



An Introduction to the  
Congressional Budget Office



# **An Introduction to the Congressional Budget Office**

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## CBO's Mission

**D**uring the past half century, the Congress has witnessed a steady erosion of its control over the budget. In contrast, we have seen a consistent escalation of executive influence over budget and fiscal policies. The Congressional Budget and Impoundment Control Act of 1974 will give us the means to reverse that erosion.... [It] calls for the establishment of a Congressional Budget Office—CBO—as an agency of the Congress. The CBO... will provide Congress with the kind of information and analysis it needs to work on an equal footing with the executive branch.

—Senator Edmund Muskie, June 21, 1974

### The Congress's Establishment of CBO

Budgetary conflict between the legislative and executive branches reached a high point during the summer of 1974. Tensions centered on a fundamental disagreement between the President and the Congress over control of budgetary and spending priorities.

The Congress wanted major changes to counter the growing influence of the President that began with the Budget and Accounting Act of 1921. That law gave the President overall responsibility for budget planning by requiring him to submit an annual, comprehensive budget proposal to the Congress. It also created a new Bureau of the Budget (renamed the Office of Management and Budget in 1971) that expanded the President's control over budgetary information. The Congress, by contrast, lacked any institutional capacity to establish and enforce budgetary priorities, coordinate actions on spending and revenue legislation, or develop budgetary and economic information independently of the executive branch.

Members of Congress objected to then-President Richard Nixon's use of "impoundments" (withholding of appropriated funds) to thwart Congressional desires to fund programs that were inconsistent with his policies. Many

Members also chafed under the executive branch's control of budgetary information and questioned the objectivity of economic assessments produced by presidential appointees. The dispute led to enactment of the Congressional Budget and Impoundment Control Act of 1974, which was signed into law by President Nixon on July 12, 1974.

With the Congressional Budget Act of 1974 (including the establishment of CBO), the legislative branch reasserted its constitutional control over the power of the purse. The law established new procedures for controlling presidential impoundments of funds. It also instituted a formal process, centered on a concurrent resolution on the budget, through which the Congress could develop, coordinate, and enforce its own budgetary priorities independently of the President. The budget law created legislative institutions to implement the new Congressional budget process—the House and Senate Budget Committees to oversee execution of the budget process and the Congressional Budget Office to provide the budget committees and the Congress with an independent, nonpartisan source of budgetary and economic information.

### The Role and Responsibilities of CBO

CBO's chief responsibility under the Budget Act is to help the budget committees with the matters under their jurisdiction—principally the Congressional budget resolution and its enforcement. The budget resolution sets total levels of spending and revenues as well as broad spending priorities. As a concurrent resolution, it is approved by the House and Senate but is not signed by the President, does not have the force of law, and provides no taxing or spending authority. Rather, it is a blueprint to guide Congressional action on subsequent, separate spending and revenue legislation within the jurisdiction of other committees.



the economy more than two years ahead; instead, its longer-term projections are based on trends in the labor force, productivity, and saving.

CBO draws the information for its forecast from ongoing analysis of daily economic events and data, the major commercial forecasting services, consultation with economists both within and outside the federal government, and the advice of the distinguished CBO Panel of Economic Advisers, which meets twice a year.

### **Analysis of the President's Budget**

Each year, CBO estimates the budgetary impact of the President's proposals using CBO's economic assumptions and estimating techniques. This independent "reestimate" of the President's budget allows the Congress to compare the Administration's spending and revenue proposals to CBO's baseline projections and to other proposals using a consistent set of economic and technical assumptions.

### **Cost Estimates for Bills**

The Budget Act requires CBO to produce a cost estimate for every bill "reported out" (approved) by a Congressional committee, a responsibility that has expanded somewhat over the years as legislators have sought to learn more about the potential costs of legislation at various other points in the legislative process. CBO's cost estimates show how the legislation would affect spending or revenues over the next five years or more. Those written estimates provide information about the proposal and explain how CBO prepared the estimate. For most tax legislation, CBO uses estimates provided by the Joint Committee on Taxation, a separate Congressional panel that works closely with the two tax-writing committees.

CBO's cost estimates may affect the outcome of various proposals in the legislative process because those estimates are used to determine whether the proposals are consistent with the budget resolution. As a result, the estimates have become an integral part of the legislative process. The agency often is asked to provide preliminary, informal estimates for major proposals at the earliest, developmental stages of the legislative process—well before wording for bills is crafted for committee action. CBO also is asked frequently by committees and Members to prepare cost estimates for use in formulating floor amendments and working out the final form of legislation in conference committees.

CBO also provides the appropriations committees with cost estimates of appropriation bills at every major stage of legislative action. The amounts specified in appropriation bills usually represent new budget authority, and the resulting outlays, or cash disbursements made by the Treasury, must be estimated. CBO's estimates may be crucial in determining whether a bill is consistent with allocations to the appropriations committees made under the budget resolution and with any statutory limits on discretionary spending.

### **Scorekeeping**

One of CBO's most important functions is to keep track of all spending and revenue legislation considered each year so that the Congress can know whether it is acting within the levels set by the budget resolution. CBO provides the budget and appropriations committees with frequent tabulations of Congressional action on both spending and revenue bills—although the bulk of CBO's scorekeeping system involves spending legislation. The scorekeeping system keeps track of all bills affecting the budget from the time they are reported out of committee to the time they are enacted into law.

### **Federal Mandates**

To better assess the impact of federal laws on state, local, and tribal governments and the private sector, the Congress approved the Unfunded Mandates Reform Act of 1995. That law requires CBO to provide committees (except for the appropriations committees) with a statement regarding the costs of federal mandates in reported legislation—generally provisions that would impose an enforceable duty on state, local, or tribal governments or on the private sector or that would reduce or eliminate the amount of funding authorized to cover the costs of existing mandates. If the direct costs of an intergovernmental or private-sector mandate would exceed specified thresholds in any of the first five years after enactment, CBO must provide an estimate of those costs (if feasible) and the basis of the estimate. CBO generally includes both intergovernmental and private-sector mandate statements with its cost estimate for each committee-approved bill.

### **Budget Options**

CBO periodically produces a reference volume discussing options for the budget. Past volumes have included a wide range of options, derived from many sources, to cut spending as well as to raise or lower revenues. They also have discussed the implications of certain broad policy

## CBO's Staffing and Organization

**T**itle II of the Congressional Budget Act of 1974 spells out the procedures for appointing CBO's Director and staff and authorizes the agency's annual appropriations.

