Insight

Do as I Say Not, Not as I Do…

GORDON GRAY | JANUARY 7, 2015

Yesterday, director of the Office of Management Budget, Shaun Donovan, took to the blogosphere to decry the House of Representatives' adoption of new rules that would call for so-called "dynamic scoring" of major legislation. Put simply, the new House Rules would require that estimates of the budget impacts of large pieces of legislation produced by the Congressional Budget Office (CBO) and the Joint Committee on Taxation (JCT) take into account the economic growth effects of major changes in economic policies. Director Donovan decries the use of dynamic scoring. But he conveniently leaves out of his criticism the fact that the president's budget already uses dynamic scoring.

The section in the budget describing the economic projections on which the president's budget is built is pretty clear that it is based on assumption about economic responses to the policies in the president's budget:

"This economic forecast, as always, is based on the assumption that the Administration's budget proposals are enacted in full, including a proposal for investment in infrastructure, research, and other priorities to boost the economy and help lay a foundation for long-term growth."

That is dynamic scoring, and *unlike* the rules adopted by the House yesterday, OMB, led by dynamic scoring's latest critic, does not describe the key assumptions and sources of its dynamic estimates.