



An Introduction to the
Congressional Budget Office



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CBO's Mission

During the past half century, the Congress has witnessed a steady erosion of its control over the budget. In contrast, we have seen a consistent escalation of executive influence over budget and fiscal policies. The Congressional Budget and Impoundment Control Act of 1974 will give us the means to reverse that erosion.... [It] calls for the establishment of a Congressional Budget Office—CBO—as an agency of the Congress. The CBO... will provide Congress with the kind of information and analysis it needs to work on an equal footing with the executive branch.

—Senator Edmund Muskie, June 21, 1974

The Congress's Establishment of CBO

Budgetary conflict between the legislative and executive branches reached a high point during the summer of 1974. Tensions centered on a fundamental disagreement between the President and the Congress over control of budgetary and spending priorities.

The Congress wanted major changes to counter the growing influence of the President that began with the Budget and Accounting Act of 1921. That law gave the President overall responsibility for budget planning by requiring him to submit an annual, comprehensive budget proposal to the Congress. It also created a new Bureau of the Budget (renamed the Office of Management and Budget in 1971) that expanded the President's control over budgetary information. The Congress, by contrast, lacked any institutional capacity to establish and enforce budgetary priorities, coordinate actions on spending and revenue legislation, or develop budgetary and economic information independently of the executive branch.

Members of Congress objected to then-President Richard Nixon's use of "impoundments" (withholding of appropriated funds) to thwart Congressional desires to fund programs that were inconsistent with his policies. Many

Members also chafed under the executive branch's control of budgetary information and questioned the objectivity of economic assessments produced by presidential appointees. The dispute led to enactment of the Congressional Budget and Impoundment Control Act of 1974, which was signed into law by President Nixon on July 12, 1974.

With the Congressional Budget Act of 1974 (including the establishment of CBO), the legislative branch reasserted its constitutional control over the power of the purse. The law established new procedures for controlling presidential impoundments of funds. It also instituted a formal process, centered on a concurrent resolution on the budget, through which the Congress could develop, coordinate, and enforce its own budgetary priorities independently of the President. The budget law created legislative institutions to implement the new Congressional budget process—the House and Senate Budget Committees to oversee execution of the budget process and the Congressional Budget Office to provide the budget committees and the Congress with an independent, nonpartisan source of budgetary and economic information.

The Role and Responsibilities of CBO

CBO's chief responsibility under the Budget Act is to help the budget committees with the matters under their jurisdiction—principally the Congressional budget resolution and its enforcement. The budget resolution sets total levels of spending and revenues as well as broad spending priorities. As a concurrent resolution, it is approved by the House and Senate but is not signed by the President, does not have the force of law, and provides no taxing or spending authority. Rather, it is a blueprint to guide Congressional action on subsequent, separate spending and revenue legislation within the jurisdiction of other committees.

To assist the budget committees in developing the budget resolution, CBO prepares reports that provide budget and economic projections, an analysis of the President's budgetary proposals, and alternative spending and revenue options for lawmakers to consider. The CBO Director typically is asked to testify about the outlook for the budget and the economy as well as related issues.

To help the budget committees enforce the budget resolution, CBO provides estimates of the budgetary costs of legislation approved by the various Congressional committees and tracks the progress of spending and revenue legislation in a "scorekeeping" system. At the request of committees or Members of Congress and as time and resources permit, CBO also prepares many cost estimates for legislative proposals as they are being developed or for amendments under consideration. CBO's cost estimates and scorekeeping system help the budget committees determine whether the budgetary effects of individual legislative proposals are consistent with the spending and revenue targets set in the most recent budget resolution.

In addition to its work for the budget committees, CBO is assigned many other duties by law. The Budget Act directs CBO to support (in the following order) the Appropriations, Ways and Means, and Finance Committees; other Congressional committees; and individual Members to the extent practicable. The 1974 act, as amended, directs CBO to issue annual reports that help the Congress identify authorizing legislation that should be in place before it considers the 12 regular appropriation bills for the upcoming fiscal year. The Unfunded Mandates Reform Act of 1995 amended the 1974 act to require CBO to also identify federal mandates contained in authorizing legislation and to estimate the cost that they would impose on state, local, and tribal governments or on the private sector.