### The Appointment of the Director

The Speaker of the House of Representatives and the President pro tempore of the Senate jointly appoint the CBO Director, after considering recommendations from the two budget committees. The term of office is four years, with no limit on the number of terms a Director may serve. Either House of Congress, however, may remove the Director by resolution.

At the expiration of a term of office, the person serving as Director may continue in the position until a successor is appointed.

Douglas W. Elmendorf is CBO's Director. He has been appointed to serve from January 22, 2009, to January 3, 2011, completing the most recent four-year term of office. The previous directors since the agency's inception in 1975 were Peter R. Orszag, Douglas Holtz-Eakin,

Dan L. Crippen, June E. O'Neill, Robert D. Reischauer, Rudolph G. Penner, and Alice M. Rivlin.

### CBO's Staff

The Director appoints all CBO staff, including the Deputy Director, and all appointments are based solely on professional competence, without regard to political affiliation. The compensation of the Director and the Deputy Director is set by law at levels tied to the annual rate of compensation of House and Senate officers. The Director determines the compensation of all other staff.

Of CBO's total expenditures, the largest share by far is allotted to personnel. The agency currently employs about 230 people.

CBO is composed primarily of economists and public policy analysts. About 70 percent of its professional staff hold advanced degrees in either economics or public policy. For purposes of pay and employment benefits, all staff are treated as employees of the House of Representatives.

Douglas W. Elmendorf	January 22, 2009 –
Peter R. Orszag	January 18, 2007 – November 25, 2008
Douglas Holtz-Eakin	February 5, 2003 – December 29, 2005
Dan L. Crippen	February 3, 1999 – January 3, 2003
June E. O'Neill	March 1, 1995 – January 29, 1999
Robert D. Reischauer	March 6, 1989 – February 28, 1995
Rudolph G. Penner	September 1, 1983 – April 28, 1987
Alice M. Rivlin	February 24, 1975 – August 31, 1983

### **Macroeconomic Analysis Division**

The Macroeconomic Analysis Division combines two major responsibilities: for economic forecasting and for policy analysis. In its forecasting role, the division is responsible for preparing CBO's economic projections for periods up to 10 years. Those projections help the budget committees develop the concurrent resolution on the budget and serve as the economic assumptions underlying CBO's baseline projections of the budget. In its policy analysis role, the division examines the effects of fiscal policy on the economy using state-of-the-art macroeconomic models, studies the economic implications of the federal government's complex financial arrangements using the tools of modern financial analysis, and analyzes ways to report and manage the federal government's exposure to risk. The results of those studies and analyses, along with general information on macroeconomic issues, aim to inform the Congress in its decisionmaking and bolster the public's understanding. In analyzing the macroeconomic effects of a wide range of fiscal policies, the division works closely with CBO's other divisions.

### **Management, Business, and Information Services Division**

The Management, Business, and Information Services Division provides support services to CBO's other divisions, including budget and finance, human resources, information resource management, facilities management, and library services. The division also provides editorial and publishing services.

### **Microeconomic Studies Division**

The Microeconomic Studies Division has primary responsibility for analyzing a broad range of policy issues, with an emphasis on the microeconomic foundations of the economy and on the federal government's role as a regulator, manager of resources, and provider of public goods. The division thus produces studies for Congressional committees, supports CBO's cost estimates of legislation under consideration by the Congress, and contributes to CBO's projections of budgetary and economic outcomes. Analytical areas include agriculture, commerce, energy and natural resources, the environment, federal personnel, intellectual property, public investment in infrastructure and science, telecommunications, transportation, and trade. The division also examines the effects on the private sector of prospective legislation and estimates the costs of mandates imposed on the private sector.

### **National Security Division**

The National Security Division analyzes budgetary issues related to national defense, international security, and veterans' affairs. Its research focuses on defense budgets, military forces and weapon systems, the demand for and supply of military personnel, the military's industrial and support facilities, and U.S. foreign assistance programs. The division's analyses examine the budgetary effects of proposed legislation, the cost-effectiveness of current and potential defense programs, and the impact on the private sector of legislative initiatives concerning defense.

### **Tax Analysis Division**

The Tax Analysis Division's primary function is to estimate and project future tax revenues and analyze the U.S. tax structure. Working from CBO's macroeconomic forecasts, revenue estimators in the Tax Analysis Division use economic models and microsimulation techniques to produce 10-year projections of revenues, by source, twice each year in advance of the annual budget outlook report and summer update. Those revenue estimates then are combined with projections of spending to give the Congress a baseline of the future path of the federal budget under current laws and policies.

The division's analysts also estimate the revenue changes that would result from proposed legislation dealing with such sources of revenue as payroll taxes, receipts from the Federal Reserve System, customs duties, fees, and penalties. (Cost estimates of other tax legislation are prepared by the Joint Committee on Taxation.) In addition, the division conducts policy studies that examine how changes to U.S. tax law would affect the behavior of taxpayers and the economy.

### **CBO's Panels of Advisers**

To further the reliability, professional quality, and transparency of CBO's work, the agency has two panels of experts, to whom it turns for counsel. Lists of the advisers are available on CBO's Web site ([www.cbo.gov](http://www.cbo.gov)).

**Panel of Economic Advisers.** Composed of some of CBO's previous directors and eminent economists who serve two-year terms, the agency's panel of advisers meets twice a year. The panel reviews CBO's preliminary forecasts of the economy and provides advice.

**Panel of Health Advisers.** Consisting of acknowledged experts in health care, CBO's panel of health advisers meets periodically to examine new research in health policy and to advise the agency on its analyses of health care issues.

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## Obtaining CBO's Publications and Contacting CBO

**T**he Congressional Budget Office is located on the fourth floor of the Ford House Office Building at Second and D Streets, SW, in Washington, D.C. The building is served by the blue and orange lines of the Washington Metrorail system. The Federal Center SW station is located across the street from the Third Street entrance to the building.

### How to Get CBO Publications

CBO posts all of its publications and cost estimates on its Web site ([www.cbo.gov](http://www.cbo.gov)). The agency provides copies of its publications to Members of Congress, and its Publications Office can provide single copies to members of the public at no charge.

