

Republicans’ Reckless Budget Process Bills Misrepresent Fiscal Outlook, Don’t Help Economy

The extreme Republican budget proposal for Fiscal Year 2015 is little more than a partisan messaging document; it makes harsh and dangerous cuts to many of our nation’s critical programs and would harm our economy and middle-class families. House Republicans are continuing this partisanship by offering budget process bills that would undermine the non-partisan Congressional Budget Office (CBO) in order to more easily pass their reckless policies. These bills are exactly the same as bills they proposed in 2012.

H.R. 1874 – Pro-Growth Budgeting Act

Bruce Bartlett, senior policy advisor in the Reagan and George H.W. Bush administrations: “In practice, dynamic scoring is just another way for Republicans to enact tax cuts and block tax increases. It is not about honest revenue-estimating; it’s about using smoke and mirrors to institutionalize Republican ideology into the budget process.” [New York Times, 4/2/13]

The Pro-Growth Budgeting Act requires the CBO to use “dynamic scoring” when estimating the cost of legislation. Dynamic scoring dusts off discredited supply side economic theory asserting that tax cuts pay for themselves. House Republicans use this theory to justify their budget’s tax cuts, despite the fact that this policy has historically driven up deficits.

H.R. 1871 – Baseline Reform Act

Center on Budget and Policy Priorities on the same version of this bill from 2012: “This would establish an unrealistic and misleading benchmark against which to measure changes in funding.” [CBPP, 1/24/12]

The Baseline Reform Act requires that the CBO ignore the real world implications of inflation and population growth. Removing these adjustments from the baseline would severely understate future budget needs, and will encourage Congress to under-invest in tomorrow’s needs.

H.R. 1872 – Budget and Accounting Transparency Act

Center on Budget and Policy Priorities: “By overstating the federal costs of credit programs, the proposal would overstate federal deficits and force budget documents to offset these phantom costs with phantom offsets to avoid overstating the debt as well.” [CPBB, 6/18/13]

The Budget Accounting Transparency Act would make the CBO artificially inflate the costs of federal loans and loan guarantees. With this accounting trick, the budget would overstate federal deficits and debt, failing to provide a realistic look at future costs.