: 2024 to 2034* (February 2024), Figure 1-7, www.cbo.gov/publication/59710.

46. Congressional Budget Office, *CBO Explains Common Sources of Uncertainty in Cost Estimates for Legislation* (February 2025), www.cbo.gov/publication/60984.

less readily available than information about average outcomes. CBO is committed to providing as much information about uncertainty as is practicable.

Decisions about what to include in a given report are governed by many factors, including Congressional interest, resource constraints, and the goal of publishing projections as soon as possible after they are prepared. For instance, analyses of budgetary outcomes under alternative assumptions about spending and revenues have sometimes appeared alongside baseline budget projections when time has allowed.⁴⁷ In other cases, such analyses have appeared in stand-alone reports instead.⁴⁸ Because of growth in Congressional interest in how economic changes affect the budget, CBO moved an analysis of that topic from an appendix in *The Budget and Economic*

Outlook to its own report with additional information and an interactive supplemental workbook.⁴⁹

Question. When CBO models the development of new drugs, it focuses almost entirely on their initial approval; however, many of the uses for drugs we use today were discovered after initial approval, in the post-approval phase. Given that Congress relies heavily on CBO's scores when considering drug pricing policies, how can we be confident that CBO's projections account for the discoveries that often take place in the post-approval process?

Answer. CBO has not had the resources to incorporate discoveries made after approval into its projections of drug development. The agency is reviewing research about postapproval discoveries as it builds capacity in that area.

47. See, for example, Congressional Budget Office, *The 2022 Long-Term Budget Outlook* (July 2022), Chapter 4, www.cbo.gov/publication/57971.

48. Congressional Budget Office, *The Long-Term Budget Outlook Under Alternative Scenarios for the Economy and the Budget* (May 2025), www.cbo.gov/publication/61332.

49. Congressional Budget Office, *How Changes in Economic Conditions Might Affect the Federal Budget: 2025 to 2035* (March 2025), www.cbo.gov/publication/61198, and "Workbook for How Changes in Economic Conditions Might Affect the Federal Budget: 2025 to 2035" (March 2025), www.cbo.gov/publication/61183.