To request a complimentary printed copy of one of CBO's publications, call the Publications Office at (202) 226-2809 weekdays between 9:00 a.m. and 5:30 p.m., send an e-mail to [publications@cbo.gov](mailto:publications@cbo.gov), or submit your request by mail to:

CBO Publications Office  
Ford House Office Building  
Second and D Streets, SW  
Washington, DC 20515

The U.S. Government Printing Office sells some of CBO's reports and studies; multiple copies of those publications may be purchased from GPO. For information, call (202) 512-1800, send a fax to (202) 512-2250, visit [www.gpo.gov](http://www.gpo.gov), or write to the following:

Superintendent of Documents  
U.S. Government Printing Office  
Washington, DC 20402

### How to Contact CBO

For information about CBO's analyses and other work, visit the agency's Web site ([www.cbo.gov](http://www.cbo.gov)) or contact the Office of Communications at (202) 226-2602. The fax number is (202) 226-3040.

For information about employment, call the Office of Human Resources at (202) 226-2628. The fax number is (202) 225-7539. Job openings are described on CBO's Web site.

For other matters, call the Management, Business, and Information Services Division at (202) 226-2600. The fax number is (202) 226-2714.

## CBO's Managers

### Director

Douglas W. Elmendorf is the eighth Director of the Congressional Budget Office (CBO). His term began on January 22, 2009.

Before he came to CBO, Doug Elmendorf was a senior fellow in the Economic Studies program at the Brookings Institution. As the Edward M. Bernstein Scholar, he served as coeditor of the *Brookings Papers on Economic Activity* and the director of the Hamilton Project, an initiative to promote broadly shared economic growth.

Doug Elmendorf was previously an assistant professor at Harvard University, a principal analyst at CBO, a senior economist at the White House's Council of Economic Advisers, a deputy assistant secretary for economic policy at the Treasury Department, and an assistant director of the Division of Research and Statistics at the Federal Reserve Board. In those positions, he worked on budget policy, Social Security, Medicare, national health care reform, financial markets, macroeconomic analysis and forecasting, and other topics. He earned his Ph.D. and A.M. in economics from Harvard University, where he was a National Science Foundation graduate fellow, and his A.B. *summa cum laude* from Princeton University.

Among Doug Elmendorf's publications are these: "Can Financial Innovation Help to Explain the Reduced Volatility of Economic Activity?" in the *Journal of Monetary Economics* (January 2006), with Karen Dynan and Daniel Sichel; "Short-Run Effects of Fiscal Policy with Forward-Looking Financial Markets," in the *National Tax Journal* (September 2002), with David Reifschneider; "Fiscal Policy and Social Security Policy During the 1990s," in *American Economic Policy in the 1990s* (2002), with Jeffrey Liebman and David Wilcox; "Social Security Reform and National Saving in an Era of Budget Surpluses," in *Brookings Papers on Economic Activity* (Fall 2000), with Jeffrey Liebman; "Should America Save for Its Old Age? Fiscal Policy, Population Aging, and

National Saving," in the *Journal of Economic Perspectives* (Summer 2000), with Louise Sheiner; "Restraining the Leviathan: Property Tax Limitation in Massachusetts," in the *Journal of Public Economics* (March 1999), with David Cutler and Richard Zeckhauser; "Government Debt," in the *Handbook of Macroeconomics* (1999), with Greg Mankiw; and "The Deficit Gamble," in the *Journal of Money, Credit, and Banking* (November 1998), with Laurence Ball and Greg Mankiw.

### Deputy Director

Robert A. Sunshine became CBO's Deputy Director in August 2007. Before then, he was the Assistant Director for Budget Analysis for eight years. In that capacity, he oversaw much of the work of the agency. He supervised the preparation of cost estimates and intergovernmental mandate statements (which identify the costs of federal mandates on state, local, or tribal governments) for legislation being considered by the Congress. He managed the preparation of CBO's multiyear projections of federal spending that constitute the "baseline" for the Congressional budget process; the agency's annual analysis of the President's budget; and its ongoing estimates of spending for Congress's budget scorekeeping system. He also coordinated the preparation of CBO's *Monthly Budget Review*. In 2003, he received the James L. Blum Award for exceptional and distinguished accomplishment and leadership in public budgeting from the American Association for Budget and Program Analysis.

Robert Sunshine has been with CBO almost from its inception. From 1995 to 1999, he was the Deputy Assistant Director of the Budget Analysis Division. From 1978 to 1994, he served as Chief of the Natural and Physical Resources Cost Estimates Unit in that division. For the two years before that, he was a principal analyst in the Budget Analysis Division, covering transportation issues. Before coming to CBO, he was a senior associate with Simat, Helliesen and Eichner, Inc., a transportation consulting firm.



Assistant Director for Budget Analysis from 1999 to 2007. Before coming to CBO, he worked for two Washington-area consulting firms, specializing in energy and economic analyses.

#### **Assistant Director for Health and Human Resources**

Bruce Vavrichek joined CBO in 1981. Before being named Assistant Director, he was an analyst and the Deputy Assistant Director in CBO's Health and Human Resources Division, where he focused on issues related to labor economics, health economics, and public policy. Previously, he was a faculty member in the Department of Economics at the University of Maryland, where he taught and conducted research on microeconomics and econometrics.

#### **Assistant Director for Macroeconomic Analysis**

Robert A. Dennis has been with CBO since 1979. Before being named Assistant Director, he served as Deputy Assistant Director of the division. Previously, he was Manager of Macroeconomic Forecasting for Economic Models Ltd. in London and Director of National Economic Projections for the National Planning Association in Washington, D.C.

#### **Assistant Director for Management, Business, and Information Services**

Rod Goodwin joined CBO in February 2009. Before becoming Assistant Director for Management, Business, and Information Systems, he held the dual responsibilities of Director of Fiscal Accountability and Director of Equal Employment Opportunity at the Millennium Challenge Corporation (MCC), an independent executive branch agency. Prior to his work at MCC, he was the Assistant Director for Finance and Administration of IRIS, a research center within the Department of Economics at the University of Maryland. Before that, he was a finance and operations manager at the Academy for Educational Development, a nonprofit organization sponsoring human and social development programs. He also worked for 10 years in a variety of financial management positions with the State of Michigan.

#### **Assistant Director for Microeconomic Studies**

Joseph Kile came to CBO in 2005, following 16 years in various positions at the Government Accountability

Office (GAO). He led that agency's Center for Economics, within the Applied Research and Methods Team—overseeing a group of economists that provided analyses and reviews of a broad range of issues. Before that, he was a senior economist and an assistant director within GAO's Office of the Chief Economist. His analyses focused, in particular, on the issues of transportation (especially aviation financing, airline competition, and air service to small communities), energy, natural resources and the environment, and the pharmaceutical industry.