CBO also produces reports at Congressional request that analyze specific policy and program issues that are significant for the budget. Those analyses examine issues in greater depth and help to inform CBO's statutory work in support of the Congressional budget process. In all of its work, CBO routinely discloses the assumptions and methods it uses. In keeping with the agency's nonpartisan role, its analyses do not present policy recommendations. That nonpartisan stance has been instrumental in preserving the agency's reputation for professionalism and has enhanced the credibility of its products.

Baseline Budget and Economic Projections

Each year, CBO prepares a report on the budget and economic outlook covering the budget planning horizon, which in recent years has been the next 10 years. The outlook report is issued in January and updated in the summer. Typically, the January report also includes a discussion of the uncertainty surrounding budget projections, the long-run budget outlook, and some current budgetary or economic policy issues.

CBO's report on the budget and economic outlook gives the Congress a baseline against which to measure the effects of proposed changes in spending and tax laws. The baseline is constructed according to rules set forth in law, mainly in the 1974 Budget Act and the 1985 Balanced Budget and Emergency Deficit Control Act. Following those requirements, CBO projects federal spending and revenues under the assumption that current laws and policies remain in place. The baseline is not intended to be a prediction of future budgetary outcomes. Rather, the projections reflect CBO's best judgment about how the economy and other factors will affect federal revenues and spending under existing laws and policies.

For revenues and mandatory spending (spending controlled by laws other than annual appropriation acts), the Deficit Control Act generally requires that the baseline be projected on the assumption that current laws continue without change. For discretionary spending (spending controlled by annual appropriation acts), that law states that projections after the current year should be adjusted to reflect inflation and certain other factors.

CBO has developed the capacity to provide long-term projections for Medicare, Medicaid, and Social Security well beyond the budget planning horizon. The agency's models offer a long-range perspective on those and other programs and provide a basis for cost estimates for changes to them.

Economic Forecasts

CBO's mandate includes making economic forecasts and projections; the agency constructs its baseline budget projections using its most recent economic forecast, and the Congressional budget resolution is usually based on CBO's forecast. Forecasts cover 18 months to 24 months and involve the major economic variables—gross domestic product, unemployment, inflation, and interest rates—as well as other important economic indicators. CBO does not attempt to forecast cyclical fluctuations in

the economy more than two years ahead; instead, its longer-term projections are based on trends in the labor force, productivity, and saving.

CBO draws the information for its forecast from ongoing analysis of daily economic events and data, the major commercial forecasting services, consultation with economists both within and outside the federal government, and the advice of the distinguished CBO Panel of Economic Advisers, which meets twice a year.

Analysis of the President's Budget

Each year, CBO estimates the budgetary impact of the President's proposals using CBO's economic assumptions and estimating techniques. This independent "reestimate" of the President's budget allows the Congress to compare the Administration's spending and revenue proposals to CBO's baseline projections and to other proposals using a consistent set of economic and technical assumptions.

Cost Estimates for Bills

The Budget Act requires CBO to produce a cost estimate for every bill "reported out" (approved) by a Congressional committee, a responsibility that has expanded somewhat over the years as legislators have sought to learn more about the potential costs of legislation at various other points in the legislative process. CBO's cost estimates show how the legislation would affect spending or revenues over the next five years or more. Those written estimates provide information about the proposal and explain how CBO prepared the estimate. For most tax legislation, CBO uses estimates provided by the Joint Committee on Taxation, a separate Congressional panel that works closely with the two tax-writing committees.

CBO's cost estimates may affect the outcome of various proposals in the legislative process because those estimates are used to determine whether the proposals are consistent with the budget resolution. As a result, the estimates have become an integral part of the legislative process. The agency often is asked to provide preliminary, informal estimates for major proposals at the earliest, developmental stages of the legislative process—well before wording for bills is crafted for committee action. CBO also is asked frequently by committees and Members to prepare cost estimates for use in formulating floor amendments and working out the final form of legislation in conference committees.

