



CHAIR JODEY ARRINGTON

HOUSE BUDGET COMMITTEE

Chairman Arrington Delivers Opening Remarks at House Budget Hearing *“Examining Role of the Congressional Budget Office”*

WASHINGTON, D.C. – Today, House Budget Committee Chairman Jodey Arrington (R-TX) delivered the following opening remarks at the Committee’s hearing, [“Creating a Culture of Fiscal Responsibility: Assessing the Role of the Congressional Budget Office.”](#)



Click [HERE](#) to watch the Chairman's statement as delivered

Chairman Arrington’s Remarks as Prepared for Delivery

Good morning, everyone. Director Swagel – thank you for joining us.

Today, we’re going to conduct our constitutional and legal Congressional oversight responsibility of the CBO – something that hasn’t happened in this Committee in over six years.

I believe this oversight authority has been undervalued and underutilized:

- 40% of programs are unauthorized
- Improper payments
- Not keeping a check on the Executive Branch

The Congressional Budget Act of 1974 created this Committee and our current budget process – including the Congressional Budget Office.

It established CBO’s mission of assisting the Budget Committee by providing information and analysis on legislation: authorizations, appropriations, and budget.

As Alice Rivlin, the first director of CBO, wrote in a memo to her staff in January of 1976: “CBO must be, and must be perceived to be, an objective, non-partisan organization *in the service of the Congress.*”

Let me emphasize that last point... “in the service of Congress.”

Lawmakers are your customers, and the House Budget Committee is your supervisor.

And it’s our job to ensure CBO is providing accurate, timely, and accountable information and analysis to lawmakers so we can do our jobs well.

Let’s talk about some of the success factors that drive the Congressionally-directed goals of accuracy, timeliness, and accountability:

Accuracy:

- How can you improve your methodology?
- Do you get external validation or peer review?
- Do you have the right internal team and expertise?
- Do you implement continuous improvement and assessment of mistakes?

Timeliness:

- Do you have the right organizational model?
- Do you have sufficient resources and capacity?
- Do you have metrics, goals, and incentives in place to track and reward prompt responses?
- And, have you and your leadership team developed a culture of urgency?

Accountability:

- How frequently do you communicate with stakeholders? Through what channels?
- What is your process for reporting to Congress?
- What transparency measures are in place to enforce a culture of accountability?
- What are you and your leadership doing to foster a culture of customer service?

As you and I have discussed, Director Swagel, there have been several troubling instances of inaccuracy from your Agency that call into question your Agency's methodology and modeling:

- FY23 deficit projection was off by \$1 trillion – the largest miss in CBO's history – ***you underestimated by over 100% the actual deficit, which is over 15% of our entire federal budget of \$6 trillion.***
- CBO underestimated TCJA revenues over 6 years by \$1 trillion.
- Inflation Reduction Act green energy subsidies were TRIPLE CBO's original estimate (\$1.2 trillion instead of \$391 billion).
- Inflation Reduction Act drug price negotiations – CBO predicts over ten years, only **one** fewer drug will come to market, while many outside analysts predict well over 50 fewer drugs coming to market.

In addition, today we'll review letters from several of my fellow Chairmen – and a common criticism in those letters is timeliness and responsiveness to Congress.

Given the fiscal state of our nation, it has never been more important to ensure that CBO understands its Congressionally defined goals of accuracy, timeliness, and accountability.

And, Congress has an important role to play in exercising oversight of CBO so that our colleagues and the American people trust the CBO to provide accurate, timely, and accountable information and analysis.

Again, thank you Director Swagel for joining us this morning, and thank you to my colleagues for their commitment to exercising our oversight authorities in a civil, productive, and constructive way.

I now yield five minutes to my friend and colleague Mr. Boyle for his opening statement.