#### **Assistant Director for National Security**

The position of Assistant Director for National Security is currently vacant.

#### **Assistant Director for Tax Analysis**

Frank Sammartino's career at CBO reaches back more than 20 years. Before being promoted to his current position in August 2009, he had been the Deputy Assistant Director for Tax Analysis since 2007, and (in earlier service with the agency) he held that same position from 1993 through 1998 and was a principal analyst for eight years before that. In his work at CBO, he has had a major role in developing the agency's models for forecasting federal revenues from individual income taxes and measuring the distribution of the tax burden among households. His analyses and research at CBO have focused on a range of issues involving federal tax policy and the distribution of income and wealth.

Mr. Sammartino has held various other positions in both the legislative and executive branches, serving as Chief Economist and Deputy Director of the Joint Economic Committee and in various capacities in the Office of the Assistant Secretary for Planning and Evaluation at the Department of Health and Human Services. He was also a principal research associate in the Income and Benefits Policy Center at the Urban Institute, where he led a team of researchers in developing a new version of a dynamic simulation model used to analyze how public policies interact with economic and demographic forces to shape American families' retirement security. He is the coeditor of and a contributing author to *Social Security and the Family: Addressing Unmet Needs in an Underfunded System* (2002).

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# CBO's Policies for Preparing and Distributing Its Estimates and Analyses

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**T**he mission of the Congressional Budget Office (CBO) is to provide the Congress with the objective, timely, nonpartisan analysis needed for economic and budget decisions and the information and estimates required for the Congressional budget process.

## **CBO's Statutory Responsibilities**

Under the Congressional Budget Control and Impoundment Act of 1974, which created CBO, the agency's primary job is to provide budget-related information to all committees of both Houses, with priority given to the needs of the Committees on the Budget and of the Committees on Appropriations, Ways and Means, and Finance. The law also requires CBO to prepare several budget projections each year and to perform studies of budgetary issues. In addition, CBO must prepare estimates of new budget authority, outlays, or revenues that would result from bills or joint resolutions reported from committees of either House, and of the costs that the government would incur in carrying out the provisions of the proposed legislation. Those cost estimates are usually included in the committee reports accompanying bills or resolutions before action by the House or Senate.

Under the Budget Act, the Joint Committee on Taxation is responsible for estimating the impact on revenues when legislation involves income, estate, gift, excise, and payroll taxes, and CBO is

required to use those revenue estimates in its own analyses.

The Unfunded Mandates Reform Act of 1995 requires CBO to estimate the costs of federal mandates in legislation that would affect state, local, and tribal governments or the private sector. The act also authorizes CBO to prepare analyses and studies of the budgetary or financial impact of proposed legislation that may significantly affect state and local governments or the private sector, to the extent practicable, at the request of any committee.

Occasionally, other laws have directed CBO to analyze specific subjects. Such analyses have included the treatment of administrative costs under credit reform accounting and the financial risks posed by government-sponsored enterprises.

## **How Work on CBO's Estimates and Studies Is Initiated**

**Cost Estimates.** The Congressional Budget Office is responsible for providing federal budget and mandate cost estimates for bills (other than appropriation bills) when they are reported by a full committee of either House. Committee staff should notify CBO when bills are about to be ordered reported and when cost estimates are needed.

CBO sometimes prepares cost estimates for proposals at other stages of the legislative process at the request of a committee of jurisdiction, a budget committee, or the Congressional leadership. For example, CBO may prepare cost estimates for alternative proposals to be considered by a committee or subcommittee, including draft bills not yet introduced, or for amendments to be considered during committee markups. In many cases, cost estimates provided at early stages in the legislative process are informal, conveying preliminary budgetary effects. Similarly, CBO may prepare cost estimates for floor amendments and for bills that pass one or both Houses.

For appropriation bills, CBO provides estimates of outlays that would result from budget authority provided by such legislation. CBO also provides the budget and appropriations committees with frequent tabulations of Congressional action on both spending and revenue bills so that the Congress can know whether it is acting within the limits set by its annual budget resolution.

When undertaking a cost estimate, CBO analysts contact the staff of the committee of jurisdiction and, when applicable, the staffs of the Member sponsoring the proposal and the Member requesting the estimate to gather background information and discuss the schedule for completing the estimate. Budget and mandate cost estimates are based on the text of the proposed legislation. CBO analysts consult with the staff of the committee of jurisdiction (for a reported bill) or the sponsoring Member (for an introduced bill or amendment) when questions of interpretation arise, but they draw their own conclusions on an impartial and objective basis.

CBO analysts contact the appropriate staff members if a forthcoming CBO estimate shows direct spending costs, mandates that exceed the legislative thresholds, or other significant findings. However, CBO does not make judgments about the application of any procedural objections

(points of order) that could be raised in the legislative process on the basis of those findings.

**Analytic Studies.** In addition to statutory reports, or studies done to support CBO's statutory work, each year the office also undertakes a number of analytic studies at the request of the Chairman or Ranking Minority Member of the relevant committee or subcommittee; the Congressional leadership; or, as time permits, individual Members.

When undertaking requested analyses of legislative proposals or issues, CBO staff members consult with the requester's staff to reach an understanding of the scope and nature of the work to be done. CBO analysts draw their own conclusions on an impartial and objective basis, as they do when preparing cost estimates. When appropriate and after consultation with the requester's staff, CBO staff inform committees that may have an interest in the work. As a final step in the process, CBO informs the requester's staff of the results of the analysis and releases the material.

## **Sources of Information and Peer Review Practices**

CBO uses the rich data sources available from the government's statistical agencies. Those sources include the national income and product accounts, the census of manufacturers, the Statistics of Income, the Current Population Survey, and various national health surveys. CBO also uses information provided by relevant government agencies and industry groups to meet specific needs. To answer some questions, CBO uses available analytic models or develops them on its own.

CBO employs standard methods of economic analysis and closely follows professional developments in economics and related disciplines. CBO frequently seeks outside experts' advice on specific analytic matters, such as the outlook for agriculture production, spending projections for Medicare and Medicaid, and business prospects



in the telecommunications industry. For its economic forecasts, CBO draws on the advice of a distinguished panel of advisers that meets twice a year.

All CBO estimates and analytic products are reviewed internally for technical competence, accuracy of data, and clarity of exposition. CBO studies also are reviewed by outside experts. Although outside advisers provide considerable assistance, CBO is solely responsible for the accuracy of the estimates and analyses that it produces. In keeping with its nonpartisan status and its mandate to provide objective analysis, CBO does not make policy recommendations in any of its analyses.

