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Rokita Votes to Increase Transparency and Accuracy in Budgeting

Washington, DC – Today Rep. Todd Rokita voted for H.R. 3581, the Budget and Accounting Transparency Act of 2011, legislation he co-authored to ensure an honest accounting of how much Washington spends:

“One of the reasons Washington has a broken budget process is because we are using bad numbers. Presently it is nearly impossible to identify the real revenues and liabilities of government sponsored enterprises and government guaranteed loans, and their impact on the economy. This legislation will ensure these liabilities are known and measured, and we can enforce accountability,” Rokita said.

This legislation requires the OMB and CBO to use “fair value” accounting in calculating the true cost of federal credit programs, including the costs of risk incurred by issuing a federal loan or loan guarantee. This reform would bring federal budgeting in line with private sector practices.

It also requires Fannie Mae and Freddie Mac to operate under a budget. Since the financial crisis these enterprises have become the responsibility of the federal government and these reforms would ensure that their enormous liabilities are reflected in the federal budget.

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