



The current budget rules set by Congress often fail to provide a comprehensive assessment of the fiscal impact of proposed legislation. While the Congressional Budget Office (CBO) produces official scores that account for changes in spending and revenues in proposed bills, debt service costs are notably absent from these evaluations. This omission obscures the full budgetary cost of legislation.

The Cost Estimates Improvement Act introduced by Representative Michael Cloud (R-TX) addresses this critical gap by requiring CBO to include the impact of proposed legislation on debt interest payments in its cost estimates. By incorporating debt service costs into the official cost estimates, lawmakers and the public will have a more accurate understanding of the long-term fiscal implications of legislative proposals. This additional information is essential in providing legislators with the tools to make informed decisions about budgetary priorities and act as responsible stewards of taxpayer dollars.

Moreover, lawmakers should be encouraged by the fact that implementing this reform would not impose a significant work burden on CBO, as demonstrated by its existing interactive tool that lets users see how changes in spending and revenues will impact debt service costs over the decade.

Using this calculator, NTUF found that the recently enacted \$95 billion emergency supplemental also includes \$31 billion in hidden debt costs. This information was nowhere to be found on CBO's official cost estimate because of the current constraints that CBO must operate under.

On top of that, the Cost Estimates Improvement Act also mandates the inclusion of a duplication report in CBO estimates to identify existing federal programs that overlap with new proposals. This measure will help streamline government operations and eliminate unnecessary duplication, resulting in cost savings for taxpayers.

The Cost Estimates Improvement Act represents a common-sense reform that will enhance accountability, transparency, and fiscal responsibility in the legislative process.

Sincerely,

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