### **Disclosure of CBO's Assumptions and Methodologies**

Both the Congressional Budget Act and the Unfunded Mandates Reform Act direct CBO to disclose the basis for each budget and mandate cost estimate. Consequently and as a matter of principle, CBO provides full explanations of the critical assumptions and methodologies underlying its cost estimates and analytic studies.

### **Transmission of CBO's Work to the Congress**

CBO seeks to ensure that key parties in the Congress who are involved in any particular issue have equal access to its analytic work. Insofar as possible, CBO delivers its cost estimates and analyses to all interested parties simultaneously. Requests for confidentiality are honored only for cost estimates for legislative proposals that have not been made public.

The Director of the Congressional Budget Office transmits by letter all formal budget and

mandate cost estimates of legislative proposals and all requested analyses. CBO sends its formal cost estimates for reported bills and estimates prepared at committee request to the Chairman and Ranking Minority Member of the reporting or requesting committee. When the requester is a budget committee or individual Member, CBO also sends a copy of its cost estimate simultaneously to the Chairman and Ranking Minority Member of the committee of jurisdiction; for an introduced bill or amendment, CBO sends a copy of the estimate to the sponsor and the Chairman and Ranking Minority Member of the committee of jurisdiction, as well to the requester.

In contrast, CBO staff may provide informal cost estimates at various stages of the legislative process as Members or committees evaluate proposals. Informal estimates are preliminary because they do not undergo the same review procedures required for formal estimates.

### **Distribution of CBO's Estimates and Studies**

CBO makes its work widely available to Members of Congress and their staff as well as to the public. CBO posts all of its cost estimates and publications on its Web site, and visitors to the site can subscribe to receive e-mails notifying them when CBO issues a cost estimate or publication on a subject of interest to them. The agency provides copies of its publications to Members of Congress and can provide single copies to members of the public at no charge.

To subscribe to CBO's new-document notification service, visit [www.cbo.gov/pubs\\_index.cfm](http://www.cbo.gov/pubs_index.cfm); for more information on obtaining copies of CBO publications, see [www.cbo.gov/obtain-products.cfm](http://www.cbo.gov/obtain-products.cfm).



# MONTHLY BUDGET REVIEW

## Fiscal Year 2010

### A Congressional Budget Office Analysis

Based on the *Monthly Treasury Statement* for December and the *Daily Treasury Statements* for January

February 4, 2010

The federal government incurred a budget deficit of \$434 billion in the first four months of fiscal year 2010, CBO estimates, almost \$40 billion more than the shortfall recorded in the same period last year. Outlays were 4 percent lower than they were last year at this time; however, revenues have fallen by 11 percent. Assuming that no other legislation affecting spending or revenues is enacted, CBO expects that the federal government will end fiscal year 2010 with a deficit of about \$1.35 trillion, slightly below the \$1.4 trillion deficit recorded in 2009. (See *The Budget and Economic Outlook: Fiscal Years 2010 to 2020* at [www.cbo.gov](http://www.cbo.gov) for more details on CBO's estimate for 2010 and its most recent 10-year projections.)

#### DECEMBER RESULTS

(Billions of dollars)

	Preliminary Estimate	Actual	Difference
Receipts	220	219	1
Outlays	312	311	1
Deficit (-)	-92	-92	*

Sources: Department of the Treasury; CBO.

Note: \* = between zero and \$500 million.

The Treasury reported a deficit of \$92 billion for December, about the same as CBO's estimate for that month based on the *Daily Treasury Statements*.

#### ESTIMATES FOR JANUARY

(Billions of dollars)

	Actual FY 2009	Preliminary FY 2010	Estimated Change
Receipts	226	203	-23
Outlays	290	249	-41
Deficit (-)	-63	-46	17

Sources: Department of the Treasury; CBO.

The deficit in January was \$46 billion, CBO estimates, \$17 billion less than the deficit recorded in the same month last year. However, after accounting for shifts in the timing of certain payments, the deficit for January 2010 would be \$33 billion more than the shortfall in January 2009.

Receipts in January were about \$23 billion (or 10 percent) lower than receipts in January 2009, CBO estimates. Withheld individual income and payroll taxes declined by \$11 billion (or 7 percent). About one-third of that decline is attributable to provisions of the American Recovery and Reinvestment Act of 2009 (ARRA). January's nonwithheld individual income and payroll tax receipts, which included the last quarterly estimated payment of individual income taxes for

calendar year 2009, fell by \$11 billion (or 17 percent). Refunds of individual income taxes increased by \$3 billion at the beginning of the tax-filing season. Net corporate receipts declined by \$2 billion. Those changes were partially offset by increases in payments to the Treasury from the Federal Reserve, which rose by \$4 billion.

Outlays were \$41 billion (or 14 percent) lower in January than they were a year ago, but the shifting of payments because of weekends and holidays decreased outlays by \$39 billion in January 2010 and increased spending by \$11 billion in January 2009. Adjusted for those calendar effects, outlays increased by \$10 billion compared with outlays in January of last year. Spending for net interest on the public debt accounted for the greatest growth—up by \$12 billion (mostly because of higher costs for inflation-indexed securities). Outlays also increased significantly for unemployment benefits (up by \$6 billion), Medicaid and defense (\$4 billion each, adjusted for timing shifts), the Department of Education (\$4 billion), and annual payments to Egypt and Israel for military aid (\$3 billion; in fiscal year 2009, those payments were made in April). Those increases were partially offset by a decrease of \$20 billion in spending for the Troubled Asset Relief Program (TARP) and by the repayment of \$5 billion in loans made to credit unions.

#### BUDGET TOTALS THROUGH JANUARY

(Billions of dollars)

	Actual FY 2009	Preliminary FY 2010	Estimated Change
Receipts	773	691	-83
Outlays	1,169	1,125	-44
Deficit (-)	-396	-434	-39

Sources: Department of the Treasury; CBO.

CBO estimates that the Treasury will record a deficit of \$434 billion for the first four months of fiscal year 2010, almost \$40 billion greater than the deficit recorded during the same period of fiscal year 2009.

Note: Unless otherwise indicated, the figures in this report include the Social Security trust funds and the Postal Service fund, which are off-budget. Numbers may not add up to totals because of rounding.