CBO also provides the appropriations committees with cost estimates of appropriation bills at every major stage of legislative action. The amounts specified in appropriation bills usually represent new budget authority, and the resulting outlays, or cash disbursements made by the Treasury, must be estimated. CBO's estimates may be crucial in determining whether a bill is consistent with allocations to the appropriations committees made under the budget resolution and with any statutory limits on discretionary spending.

Scorekeeping

One of CBO's most important functions is to keep track of all spending and revenue legislation considered each year so that the Congress can know whether it is acting within the levels set by the budget resolution. CBO provides the budget and appropriations committees with frequent tabulations of Congressional action on both spending and revenue bills—although the bulk of CBO's scorekeeping system involves spending legislation. The scorekeeping system keeps track of all bills affecting the budget from the time they are reported out of committee to the time they are enacted into law.

Federal Mandates

To better assess the impact of federal laws on state, local, and tribal governments and the private sector, the Congress approved the Unfunded Mandates Reform Act of 1995. That law requires CBO to provide committees (except for the appropriations committees) with a statement regarding the costs of federal mandates in reported legislation—generally provisions that would impose an enforceable duty on state, local, or tribal governments or on the private sector or that would reduce or eliminate the amount of funding authorized to cover the costs of existing mandates. If the direct costs of an intergovernmental or private-sector mandate would exceed specified thresholds in any of the first five years after enactment, CBO must provide an estimate of those costs (if feasible) and the basis of the estimate. CBO generally includes both intergovernmental and private-sector mandate statements with its cost estimate for each committee-approved bill.

Budget Options

CBO periodically produces a reference volume discussing options for the budget. Past volumes have included a wide range of options, derived from many sources, to cut spending as well as to raise or lower revenues. They also have discussed the implications of certain broad policy

choices, such as paying down outstanding federal debt or slowing the long-term growth of Social Security and Medicare. In keeping with CBO's mandate to provide objective analysis, the report contains no recommendations, and the discussion of each option includes the case for and against it.

Monthly Budget Review

Each month, CBO issues an analysis of federal spending and revenue totals for the previous month, the current month, and the fiscal year to date. Those Monthly Budget Reviews, which are based on information from the Treasury Department, help to track the accuracy of CBO's budget estimates through the year.

Unauthorized Appropriations and Expiring Authorizations

Each January, CBO issues a report that shows the total amount that the Congress has provided in appropriation acts for programs whose authorization has expired or is about to expire and lists the specific programs by committee of jurisdiction.

Reports Under the Troubled Asset Relief Act of 2008

The Emergency Economic Stabilization Act of 2008 requires CBO to provide semiannual reports that assess the status of the Troubled Asset Relief Program, the recently enacted \$700 billion program to provide assistance to financial institutions through purchases or guarantees of assets in the financial markets. Specifically, Section 202 of the law requires that the agency assess reports submitted to the Congress by the Office of Management and Budget on the budgetary impact of the Treasury's transactions, including:

- The cost of acquiring, managing, and disposing of the assets and guarantees;
- The information and valuation methods used to calculate the cost; and
- The impact on the deficit and the debt.

Budgetary and Economic Policy Issues

CBO's responsibilities also entail analyzing specific program and policy issues that affect the federal budget and the economy. For the most part, requests for those analyses come from the Chairman or Ranking Member of a committee or subcommittee or from the leadership of either party in the House or Senate.

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CBO's Staffing and Organization

Title II of the Congressional Budget Act of 1974 spells out the procedures for appointing CBO's Director and staff and authorizes the agency's annual appropriations.

The Appointment of the Director

The Speaker of the House of Representatives and the President pro tempore of the Senate jointly appoint the CBO Director, after considering recommendations from the two budget committees. The term of office is four years, with no limit on the number of terms a Director may serve. Either House of Congress, however, may remove the Director by resolution.

At the expiration of a term of office, the person serving as Director may continue in the position until a successor is appointed.

Douglas W. Elmendorf is CBO's Director. He has been appointed to serve from January 22, 2009, to January 3, 2011, completing the most recent four-year term of office. The previous directors since the agency's inception in 1975 were Peter R. Orszag, Douglas Holtz-Eakin,

Dan L. Crippen, June E. O'Neill, Robert D. Reischauer, Rudolph G. Penner, and Alice M. Rivlin.

