

# United States Senate

WASHINGTON, DC 20510-4305

November 22, 2021

Phillip L. Swagel, Director  
Congressional Budget Office  
Ford House Office Building, Fourth Floor  
Second and D Streets, SW  
Washington, DC 20515-6925

Thomas A. Barthold, Chief of Staff  
Joint Committee on Taxation  
502 Ford House Office Building  
Washington, DC 20515


Dear Director Swagel & Mr. Barthold,

Thank you for your nonpartisan work to produce budgetary and economic analyses of tax and spend legislation. The Congressional Budget Office and the Joint Committee on Taxation each play an important role in the legislative process. Both agencies help ensure that Members of Congress and the American people are well informed about the fiscal impact of complex legislation, which can sometimes be over a thousand pages long and include temporary extensions and sunsets that can hide the true and full cost. For this reason, I write to request both agencies provide a score of H.R. 5376, the partisan reconciliation bill passed by the House of Representatives on November 19, 2021, as if the temporary policies in the bill were instead permanent.

While some public officials have said that the legislation will not increase the federal deficit by a single cent, I am concerned that the CBO score of H.R. 5376 is artificially low because of a number of timing gimmicks. Specifically, the legislation includes a number of arbitrary sunsets and expirations of several expensive programs, which disguise the true cost of making these policies permanent. For example, the legislation would extend by one year the refundable Earned Income Tax Credit, increasing outlays by \$10.4 billion and decreasing revenues by \$2.9 billion. It also extends for one year the expansion of the Child Tax Credit, continuing a policy enacted into law just eight months ago in the American Rescue Plan Act, increasing outlays by \$100 billion over the next two years and reducing revenues by another \$30 billion over the next two years as well. Private budget experts also believe making these policies permanent will increase the cost of the legislation. For example, the Penn Wharton Budget Model found that if all of the temporary provisions in H.R. 5376 are made permanent, spending would total \$4.6 trillion over the 10-year budget window, while the Committee for a Responsible Federal Budget estimates the true gross cost at approximately \$5 trillion.

At a time when government spending and debt continue to grow at an unsustainable rate, the American people deserve more than smoke-and-mirror accounting from Washington, D.C. They deserve a full and complete picture of the fiscal impact of H.R. 5376, which will dramatically expand and alter the federal budget for the foreseeable future. I appreciate your attention to this request as the Senate prepares to consider H.R. 5376 in the near future. Thank you for your time and I look forward to hearing from you.

Sincerely,



JOHN CORNYN  
United States Senator