**REVENUES THROUGH JANUARY**  
(Billions of dollars)

Major Source	Actual FY 2009	Preliminary FY 2010	Percentage Change
Individual Income	380	309	-18.5
Corporate Income	55	36	-33.7
Social Insurance	285	279	-2.1
Other	54	66	22.7
<b>Total</b>	<b>773</b>	<b>691</b>	<b>-10.7</b>

Sources: Department of the Treasury; CBO.

Receipts for the first four months of fiscal year 2010 were about \$83 billion (or 11 percent) lower than receipts during the comparable period last year. Nearly two-thirds of that decline stems from lower withholding from employees' paychecks for income and payroll taxes. The \$50 billion (or 8 percent) drop in withholding results primarily from the Making Work Pay credit enacted in ARRA and from lower wages and salaries. Net corporate receipts declined by \$18 billion (or 34 percent), because of a combination of higher refunds and lower payments of estimated taxes. The decline in net corporate receipts can be attributed to weak corporate profits and the effects of recent legislation that extended the period over which corporations could apply current-year losses to offset income in previous years.

Nonwithheld individual income and payroll tax receipts fell by about \$14 billion (or 16 percent) in the October–January period; most of that decline resulted from lower estimated payments in January. Those receipts tend to move in conjunction with nonwage income. Collections in the first four months of the fiscal year represent only a small portion of nonwithheld receipts for the year, however. The next month in which a significant amount of nonwithheld receipts will be collected is April, when the 2009 tax-filing season ends. Refunds of individual income taxes were about \$13 billion higher than refunds in the first four months of last year. Most refunds in 2010 will occur in the February–May period, after taxpayers file their 2009 tax returns.

Those declines in individual income, payroll, and corporate taxes were partially offset by higher payments to the Treasury from the Federal Reserve. Those payments rose by \$13 billion for the first four months of the fiscal year because of a shift in the Federal Reserve's portfolio to longer-term, riskier, and thus higher-yielding investments in support of the housing market and the broader economy.

**OUTLAYS THROUGH JANUARY**  
(Billions of dollars)

Major Category	Actual FY 2009	Preliminary FY 2010	Percentage Change	
			Actual	Adjusted <sup>a</sup>
Defense–Military	219	223	1.9	3.8
Social Security				
Benefits	210	229	8.8	8.8
Medicare <sup>b</sup>	149	145	-2.9	5.1
Medicaid	71	89	24.7	24.7
Unemployment				
Benefits	27	55	105.1	105.1
Other Activities	315	291	-7.6	-5.6
<b>Subtotal</b>	<b>991</b>	<b>1,031</b>	<b>4.0</b>	<b>6.4</b>
Net Interest on the				
Public Debt	54	73	36.9	36.9
TARP	111	6	-94.3	-94.3
Payments to GSEs	14	15	10.4	10.4
<b>Total</b>	<b>1,169</b>	<b>1,125</b>	<b>-3.8</b>	<b>-1.9</b>

Sources: Department of the Treasury; CBO.

Note: TARP = Troubled Asset Relief Program; GSE = government-sponsored enterprise.

a. Excludes the effects of payments that were shifted because of weekends or holidays.

b. Medicare outlays are net of proprietary receipts.

Spending for the first four months of fiscal year 2010 was \$44 billion (or 4 percent) lower than it was last year through January, CBO estimates. Spending for the TARP decreased by \$105 billion, and net outlays by the Federal Deposit Insurance Corporation were down by \$44 billion because of higher receipts from the prepayment of insurance premiums. Other spending was up by \$127 billion (or 12 percent), after adjusting for shifts in the timing of certain payments.

Outlays for several major entitlement programs have increased substantially, compared with spending on those programs in the first four months of fiscal year 2009. Spending for unemployment benefits rose by \$28 billion, doubling the spending during the same period last year, because of continued high unemployment and the payment of extended benefits. Medicaid spending rose by \$18 billion (or 25 percent). A provision of ARRA that increased federal payments to states for Medicaid accounted for about \$13 billion of that growth. Social Security benefit payments also rose by \$18 billion (or 9 percent). A large cost-of-living increase provided in January 2009 combined with rising numbers of recipients fueled that increase. Adjusted for timing shifts, Medicare spending rose by \$7 billion (or 5 percent).

Outlays for net interest on the public debt grew by \$20 billion. Largely because of spending from ARRA, outlays by the Department of Education and for food and nutrition assistance also increased significantly.

## Appendix A: Information about the Congressional Budget Office (CBO)

The following was compiled from the Congressional Budget Office website:

<http://www.cbo.gov/aboutcbo/>

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**Objectives:** CBO's mandate is to provide the Congress with:

- Objective, nonpartisan, and timely analyses to aid in economic and budgetary decisions on the wide array of programs covered by the federal budget and
- The information and estimates required for the Congressional budget process

**Founding:** CBO was founded on July 12, 1974, with the enactment of the Congressional Budget and Impoundment Control Act (P.L. 93-344). The agency began operating on February 24, 1975, with the appointment of Alice Rivlin as the first director.

**Funding:** The Legislative Branch Appropriations Act, 2010 (P.L. 111-68) provided the agency with \$45.2 million in FY 2009 funding.

**Workload:** In fiscal year 2009, CBO issued 33 studies and reports, 9 briefs, 11 *Monthly Budget Reviews*, 38 letters, 8 presentations, and 5 background papers—along with 2 other publications and numerous supplemental data. CBO also testified before the Congress 17 times on a variety of issues. In calendar year 2009, CBO completed approximately 480 federal cost estimates as well as about 420 estimates of the impact of legislation on state and local governments, including the identification of any unfunded mandates contained in such legislation, and about 420 estimates of the impact of any unfunded mandates on the private sector.

Finally, CBO provides up-to-date data on its Web site, including current budget and economic projections and information on the status of discretionary appropriations.

**Appointment of the Director:** The Speaker of the House of Representatives and the President pro tempore of the Senate jointly appoint the CBO Director, after considering recommendations from the two budget committees. The term of office is four years, with no limit on the number of terms a Director may serve. Either House of Congress, however, may remove the Director by resolution. At the expiration of a term of office, the person serving as Director may continue in the position until his or her successor is appointed.

**Staff:** CBO currently employs about 250 people. The agency is composed primarily of economists and public policy analysts. About three-quarters of its professional staff hold advanced degrees, mostly in economics or public policy.