CBO's Staff

The Director appoints all CBO staff, including the Deputy Director, and all appointments are based solely on professional competence, without regard to political affiliation. The compensation of the Director and the Deputy Director is set by law at levels tied to the annual rate of compensation of House and Senate officers. The Director determines the compensation of all other staff.

Of CBO's total expenditures, the largest share by far is allotted to personnel. The agency currently employs about 250 people.

CBO is composed primarily of economists and public policy analysts. About 70 percent of its professional staff hold advanced degrees in either economics or public policy. For purposes of pay and employment benefits, all staff are treated as employees of the House of Representatives.

Douglas W. Elmendorf	January 22, 2009 –
Peter R. Orszag	January 18, 2007 – November 25, 2008
Douglas Holtz-Eakin	February 5, 2003 – December 29, 2005
Dan L. Crippen	February 3, 1999 – January 3, 2003
June E. O'Neill	March 1, 1995 – January 29, 1999
Robert D. Reischauer	March 6, 1989 – February 28, 1995
Rudolph G. Penner	September 1, 1983 – April 28, 1987
Alice M. Rivlin	February 24, 1975 – August 31, 1983

The Organization of CBO

CBO is a highly collaborative organization in which many major functions and projects involve a significant amount of cross-functional, interdivisional cooperation and consultation. Although specific divisions take a lead role in fulfilling CBO's mandates, most divisions contribute to those efforts in various ways.

The Macroeconomic Analysis Division develops the economic projections that underlie the cost estimates, budget projections, and analyses prepared by the Budget Analysis Division, the Tax Analysis Division, and the three program divisions—Health and Human Resources, Microeconomic and Financial Studies, and National Security. Those program divisions take the lead in preparing policy and program analyses requested by the Congress.

Budget estimates prepared by the Budget Analysis Division may rely on models and analyses developed by the program divisions. Analysts in the Budget Analysis Division may supply data on the budgetary impact of alternative options as part of analytic studies performed by those divisions. Coordination between the divisions helps ensure the consistency of CBO's products. (The appendix lists CBO's managers.)

Office of the Director

The Director of CBO is responsible for ensuring that all duties of the organization, as specified by law, are performed effectively, appropriately, and in a timely manner. The Director regularly consults with the budget committees to ensure that the agency's work and capacities meet and keep pace with Congressional demands.

The Deputy Director assists the Director in the overall management of the organization and acts as Director in his or her absence.

The Associate Director for Communications is responsible for the public affairs activities of CBO, including relations with the media and interaction with public and private interest groups, foreign visitors, and personnel from the legislative and executive branches.

The Associate Director for Economic Analysis contributes to all aspects of the agency's analytic work.

The Associate Director for Financial Analysis assists in all aspects of CBO's financial analyses and the development of financial models.

The Associate Director for Legislative Affairs serves as CBO's principal liaison to the Congress, with priority given to the House and Senate Budget Committees.

The General Counsel performs CBO's legal work: interpreting areas of the law addressed in CBO's analytical reports; and providing advice in the general areas of law affecting the agency's operations.

Budget Analysis Division

The Budget Analysis Division is responsible for preparing the bill cost estimates and spending projections called for in the Budget Act, including multiyear baseline projections for the total federal budget and the state and local mandate statements required under the Unfunded Mandates Reform Act. The division also analyzes the President's spending proposals, leads the agency's efforts in preparing the annual report on the President's budget and the Monthly Budget Review, and produces the report on unauthorized appropriations and expiring authorizations each year. The Congress relies on CBO's cost estimates of legislation and budget projections to prepare its annual budget plan, evaluate the President's budgetary proposals, and keep track of more than \$2 trillion in yearly spending.

The division's estimates of costs for federal spending programs come from four units: defense, international affairs, and veterans' affairs; human resources; health; and natural and physical resources. A fifth unit estimates the costs of mandates imposed on state, local, and tribal governments. Other units in the division make budget projections, compile estimates for annual appropriation bills, maintain the budget scorekeeping system, and support the division's computer systems.

