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# CED Urges Nonpartisan Budget Scoring

**July 26, 2017 – Washington, D.C. –** Two proposed amendments to the fiscal year 2018 appropriations, which would terminate the "scoring" of legislation by the Congressional Budget Office (CBO), pose a clear test of whether our representative government can function today. Will our elected policymakers work within a clear and continuing set of rules that apply to all, or will the majority of the moment write its own? And if the latter, what will the next majority do?

These amendments ask the impossible and the inconceivable: that the work of an office of nonpartisan analysts whose sole charge is to evaluate more than 600 pieces of legislation per year (beyond providing advice to Members of Congress to aid in the formulation of those bills in the first place) be replaced by voluntary efforts from four specified Washington non-profit research institutions, which currently have no such responsibilities.

The budget of that office of the CBO is at least $15 million per year (which figure likely understates the contributions of other parts of the institution). How are the four research institutions, which are fully occupied as it is, going to fulfill this totally incremental public responsibility?

We ask those who are considering this radical step to consider the unintended consequences – in particular, whether they might unwittingly allow any private entity to purchase its own "score" of legislation that would pursue its own interest, at the expense of the public interest. These amendments easily could codify and institutionalize what Nobel-Prize-winning economist George Stigler called "regulatory capture." Might a beneficiary interest finance a favorable "score" through a (tax-deductible) contribution to its hand-picked Washington research institution? What if different interests "buy" conflicting estimates?

Both sides of today's political divide have grand policy visions. Each side believes that its agenda would provide unique benefits to the economy that would be captured through "dynamic scoring." Each side would like to name the "umpire" to make that call. But impartial, thoughtful observers fear that the resulting accumulation of debt could far outweigh the incentive benefits before the incentives are fully felt. And our debt situation borders on the critical already.

U.S. business wants to compete in the marketplace, not in politics. Business firms do not want to be caught in a war of "dueling estimates" between competing interests. If subjected to such manipulation, the U.S. economy would suffer not only from the political distortions in the business realm, but also from the disdain of better-functioning governments and businesses around the world.

We urge the Congress to address the nation's many serious problems – the federal budget prominent among them – rather than waste its time firing and replacing the budget scorekeepers. Instead, resolve disagreements about the current scoring process through bipartisan negotiation and scientific research.

## About the Committee for Economic Development

Founded in 1942, the Committee for Economic Development of The Conference Board (CED) is a nonprofit, nonpartisan, business-led public policy organization that delivers well-researched analysis and reasoned solutions to our nation's most critical issues. CED's work is grounded on seven core principles:

sustainable capitalism, long-term economic growth, efficient fiscal and regulatory policy, competitive and open markets, a globally competitive workforce, equal economic opportunity, and nonpartisanship in the nation's interest. www.ced.org.