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May 13, 2024

The Honorable Jody Arrington
Chair
Committee on the Budget
U.S. House of Representatives
Washington, D.C. 20515

The Honorable Brendan Boyle
Ranking Member
Committee on the Budget
U.S. House of Representatives
Washington, D.C. 20515

Dear Chairman Arrington, Ranking Member Boyle, and members of the Committee:

Thank you for your decision to hold a markup of the “Cost Estimates Improvement Act” this Thursday. My name is Nan Swift, and I am a Resident Fellow for Governance at the R Street Institute—a think tank dedicated to pursuing free markets and limited, effective government. The Governance program focuses on myriad issues, including federal spending, budget processes, and good governance.

R Street Institute is pleased to support the “Cost Estimates Improvement Act,” which would provide a more accurate accounting of the true cost of our incessant borrowing. Current practices for producing official cost estimates are inadequate and misleading because they only provide policymakers with a figurative “sticker price” for the proposal but fail to include the cost of financing. Understanding how much a proposed project or policy will add to the debt *in total* is essential information that will help policymakers gain a more complete understanding of the long-term outlays and economic ramifications of new spending. It is imperative that decision-makers and their constituents gain a better, clearer picture of the fiscal impact of their actions, particularly as interest on the debt consumes an increasingly large portion of federal outlays.

The R Street Institute encourages adoption of this legislation and applauds the committee’s continued efforts to tackle our dangerous fiscal situation. Please don’t hesitate to contact me should you have any questions.

Sincerely,

Nan Swift

/s/

Resident Fellow, Governance
R Street Institute