Health and Human Resources Division

The Health and Human Resources Division analyzes policies and programs in the areas of health (Medicare, Medicaid, public health, and private health markets), Social Security and pensions, labor markets (employment, wages, training), income assistance, education, housing, and social services. The staff perform detailed analyses of proposed legislation, develop models that underlie a number of CBO's cost estimates, prepare studies for the Congress, and assess the impact of legislative initiatives on the private sector.

Macroeconomic Analysis Division

The Macroeconomic Analysis Division combines two major responsibilities: for economic forecasting and for policy analysis. In its forecasting role, the division is responsible for preparing CBO's economic projections for periods up to 10 years. Those projections help the budget committees develop the concurrent resolution on the budget and serve as the economic assumptions underlying CBO's baseline projections of the budget. In its policy analysis role, the division examines the effects of fiscal policy on the economy using state-of-the-art macroeconomic models, studies the economic implications of the federal government's complex financial arrangements using the tools of modern financial analysis, and analyzes ways to report and manage the federal government's exposure to risk. The results of those studies and analyses, along with general information on macroeconomic issues, aim to inform the Congress in its decisionmaking and bolster the public's understanding. In analyzing the macroeconomic effects of a wide range of fiscal policies, the division works closely with CBO's other divisions.

Management, Business, and Information Services Division

The Management, Business, and Information Services Division provides support services to CBO's other divisions, including budget and finance, human resources, information resource management, facilities management, and library services. The division also provides editorial and publishing services.

Microeconomic Studies Division

The Microeconomic Studies Division has primary responsibility for analyzing a broad range of policy issues, with an emphasis on the microeconomic foundations of the economy and on the federal government's role as a regulator, manager of resources, and provider of public goods. The division thus produces studies for Congressional committees, supports CBO's cost estimates of legislation under consideration by the Congress, and contributes to CBO's projections of budgetary and economic outcomes. Analytical areas include agriculture, commerce, energy and natural resources, the environment, federal personnel, intellectual property, public investment in infrastructure and science, telecommunications, transportation, and trade. The division also examines the effects on the private sector of prospective legislation and estimates the costs of mandates imposed on the private sector.

National Security Division

The National Security Division analyzes budgetary issues related to national defense, international security, and veterans' affairs. Its research focuses on defense budgets, military forces and weapon systems, the demand for and supply of military personnel, the military's industrial and support facilities, and U.S. foreign assistance programs. The division's analyses examine the budgetary effects of proposed legislation, the cost-effectiveness of current and potential defense programs, and the impact on the private sector of legislative initiatives concerning defense.

Tax Analysis Division

The Tax Analysis Division's primary function is to estimate and project future tax revenues and analyze the U.S. tax structure. Working from CBO's macroeconomic forecasts, revenue estimators in the Tax Analysis Division use economic models and microsimulation techniques to produce 10-year projections of revenues, by source, twice each year in advance of the annual budget outlook report and summer update. Those revenue estimates then are combined with projections of spending to give the Congress a baseline of the future path of the federal budget under current laws and policies.

The division's analysts also estimate the revenue changes that would result from proposed legislation dealing with such sources of revenue as payroll taxes, receipts from the Federal Reserve System, customs duties, fees, and penalties. (Cost estimates of other tax legislation are prepared by the Joint Committee on Taxation.) In addition, the division conducts policy studies that examine how changes to U.S. tax law would affect the behavior of taxpayers and the economy.

CBO's Panels of Advisers

To further the reliability, professional quality, and transparency of CBO's work, the agency has two panels of experts, to whom it turns for counsel. Lists of the advisers are available on CBO's Web site (www.cbo.gov).

Panel of Economic Advisers. Composed of some of CBO's previous directors and eminent economists who serve two-year terms, the agency's panel of advisers meets twice a year. The panel reviews CBO's preliminary forecasts of the economy and provides advice.

Panel of Health Advisers. Consisting of acknowledged experts in health care, CBO's panel of health advisers meets periodically to examine new research in health policy and to advise the agency on its analyses of health care issues.