## What CBO Publishes

The documents that CBO publishes fall into two main categories:

- Cost estimates and mandate statements, for every bill when it is reported by a Congressional committee and, upon request, for bills at other stages of the legislative process.
- Publications of various types, including:
  - Reports needed for the budget process, such as *The Budget and Economic Outlook*, *An Analysis of the President's Budget*, and other annual, biannual, and semiannual reports.
  - Analytical studies, which explore economic and budgetary issues involving the federal government.
  - Briefs, which provide short analyses of policy issues.
  - The *Monthly Budget Review*, which summarizes the fiscal activity of the government during the previous month.
  - Background papers and related documents, which describe the assumptions and technical methods underlying various aspects of CBO's analyses.

### **Cost Estimates and Mandate Statements**

The Congressional Budget and Impoundment Control Act of 1974 and the Unfunded Mandates Act of 1995 (UMRA) require CBO to produce a cost estimate and mandate statement for every bill reported by a Congressional committee. Each cost estimate provides an assessment of the range of budgetary effects of pending legislation: (1) the potential impact on spending subject to appropriation (also known as discretionary spending), (2) any impact on mandatory spending (also known as direct spending), and (3) any impact on federal revenues (incorporating estimates by the Joint Committee on Taxation for legislation that would change the federal tax code). Nearly all cost estimates also include both intergovernmental and private-sector mandate statements, which identify any federal mandates (as defined by UMRA) and estimates of the costs that those mandates would impose on state, local, or tribal governments and on private-sector entities. CBO is often asked to provide preliminary, informal estimates and statements for major proposals, sometimes at earlier stages of the legislative process and sometimes at later stages.

- [Background Information on Cost Estimates and Mandate Statements](#)
- [Recent Cost Estimates and Mandate Statements](#)
- [Search Cost Estimates and Mandate Statements](#)

## **Reports Needed for the Budget Process**

Each year, CBO prepares reports on the budget and economic outlook over the next 10 years. The reports provide the Congress with a baseline against which to measure the effects of proposed changes in spending and tax laws. To construct its economic forecasts and projections, CBO draws from ongoing analysis of daily economic events and data, the major commercial forecasting services, consultation with economists both within and outside the federal government, and the advice of the distinguished CBO Panel of Economic Advisers.

Each year, CBO also estimates the budgetary impact of the proposals in the President's budget using the agency's own economic assumptions and estimating techniques--thus enabling the Congress to compare the Administration's spending and revenue proposals to CBO's baseline projections and to other proposals using a consistent set of economic and technical assumptions.

- Budget and Economic Outlook
- Analysis of the President's Budget

## **Analytical Studies**

CBO performs analytical studies at the request of a Congressional Committee or Subcommittee; the Congressional leadership; or, as time permits, individual Members. The analyses, which address a broad range of topics, are published as studies and papers or as letters, or they are delivered in testimony.

- Recent Publications
- Search Publications
- Publications by Subject Area

## **Briefs**

On long-standing issues of importance to the economy or the budget, CBO's shorter analyses of specific policy issues are published in three different series.

- Economic and Budget Issue Briefs
- Long-Range Fiscal Policy Briefs
- Revenue and Tax Policy Briefs

## **Monthly Budget Review**

Each month, CBO issues an analysis of federal spending and revenue totals for the previous month, the current month, and the fiscal year to date. Those *Monthly Budget Reviews*, which are based on information from the Treasury Department, help to inform the Congress and the public on the monthly status of outlays, receipts, and the deficit or surplus throughout the fiscal year.

- Monthly Budget Review

## **Background Papers and Related Documents**

CBO discloses the assumptions and technical methods underlying its work. A new series, background papers, will explain aspects of CBO's work at a technical level. Related reports that disclose CBO's track record are the periodic *CBO's Economic Forecasting Record* and *The Uncertainty of Budget Projections*.

CBO's working papers, formerly termed technical papers, constitute another series written at a technical level. Those papers, which are preliminary in nature, are circulated to a professional audience in order to further professional discussion of issues relevant to CBO's work. The views expressed in working papers are attributable to their authors and not to CBO.

- Background Papers
- CBO's Economic Forecasting Record
- The Uncertainty of Budget Projections
- Working and Technical Papers

## **Appendix B: Descriptions of State Legislative Fiscal Offices**

Additional states have similar fiscal facilities, but the following selected offices most closely mirror what Pennsylvania is planning to establish. This information was compiled from state fiscal office websites, cited at the end of each example.

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### **1. Alabama: Legislative Fiscal Office**

- a. Staff size: Consists of 15 employees, not including members of the House of Representatives and the Senate who respond to requests for information (as listed on website).
- b. Budget size: FY 2009 Actual SGF = \$2,243,181
- c. Years in operation: 35 years, established in 1975.
- d. Goals/Outcomes: The LFO is a nonpartisan office established to provide independent, accurate and objective information to members of the Alabama House of Representatives and Alabama Senate with respect to historical, current, projected and proposed appropriations, expenditures, taxes and revenue, as well as any other information requested.
- e. Website: <http://www.lfo.state.al.us/>

### **2. Colorado: Legislative Council – Fiscal Notes**

- a. Staff size: 9 employees working in the Fiscal Notes division of the Legislative Council.
- b. Budget size:
- c. Years in operation: 57 years, established in 1953.
- d. Goals/Outcomes: provide the members of the General Assembly with a brief statement of the estimated fiscal impact of a bill or concurrent resolution.
- e. Website: <http://www.colorado.gov/cs/Satellite/CGA-LegislativeCouncil/CLC/1200536089188>



3. **Connecticut: Office of Fiscal Analysis**

a. Staff size: 23 full-time employees, including 19 analysts.

b. Budget size:

c. Years in operation:

d. Goals/Outcomes: The Office of Fiscal Analysis is a nonpartisan professional office of the Connecticut General Assembly. Its primary function is to provide technical support to the Committee on Appropriations and the Committee on Finance, Revenue and Bonding, as well as the other committees and members of the legislature.

