

White House cries 'fake news' on CBO score showing higher cost for spending bill

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The White House's political attacks on the Congressional Budget Office are raising eyebrows after Republicans asked the CBO to rescore President Joe Biden's social welfare and climate spending bill as if its sprawling provisions would be extended indefinitely.

Now, one month after undermining the CBO over its alleged tax enforcement revenue projection inexperience, the White House is ripping last week's report finding the legislation would add \$3 trillion to the national debt over the next decade as "fake."

The latest CBO score of Biden's social welfare and climate measure "cuts through the smokeand-mirrors accounting the Democrats were using to ram through their costly reconciliation bill," according to the Cato Institute's tax policy director, Chris Edwards.

"CBO should be open to critique, as economists often make mistakes," Edwards said. "But in this case, CBO projections provide a more realistic accounting than the low-balled costs suggested by the Democrats."

"The Democrats are trying to impose permanent costs on to taxpayers with their new spending programs, so Congress should consider the long-term costs," he added.

Conventional CBO reports analyze the law "as it is written," according to the Bipartisan Policy Center's senior vice president, Bill Hoagland. But the request from Republicans Sen. <u>Lindsey</u> <u>Graham</u> of South Carolina and Rep. Jason Smith of Missouri was "reasonable" because it is "hard to turn off programs once they begin," Hoagland told the *Washington Examiner*.

"That's not fake. That's just asking a hypothetical," the Republican Senate budget and appropriations expert said. "I do disagree with adding interest on the public debt."

Psaki's "fake" CBO score message is "laughable" after the White House falsely claimed the social welfare and climate bill would cost \$0, according to Heritage Action for America spokesman Noah Weinrich. Biden and his aides insisted the measure would not contribute to the national debt despite the CBO finding last month that it would pile on another \$160 billion over the next decade.

"They should stop misleading taxpayers about their debt-financed, inflation-fueling Build Back Broke legislation," Weinrich said.

And Alex Brill, an American Enterprise Institute tax policy senior fellow and former White House and congressional adviser, defended the CBO more broadly as a nonpartisan organization.

"On both sides of the aisle, lawmakers get frustrated with CBO because sometimes they think that their ideas are like magic and, 'Let's spend a little money, and wonderful things will happen.' And the CBO says no," Brill said. "That's when they're doing their job."

The concern regarding Biden and Democrats' long-term plans for the social welfare and climate bill coincides with the Dec. 31 expiry of their enhanced child tax credits. The program, heralded for pulling 3.5 million children out of poverty, has become politically problematic for the White House: It proves Republicans' point that programs are more likely to be renewed once they have been enacted.

Brookings Institution economics scholar Joshua Gotbaum, an alumnus of five administrations, stood up for Biden and Democrats' CBO posture.

"What the Republicans are doing is ignoring the Dems' cutoffs and pretending that the programs will be extended without pay-fors," Gotbaum said. "They're certainly protected by free speech, but I'd give them at least one Pinocchio."

White House press secretary <u>Jen Psaki</u> repeatedly called the latest CBO report "fake" Monday after debuting a harsher tone last week. Biden once described the agency as "the gold standard" in terms of economic estimates.

"What we're talking about here is a fake CBO score that is not based on the actual bill that anybody is voting on," Psaki said Monday.

It was Graham and Smith's "prerogative" to ask for the report, according to Psaki. But the White House is more interested in the existing legislative text, she said.

"The president has conveyed very clearly, multiple times publicly, that he would like programs, if there is spending, to be paid for," she added. "That remains his commitment."

Manchin, for whom Graham said he submitted the request in an effort to influence the swing vote, still has not endorsed the social welfare and climate legislation. Democrats hope to pass the framework through the budget reconciliation process, which only requires a majority of votes — or all 50 Democrat senators and Vice President Kamala Harris. Manchin has criticized his colleagues for playing shell games with its sunset clauses.

"I don't think that's a fair evaluation of saying we are going to spend X amount of dollars, but then we are going to have to depend on coming back and finding more money," Manchin said Monday.