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Obtaining CBO's Publications and Contacting CBO

The Congressional Budget Office is located on the fourth floor of the Ford House Office Building at Second and D Streets, SW, in Washington, D.C. The building is served by the blue and orange lines of the Washington Metrorail system. The Federal Center SW station is located across the street from the Third Street entrance to the building.

How to Get CBO Publications

CBO posts all of its publications and cost estimates on its Web site (www.cbo.gov). The agency provides copies of its publications to Members of Congress, and its Publications Office can provide single copies to members of the public at no charge.

To request a complimentary printed copy of one of CBO's publications, call the Publications Office at (202) 226-2809 weekdays between 9:00 a.m. and 5:30 p.m., send an e-mail to publications@cbo.gov, or submit your request by mail to:

CBO Publications Office
Ford House Office Building
Second and D Streets, SW
Washington, DC 20515

The U.S. Government Printing Office sells some of CBO's reports and studies; multiple copies of those publications may be purchased from GPO. For information, call (202) 512-1800, send a fax to (202) 512-2250, visit www.gpo.gov, or write to the following:

Superintendent of Documents
U.S. Government Printing Office
Washington, DC 20402

How to Contact CBO

For information about CBO's analyses and other work, visit the agency's Web site (www.cbo.gov) or contact the Office of Communications at (202) 226-2602. The fax number is (202) 226-3040.

For information about employment, call the Office of Human Resources at (202) 226-2628. The fax number is (202) 225-7539. Job openings are described on CBO's Web site.

For other matters, call the Management, Business, and Information Services Division at (202) 226-2600. The fax number is (202) 226-2714.

CBO's Managers

Director

Douglas W. Elmendorf is the eighth Director of the Congressional Budget Office (CBO). His term began on January 22, 2009.

Before he came to CBO, Doug Elmendorf was a senior fellow in the Economic Studies program at the Brookings Institution. As the Edward M. Bernstein Scholar, he served as coeditor of the *Brookings Papers on Economic Activity* and the director of the Hamilton Project, an initiative to promote broadly shared economic growth.

Doug Elmendorf was previously an assistant professor at Harvard University, a principal analyst at CBO, a senior economist at the White House's Council of Economic Advisers, a deputy assistant secretary for economic policy at the Treasury Department, and an assistant director of the Division of Research and Statistics at the Federal Reserve Board. In those positions, he worked on budget policy, Social Security, Medicare, national health care reform, financial markets, macroeconomic analysis and forecasting, and other topics. He earned his Ph.D. and A.M. in economics from Harvard University, where he was a National Science Foundation graduate fellow, and his A.B. *summa cum laude* from Princeton University.

Among Doug Elmendorf's publications are these: "Can Financial Innovation Help to Explain the Reduced Volatility of Economic Activity?" in the *Journal of Monetary Economics* (January 2006), with Karen Dynan and Daniel Sichel; "Short-Run Effects of Fiscal Policy with Forward-Looking Financial Markets," in the *National Tax Journal* (September 2002), with David Reifschneider; "Fiscal Policy and Social Security Policy During the 1990s," in *American Economic Policy in the 1990s* (2002), with Jeffrey Liebman and David Wilcox; "Social Security Reform and National Saving in an Era of Budget Surpluses," in *Brookings Papers on Economic Activity* (Fall 2000), with Jeffrey Liebman; "Should America Save for Its Old Age? Fiscal Policy, Population Aging, and

National Saving," in the *Journal of Economic Perspectives* (Summer 2000), with Louise Sheiner; "Restraining the Leviathan: Property Tax Limitation in Massachusetts," in the *Journal of Public Economics* (March 1999), with David Cutler and Richard Zeckhauser; "Government Debt," in the *Handbook of Macroeconomics* (1999), with Greg Mankiw; and "The Deficit Gamble," in the *Journal of Money, Credit, and Banking* (November 1998), with Laurence Ball and Greg Mankiw.