Statutorily defined duties of the Office include:

- (1) reviewing department and program operating budget requests;
- (2) analyzing and helping to establish priorities with regard to capital programs;
- (3) checking executive revenue estimates for accuracy;
- (4) recommending potential untapped sources of revenue;
- (5) assisting in legislative hearings;
- (6) assisting in the development of means by which budgeted programs can be periodically reviewed;
- (7) preparing short analyses of the costs and long-range projections of executive programs and proposed agency regulations;
- (8) keeping track of federal aid programs to ensure that Connecticut is taking full advantage of opportunities for assistance;
- (9) reviewing department budgets and programs on a continuous basis;
- (10) analyzing and preparing critiques of the Governor's proposed budget;
- (11) studying selected executive programs during the interim;
- (12) performing such other services in the field of finance as may be required by the Joint Committee on Legislative Management;
- (13) preparing fiscal notes upon favorably reported bills which require expenditure of state or municipal funds or affect state or municipal revenue;
- (14) preparing at the end of each fiscal year a compilation of all fiscal notes on legislation and agency regulations taking effect the next fiscal year.

e. Website: <http://www.cga.ct.gov/OFA/>

4. **Wisconsin: Legislative Fiscal Bureau**

- a. Staff size: 29 employees.
- b. Budget size:
- c. Years in operation: 42 years, re-designated as Legislative Fiscal Bureau in 1968.
- d. Goals/Outcomes: The Wisconsin Legislative Fiscal Bureau is a nonpartisan service agency of the Wisconsin Legislature. The Bureau provides fiscal and program information and analyses to the Wisconsin Legislature, its committees, and individual legislators.

The Bureau also serves as staff to the Joint Committee on Finance -- a 16-member Committee, which reviews and deliberates on legislation affecting state revenues and appropriations. The primary focus of the Committee's work, and thus, that of the Bureau, in each legislative session is the state's biennial budget.

- e. Website: <http://www.legis.state.wi.us/lfb/>



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- ▶ [Timeline for Analyses](#)
- ▶ [What CBO Publishes](#)
- ▶ [Preparing and Distributing Estimates and Analyses](#)
- ▶ [Frequently Asked Questions](#)

### Contact Info

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Media and Public Affairs  
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## CBO Fact Sheet

CBO's mandate is to provide the Congress with:

- Objective, nonpartisan, and timely analyses to aid in economic and budgetary decisions on the wide array of programs covered by the federal budget and
- The information and estimates required for the Congressional budget process.

### Location

The Congressional Budget Office is located on the fourth floor of the Ford House Office Building in Washington, D.C. The building is served by the blue and orange lines of the Washington Metrorail system; the Federal Center SW Metrorail station is across from the Third Street side of the building.

### Establishment

CBO was founded on July 12, 1974, with the enactment of the Congressional Budget and Impoundment Control Act (P.L. 93-344). The agency began operating on February 24, 1975, with the appointment of Alice Rivlin as the first director.

### Funding

The Legislative Branch Appropriations Act, 2010 (P.L. 111-68) provided the agency with \$45.2 million in FY 2009 funding.

### Workload

In fiscal year 2009, CBO issued 33 studies and reports, 9 briefs, 11 *Monthly Budget Reviews*, 38 letters, 8 presentations, and 5 background papers—along with 2 other publications and numerous supplemental data. CBO also testified before the Congress 17 times on a variety of issues. In calendar year 2009, CBO completed approximately 480 federal cost estimates as well as about 420 estimates of the impact of legislation on state and local governments, including the identification of any unfunded mandates contained in such legislation, and about 420 estimates of the impact of any unfunded mandates on the private sector.

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### Appointment of the Director

The Speaker of the House of Representatives and the President pro tempore of the Senate jointly appoint the CBO Director, after considering recommendations from the two budget committees. The term of office is four years, with no limit on the number of terms a Director may serve. Either House of Congress, however, may remove the Director by resolution. At the expiration of a term of office, the person serving as Director may continue in the position until his or her successor is appointed.

### Director

Douglas W. Elmendorf is CBO's Director. He has been appointed to serve from January 22, 2009, to January 3, 2011, completing the most recent four-year term of office.

### Staffing

CBO currently employs about 250 people. The agency is composed primarily of economists and public policy analysts. About three-quarters of its professional staff hold advanced degrees, mostly in economics or public policy.

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Media and Public Affairs  
(202) 226-2602  
[communications@cbo.gov](mailto:communications@cbo.gov)

**Panel of Economic Advisers**

Composed of some of CBO's previous directors and eminent economists who serve two-year terms, CBO's panel of advisers meets twice a year. The panel reviews and comments on CBO's preliminary forecasts of the economy and provides advice to further the reliability, professional quality, and transparency of CBO's work. In addition, the agency has a **Panel of Health Advisers**.

**Henry J. Aaron, Ph.D.**  
Senior Fellow  
Brookings Institution

**Martin N. Baily, Ph.D.**  
Senior Fellow  
Brookings Institution

**Richard Berner, Ph.D.**  
Managing Director  
Chief U.S. Economist  
Morgan Stanley

**Martin Feldstein, Ph.D.**  
Professor of Economics  
Harvard University

**Kristin J. Forbes, Ph.D.**  
Professor of Economics  
Sloan School of Management  
Massachusetts Institute of  
Technology

**Robert J. Gordon, Ph.D.**  
Professor of the Social  
Sciences  
Northwestern University

**Robert E. Hall, Ph.D.**  
Senior Fellow  
Hoover Institution  
Professor of Economics  
Stanford University

**Jan Hatzius, Ph.D.**  
Chief U.S. Economist  
Goldman Sachs & Co.

**Douglas Holtz-Eakin, Ph.D.**  
President  
DHE Consulting, LLC

**Simon Johnson, Ph.D.**  
Professor of Entrepreneurship  
MIT-Sloan School of  
Management  
Senior Fellow, Peterson  
Institute  
for International Economics

**Lawrence Katz, Ph.D.**  
Professor of Economics  
Harvard University

**Anil Kashyap, Ph.D.**  
Professor of Economics and  
Finance  
Booth School of Business  
University of Chicago

**Laurence H. Meyer, Ph.D.**  
Distinguished Scholar  
Center for Strategic and  
International Studies  
Vice Chairman  
Macroeconomic Advisers

**William D. Nordhaus, Ph.D.**  
Professor of Economics  
Professor, School of Forestry  
and  
Environmental Studies  
Yale University

**Rudolph G. Penner, Ph.D.**  
Senior Fellow  
Urban Institute

**Adam S. Posen, Ph.D.**  
Senior Fellow  
Peter G. Peterson Institute  
for International Economics

**James Poterba, Ph.D.**  
Professor of Economics  
Massachusetts Institute of  
Technology  
President, NBER

**Alice Rivlin, Ph.D.**  
Senior Fellow  
Brookings Institution

**Nouriel Roubini, Ph.D.**  
Professor of Economics and  
International Business  
Stem School of Business  
New York University  
Chairman  
Roubini Global Economics

**Diane C. Swonk, Ph.D.**  
Senior Managing Director  
Chief Economist  
Mesirow Financial

**Stephen P. Zeldes, Ph.D.**  
Professor of Finance and  
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Graduate School of Business  
Columbia University