Congressional Budget Office
Nonpartisan Analysis for the U.S. Congress

TESTIMONY

The Congressional Budget Office's Request for Appropriations for Fiscal Year 2027

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Committee on Appropriations
United States Senate

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Chair Fischer, Ranking Member Heinrich, and Members of the Subcommittee, thank you for the opportunity to present the Congressional Budget Office's budget request.[1] CBO requests appropriations of $76.3 million for fiscal year 2027 (see Figure 1). Most of that amount—85 percent—would be for pay and benefits; 11.7 percent would be for information technology (IT); and 3.3 percent would be for training, expert consultant services, office supplies, and other items. The requested amount is an increase of $1.5 million, or 2 percent, above the funding provided for this fiscal year.

The requested budget is based on continued strong interest in CBO's work from the Congressional leadership, committees, and Members. For instance, in 2025, CBO supported Congress as it developed and considered the 2025 reconciliation act (Public Law 119-21). Specifically, the agency provided technical assistance, which, for example, kept committee markups on track. It also provided cost estimates and dynamic analysis incorporating economic effects and their feedback to the budget, which provided budgetary and economic information ahead of votes. Throughout, the agency responded promptly to the many separate requests for analysis that came from Members. Providing technical assistance, estimates, analysis, and reports to the 120th Congress as it considers significant legislative initiatives is expected to require additional resources.

The funding that CBO is requesting for fiscal year 2027 would also support efforts to strengthen the agency's cybersecurity that began this year—including adding layers of security controls to CBO's IT infrastructure, further strengthening identity and access controls, and improving continuous monitoring and incident response capabilities. In fall 2025, CBO was notified of unauthorized access to a subset of the agency's emails. Working with security partners, CBO secured its IT environment and is now implementing recommendations to harden it against additional threats. To address the unexpected expenditures, CBO received $2.75 million above its original request for such activities for fiscal year 2026. In total, CBO expects to obligate more than $7.1 million for cybersecurity activities this year.

The added expenses for cybersecurity (even after accounting for the $2.75 million in additional resources) mean that CBO's funding for other purposes will be flat this year. Because payroll costs will be larger in 2026 than they were in 2025, the agency will need to shrink to about 268 positions (from 274 on March 13, 2026) to absorb the additional costs.

The fiscal year 2027 request, which reflects an increase of $1.2 million (or 1.8 percent) for personnel expenses, would enable CBO to grow to 285 employees. That number would allow the agency to better meet its responsibilities under the Congressional Budget Act of 1974. Of the 17 additional staff members CBO would hire in 2027, 6 of them would be for positions that the agency was not able to refill this year after departures. Of the 11 new staff members,

- 4 would improve CBO's capabilities to provide timely analysis of changes to means-tested programs and defense programs;
- 1 would enhance the agency's responsiveness and transparency related to cost estimates;
- 1 would improve the agency's capabilities in dynamic analysis;
- 3 would enhance the agency's cybersecurity and IT efforts; and
- 2 would support publishing and digital communications, namely, an addition to the editing staff to enhance the readability and accessibility of publications and an addition to the web development team.

For nonpersonnel expenses, CBO's request includes an increase of $364,000 (or about 3 percent), mostly for IT equipment.

In total, CBO is requesting a 2 percent increase totaling $1.5 million. That constrained increase is possible because certain onetime expenditures for cybersecurity will not recur in 2027. The total amount that CBO plans to devote to cybersecurity activities would remain elevated but decline from the amount this year. In addition, certain personnel expenses, like contributions to the Federal Employee Retirement System, would decline in 2027.

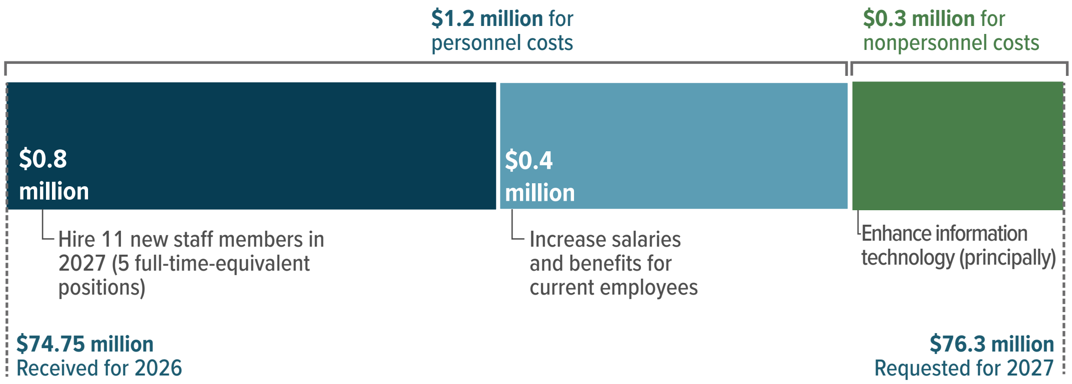
CBO's Budget Request and Its Consequences for Staffing and Output

In fiscal year 2027, CBO will continue its mission of providing objective, insightful, clearly presented, and timely budgetary and economic information to Congress. The $76.3 million requested would be used mostly for salaries and benefits.