Deputy Director

Robert A. Sunshine became CBO's Deputy Director in August 2007. Before then, he was the Assistant Director for Budget Analysis for eight years. In that capacity, he oversaw much of the work of the agency. He supervised the preparation of cost estimates and intergovernmental mandate statements (which identify the costs of federal mandates on state, local, or tribal governments) for legislation being considered by the Congress. He managed the preparation of CBO's multiyear projections of federal spending that constitute the "baseline" for the Congressional budget process; the agency's annual analysis of the President's budget; and its ongoing estimates of spending for Congress's budget scorekeeping system. He also coordinated the preparation of CBO's *Monthly Budget Review*. In 2003, he received the James L. Blum Award for exceptional and distinguished accomplishment and leadership in public budgeting from the American Association for Budget and Program Analysis.

Robert Sunshine has been with CBO almost from its inception. From 1995 to 1999, he was the Deputy Assistant Director of the Budget Analysis Division. From 1978 to 1994, he served as Chief of the Natural and Physical Resources Cost Estimates Unit in that division. For the two years before that, he was a principal analyst in the Budget Analysis Division, covering transportation issues. Before coming to CBO, he was a senior associate with Simat, Helliesen and Eichner, Inc., a transportation consulting firm.

Associate Director for Communications

Melissa Merson joined CBO in 2000. In her previous position, she was responsible for public and government relations for myCFO, Inc., a financial professional services firm. Before that, she worked as a Tax Senior Manager for Deloitte & Touche LLP, where she managed the day-to-day operations of the Legislative & Regulatory Services Group. She also served as an appropriations associate and press secretary for a Member of Congress. Earlier, she held a series of positions in news organizations, first as a reporter with BNA, Inc., and then as Congressional Correspondent and Washington Bureau Chief with Market News International.

Associate Director for Economic Analysis

Jeffrey Kling is an economist who joined CBO in July 2009. He has conducted research on public housing, incarceration, retirement security, Medicare's prescription drug program, unemployment insurance, and other aspects of public policy in the United States. His work has been published in the *American Economic Review*, *Econometrica*, the *Quarterly Journal of Economics*, and elsewhere. Previously, he was the Joseph A. Pechman Senior Fellow and Deputy Director of Economic Studies at the Brookings Institution. From 1998 to 2005, he was a faculty member at Princeton University. In earlier government service, he was a special assistant to the Secretary of Labor, and before that, he was an assistant to the chief economist at the World Bank. He earned his Ph.D. in economics from the Massachusetts Institute of Technology and his A.B. from Harvard University.

Associate Director for Financial Analysis

Deborah Lucas has been with CBO in various capacities since 2000, when she took leave from her post as a professor of finance at the Kellogg School of Management at Northwestern University to become CBO's Chief Economist. In that role, she helped direct the agency's research agenda; reviewed many of its projects and reports; and coauthored reports on the federal subsidy implicit in the government's support of Fannie Mae and Freddie Mac and several other federal credit and insurance programs, and on the implications of federal investments in private securities. She also contributed to the development of the agency's long-term policy simulation model. Dr. Lucas returned to academia but continued to advise the agency over the years as its Senior Economic Consultant. Now, she is back at CBO again before assuming full-time duties as a professor of finance at the Sloan School of Manage-

ment at the Massachusetts Institute of Technology. Earlier government service included an appointment as a senior staff economist for the Council of Economic Advisers and as a member of the Social Security Technical Advisory Panel.

Her recent research has focused on the problem of measuring and accounting for risk in the evaluation of federal financial obligations and defined-benefit pension liabilities. She has published papers on a wide range of topics, including the effect of idiosyncratic risk on asset prices and choices in a portfolio, dynamic models of corporate finance, monetary economics, and valuing federal financial guarantees. She recently edited *Measuring and Managing Federal Financial Risk*, published by the National Bureau of Economic Research, where she is a research associate. She is also a member of the National Academy of Social Insurance. She received her M.A. and Ph.D. in economics from the University of Chicago and her B.A. in economics and applied mathematics from the same school.

Associate Director for Legislative Affairs

Edward "Sandy" Davis is the Associate Director for Legislative Affairs. He has been employed with CBO since 1996, and prior to his February 2003 appointment to his current role was a senior analyst specializing in Congressional budget procedures and practices. He joined CBO after serving for many years as an analyst with the Congressional Research Service of the Library of Congress.

