



**CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE**

June 30, 1999

Veterans' Compensation Cost-of-Living Adjustment Act of 1999

*As ordered reported by the Senate Committee on Veterans' Affairs
on June 23, 1999*

The bill would increase the amounts paid to veterans for disability compensation and to their survivors for dependency and indemnity compensation by the same cost-of-living adjustment (COLA) payable to Social Security recipients. The increase would take effect on December 1, 1999, and the results of the adjustment would be rounded to the next lower dollar. However, the COLA is assumed in the budget resolution baseline, pursuant to section 257 of the Balanced Budget and Emergency Deficit Control Act, and savings from rounding it down were achieved by the Balanced Budget Act of 1997 (Public Law 105-33). As a result, the bill would have no budgetary effect relative to the baseline. Relative to current law, enacting this bill would increase spending for these programs by about \$360 million in 2000 and about \$480 million a year thereafter.

The bill contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would not affect the budgets of state, local, or tribal governments.

The estimate was prepared by Charles Riemann. This estimate was approved by Robert A. Sunshine, Deputy Assistant Director for Budget Analysis.