1. See Congressioinal Budget Office, *The Congressional Budget Office's Request for Appropriations for Fiscal Year 2027* (April 2026), www.cbo.gov/publication/61949.

Figure 1.

Components of CBO's Requested $1.5 Million, or 2 Percent, Increase



Data source: Congressional Budget Office.

Funding Request for Personnel Costs and Consequences for Staffing

CBO requests $64.9 million for salaries and benefits to support 285 employees by the end of fiscal year 2027, which equates to 278 full-time-equivalent positions for the year. That amount represents an increase in personnel costs of $1.2 million, or 1.8 percent, from the $63.7 million devoted to such costs this year.

Of the total requested amount:

- $46.7 million would cover salaries—an increase of $1.1 million, or 2.3 percent more than the agency expects to spend on salaries this year. The increase would fund inflation adjustments and performance-based salary increases for current staff in 2027. Employees earning less than $100,000 would receive an across-the-board increase of 3.6 percent, whereas employees earning $100,000 or more (for whom more of their compensation is based on performance) would receive a 1.6 percent increase. The requested increase would also fund the restaffing of 6 positions and hiring of 11 new staff members in 2027.
- $18.1 million would fund benefits—an increase of $113,000, or 0.6 percent, from the amount allocated for such costs this year. The requested amount includes a decrease (set in OMB Circular A-11) in the cost of federal employees' retirement system benefits and an increase in the cost of federal benefits for the 6 replacements and 11 new hires in 2027.

All told, salaries and benefits for current employees would rise by $1.2 million, and the costs of salaries and benefits for the 11 new hires in fiscal year 2027 would total $800,000.

Funding Request for Nonpersonnel Costs

CBO requests $11.4 million for nonpersonnel costs. That request is an increase of $364,000, or 3.3 percent, from the fiscal year 2026 funding. The requested nonpersonnel funds would mostly fund IT operations—such as cybersecurity, software and hardware maintenance, software development, communications, and purchases of commercial data, artificial intelligence platforms, and equipment—and would pay for financial management operations (including auditing of the agency's financial statements), facilities support, editorial support, expert consultant services, subscriptions to library services, training, travel, interagency agreements, office supplies, and other items.

Consequences for Output

CBO regularly consults with committees and the Congressional leadership to ensure that the agency's resources are focused on the work that is of highest priority to Congress.

The requested funding would allow CBO to produce more analysis for Congress, including in areas in which the agency anticipates additional legislative activity and oversight (see Table 1).

Requested Information and Authorities

In this section, CBO provides information about its challenges in accessing federal data and requests the authority to provide a childcare benefit.

CBO's Access to Data

The House Committee on Appropriations directed CBO to report to the committees of jurisdiction any challenges

Table 1.

Products by the Congressional Budget Office, Calendar Years 2025 to 2027

Type of product	2025, actual	2026, estimate	2027, estimate
Fulfilled requests for technical assistance	Thousands	Thousands	Thousands
Cost estimates for authorizing bills	779	900	900
Cost estimates for appropriation bills	196	150	150
Reports, working papers, testimonies, slide decks, models, and infographics, along with letters, responses to Members' questions following hearings, and substantive blog posts	112	100	100

Data source: Congressional Budget Office.

in accessing federal data and to identify whether Congress can take any actions to ensure continuous and real-time access.

CBO has identified an action (previously mentioned in the agency's fiscal year 2026 budget request and in its report on data use) that Congress can take to improve the agency's access to information: restoring access to student aid data. CBO has lost access to information that is an important component of the agency's models of the Federal Pell Grant Program and student loan programs. A change to section 6103 of the Internal Revenue Code would restore that access.

- For many years, CBO received from the Department of Education data on the income of Pell grant and student loan recipients. In summer 2024, the department began receiving certain information about the income of student loan borrowers directly from the Internal Revenue Service (IRS), newly making the data federal tax information (FTI) that CBO lacks statutory authority to access. CBO is seeking an amendment to section 6103 of the Internal Revenue Code to allow the agency to again receive those data. CBO receives FTI under section 6103 for other purposes and complies with the IRS's security requirements.
- Starting this spring, the Department of Education's change in practice will significantly diminish CBO's capability to analyze those student aid programs. CBO has been working with the Joint Committee on Taxation and the Education and Treasury Departments, as well as with several Congressional committees (the House Committee on Ways and Means; the House Committee on Education and Workforce; the Senate Committee on Finance; the Senate Committee on Health, Education, Labor, and Pensions; and the House and Senate Budget Committees) about such an amendment.

CBO will work with the committees of jurisdiction as new challenges arise.

