House Rules and Macroeconomic Scoring

The new rule for “Estimates of Major Legislation” requires the Congressional Budget Office and Joint Committee on Taxation, to the extent practicable, to incorporate the macroeconomic effects of “major legislation” into the official cost estimates used for enforcing the budget resolution and the other rules of the House (paragraphs (a) and (b)). The rule also requires, to the extent practicable, a qualitative assessment of the long-term budgetary and macroeconomic effects of major legislation (paragraph (c)). Major legislation is defined to cover legislation that causes a gross budgetary effect(before incorporating macroeconomic effects) in any fiscal year covered by the budget resolution that is equal to or greater than 0.25 percent of the projected GDP for that year (paragraph (d)(1)(A)). In addition, the Chair of the Budget Committee, or in the case of revenue legislation the House member serving as the Chair or Vice Chair of the Joint Committee on Taxation, may designate legislation as “major legislation” for purposes of this rule (paragraph (d)(1)(B)). The rule also defines budgetary effects to include changes (increases or decreases) in revenues, outlays, or deficits (paragraph (d)(2)). Finally, the rule repeals the existing provision in House Rule XIII(3)(h) for an advisory macroeconomic impact analysis of revenue legislation which is superseded by this new rule. The rule builds on the current law requirement for written cost estimates, which does not apply to appropriations bills. The rule preserves the division of labor between the CBO and the JCT where JCT is responsible for providing estimates for revenue legislation.