

completed action on the regular appropriation acts by the beginning of the fiscal year. Enacted in the form of a joint resolution, a continuing resolution is passed by both houses of Congress and signed into law by the President. A continuing resolution may be enacted for the full year, up to a specified date, or until regular appropriations are enacted. A continuing resolution usually specifies a maximum rate at which the obligations may be incurred based on levels specified in the resolution. For example, the resolution may state that obligations may not exceed the current rate or must be the lower of the amounts provided in the appropriation bills passed in the House or Senate. If enacted to cover the entire fiscal year, the resolution will usually specify amounts provided for each appropriation account. (*See also* Appropriation Act; Current Rate; Joint Resolution; Seasonal Rate; Supplemental Appropriation.)

Cost

The price or cash value of the resources used to produce a program, project, or activity. This term is used in many different contexts. When used in connection with federal credit programs, the term means the estimated long-term cost to the government of a direct loan or loan guarantee, calculated on a net present value basis over the life of the loan, excluding administrative costs and any incidental effects on governmental receipts or outlays. (*See also* Credit Subsidy Cost under Federal Credit; Expense.)

For federal proprietary accounting, the monetary value of resources used or sacrificed or the liabilities incurred to achieve an objective.

In economic terms, it is a measure of what must be given up in order to obtain something, whether by purchase, exchange, or production. Economists generally use the concept of opportunity cost, which is the value of all of the things that must be forgone or given up in obtaining something. The opportunity cost measure may, but will not always, equal the money outlays used to measure accounting costs. Economists sometimes distinguish between the private costs of a good or activity to the consumer or producer and the social costs imposed on the community as a whole.

Cost-Benefit Analysis (Economics Term)

An analytic technique that compares the costs and benefits of investments, programs, or policy actions in order to determine which alternative or alternatives maximize net benefits (economic efficiency). Cost-benefit analysis attempts to consider all costs

and benefits to whomever they accrue, regardless of whether they are reflected in market transactions. The costs and benefits included depend upon the scope of the analysis, although the standard federal analysis is national in scope. Net benefits of an alternative are determined by subtracting the present value of costs from the present value of benefits. (*See also* Present Value.)

Cost Estimates

Under the Congressional Budget Act of 1974, estimates of the impact legislation under consideration by Congress would have on the federal budget if the legislation became law. Cost estimates are provided by the Congressional Budget Office (CBO) on all legislation of a public character reported by a congressional committee and are, typically, published in the report accompanying that legislation.

Countercyclical Policy (Economics Term)

Policy aimed at reducing the size and duration of swings in economic activity in order to keep economic growth closer to a pace consistent with low inflation and high employment. It includes monetary and fiscal policies affecting the level of interest rates, money supply, taxes, and government spending.

Credit, Credit Reform

See under Federal Credit.

Current Dollar (Economics Term)

“In current dollars” means valued in the prices of the current year. The current dollar value of a good or service is its value in terms of prices current at the time the good or service is acquired or sold.

Current Level Estimate

An estimate of the amounts of new budget authority, outlays, and revenues for a full fiscal year, based upon enacted law. Current level estimates used by Congress do not take into account the potential effects of pending legislation. Current level estimates