Requested Authority for a Childcare Benefit

CBO is renewing its request for authority to provide a childcare benefit. That authority could be provided as part of the appropriation language:

Provided further, in fiscal year 2027 and each following year, the Director of the Congressional Budget Office may reimburse employees for childcare expenses that relate to their CBO employment.

Alternatively, the authority could be provided as a separate administrative provision:

Sec. ___. In fiscal year 2027 and each following fiscal year, the Director of the Congressional Budget Office may reimburse employees for childcare expenses that relate to their CBO employment.

Strengthening Responsiveness and Transparency

CBO seeks to provide information when it is most useful to Congress. Depending on its purpose, that information takes various forms, such as cost estimates, background information, and technical assistance. In almost all cases, CBO completes a cost estimate before legislation comes to a floor vote. In addition, the agency works to provide technical assistance, reports, and other information to lawmakers and their staff during earlier stages of the legislative process.

CBO has increased its use of assistant analysts, who can move from one topic to another to support more senior analysts when demand surges for analysis of a particular topic or when additional assistance is needed for a complicated estimate. In addition, CBO continues to engage expert consultants in complex areas, such as health care policy, agricultural and nutrition programs, and economic forecasting. Finally, the agency is continuing to expand its use of team approaches for large and complicated projects. CBO's goal is to increase the number of staff with overlapping skills within and across teams. In some cases, those skills will consist of expertise related to particular topics, such as defense or energy. In other cases, they will be technical, such as the ability to design and improve simulation models.

CBO works hard to make its analysis transparent and plans to strengthen those efforts, building on the increased emphasis that it has placed on the endeavor over the past several years. In 2026 and 2027, many of CBO's employees will spend part of their time making the agency's analyses more transparent. Those efforts will build on CBO's activities in 2025, which included testifying before Congressional committees and answering Members' questions, publishing code for computer models, releasing data, evaluating the accuracy of the agency's estimates, comparing current and previous estimates, estimating the effects of policy alternatives, characterizing the uncertainty surrounding estimates, creating data visualizations, and conducting outreach.

In response to Congressional interest, this year and next, CBO will continue its efforts to post modeling resources and develop new tools based on its models, while adhering to strict federal standards to ensure that sensitive information is not released. CBO shares data, code, and other documentation on GitHub, an online platform for such items—and the agency's website now links to its 25 repositories hosted there. In addition to those resources, CBO's website features easy-to-use modeling tools that allow users to adjust policy assumptions or economic conditions to see how outcomes of certain analyses may change. The agency's staff will continue to discuss those models and methods with Members of Congress, their staff, and external organizations to gain feedback that helps maintain and improve the quality of CBO's work.

Maintaining and Improving Technology Infrastructure and Services

For 2026 and 2027, CBO will continue to prioritize the protection of its data and systems by strengthening and expanding its zero trust architecture (which requires verification before granting access to any user or device).

CBO has made significant progress in modernizing and hardening its network by adopting improved technologies, stronger encryption standards, and enhanced security services. Investments in modern tools have increased visibility and analytics across the environment, enabling more proactive monitoring, faster response, and better-informed decision-making. In parallel, CBO has refined its approach to device implementation and life-cycle management, improving consistency, oversight, and security. Key areas of continued focus and improvement include these:

- Network Infrastructure: Strengthening CBO's security by adding layers of security controls; upgrading the agency's servers, switches and routers; and increasing the stages when identity is verified.
- Data Loss Prevention: Enhancing tools and policies to better safeguard sensitive information and reduce the risk of data exfiltration.
- Cloud Security Expansion: Expanding and strengthening cloud security services and improving governance and monitoring.
- Artificial Intelligence Strategy and Governance: Developing artificial intelligence strategies and governance frameworks (beyond the initial ones that currently exist) to ensure responsible, secure, and mission-aligned use.
- Endpoint Security: Enhancing detection and response tools and services to improve threat detection, response capabilities, and the visibility of "endpoints" (like desktops and laptops, phones, and servers).
- Incident Response: Strengthening incident response staffing, processes, and governance to improve readiness, coordination, and resilience during security events.

Collectively, those efforts will represent a significant advancement in the maturity of CBO's IT operations and cybersecurity. Consequently, the agency will be better positioned to manage risk, respond to evolving threats, and thus support its mission

This testimony summarizes information in the Congressional Budget Office's budget request for fiscal year 2027. That budget request was prepared by Leigh Angres, Tracy L. Henry, and Joyce Shin, with assistance from Amy Ciardiello, Tabitha Craig, Dana Ealey, Caitlin Emma, Emma Kugelmass, Kevin Laden, and Damon Whitley and with guidance from Mark Smith. Mark Hadley reviewed the testimony. John Skeen edited it, and Jorge Salazar created the graphics and prepared the text for publication. The budget request and the testimony are available at www,cbo.gov/publication/61949 and www.cbo.gov/publication/62201, respectively.

CBO seeks feedback to make its work as useful as possible. Please send comments to communications@cbo.gov.

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