General Counsel

Mark Hadley became CBO's General Counsel in September 2008, advancing from the post of Deputy General Counsel, which he had held since 2006. Before that, he was an associate in the international law firm Jones Day, where he represented issuers, commercial banks, and investment banks in the structuring of financial products, management of assets, and negotiation of financial transactions. Prior to his legal career, he was an associate analyst at CBO for five years—during which time his areas of responsibility were air transportation, deposit insurance, and credit reform—and a financial specialist with the Small Business Administration.

Assistant Director for Budget Analysis

Peter H. Fontaine came to CBO in 1985. He served as an analyst in and then Chief of the Natural and Physical Resources Cost Estimates Unit until 1999 and as Deputy

Assistant Director for Budget Analysis from 1999 to 2007. Before coming to CBO, he worked for two Washington-area consulting firms, specializing in energy and economic analyses.

Assistant Director for Health and Human Resources

Bruce Vavrichek joined CBO in 1981. Before being named Assistant Director, he was an analyst and the Deputy Assistant Director in CBO's Health and Human Resources Division, where he focused on issues related to labor economics, health economics, and public policy. Previously, he was a faculty member in the Department of Economics at the University of Maryland, where he taught and conducted research on microeconomics and econometrics.

Assistant Director for Macroeconomic Analysis

Robert A. Dennis has been with CBO since 1979. Before being named Assistant Director, he served as Deputy Assistant Director of the division. Previously, he was Manager of Macroeconomic Forecasting for Economic Models Ltd. in London and Director of National Economic Projections for the National Planning Association in Washington, D.C.

Assistant Director for Management, Business, and Information Services

Rod Goodwin joined CBO in February 2009. Before becoming Assistant Director for Management, Business, and Information Systems, he held the dual responsibilities of Director of Fiscal Accountability and Director of Equal Employment Opportunity at the Millennium Challenge Corporation (MCC), an independent executive branch agency. Prior to his work at MCC, he was the Assistant Director for Finance and Administration of IRIS, a research center within the Department of Economics at the University of Maryland. Before that, he was a finance and operations manager at the Academy for Educational Development, a nonprofit organization sponsoring human and social development programs. He also worked for 10 years in a variety of financial management positions with the State of Michigan.

Assistant Director for Microeconomic Studies

Joseph Kile came to CBO in 2005, following 16 years in various positions at the Government Accountability

Office (GAO). He led that agency's Center for Economics, within the Applied Research and Methods Team—overseeing a group of economists that provided analyses and reviews of a broad range of issues. Before that, he was a senior economist and an assistant director within GAO's Office of the Chief Economist. His analyses focused, in particular, on the issues of transportation (especially aviation financing, airline competition, and air service to small communities), energy, natural resources and the environment, and the pharmaceutical industry.

Assistant Director for National Security

The position of Assistant Director for National Security is currently vacant.

Assistant Director for Tax Analysis

Frank Sammartino's career at CBO reaches back more than 20 years. Before being promoted to his current position in August 2009, he had been the Deputy Assistant Director for Tax Analysis since 2007, and (in earlier service with the agency) he held that same position from 1993 through 1998 and was a principal analyst for eight years before that. In his work at CBO, he has had a major role in developing the agency's models for forecasting federal revenues from individual income taxes and measuring the distribution of the tax burden among households. His analyses and research at CBO have focused on a range of issues involving federal tax policy and the distribution of income and wealth.

Mr. Sammartino has held various other positions in both the legislative and executive branches, serving as Chief Economist and Deputy Director of the Joint Economic Committee and in various capacities in the Office of the Assistant Secretary for Planning and Evaluation at the Department of Health and Human Services. He was also a principal research associate in the Income and Benefits Policy Center at the Urban Institute, where he led a team of researchers in developing a new version of a dynamic simulation model used to analyze how public policies interact with economic and demographic forces to shape American families' retirement security. He is the coeditor of and a contributing author to *Social Security and the Family: Addressing Unmet Needs in an Underfunded System* (2002).

