



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

March 27, 2000

H.R. 3678 **Veterans Burial Benefits Improvement Act of 2000**

As introduced on February 16, 2000

SUMMARY

H.R. 3678 would raise the amount that the Department of Veterans Affairs (VA) pays to defray the burial and funeral expenses of certain veterans. CBO estimates that this bill would raise spending by \$59 million in 2001 and about \$57 million a year over the 2002-2005 period. Because the bill would affect direct spending, pay-as-you-go procedures would apply. H.R. 3678 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would not affect the budgets of state, local, or tribal governments.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary impact of H.R. 3678 is shown in the following table. The costs of this legislation fall within budget function 700 (veterans benefits and services).

H.R. 3678 would increase the allowance paid for the burial expenses of certain veterans from \$300 to \$1,000. CBO estimates that annual costs will begin at \$59 million in 2001, but will fall over time because the number of burials of eligible veterans is expected to decrease from about 84,000 in 2001 to 80,000 in 2005 and to 77,000 by 2010.

	By Fiscal Year, in Millions of Dollars					
	2000	2001	2002	2003	2004	2005
DIRECT SPENDING						
Spending Under Current Law for Burial Allowances						
Estimated Budget Authority	26	25	25	25	24	24
Estimated Outlays	26	25	25	25	24	24
Proposed Changes						
Estimated Budget Authority	0	59	58	57	57	56
Estimated Outlays	0	59	58	57	57	56
Spending Under the Bill for Burial Allowances						
Estimated Budget Authority	26	84	83	82	81	80
Estimated Outlays	26	84	83	82	81	80

PAY-AS-YOU-GO CONSIDERATIONS

The Balanced Budget and Emergency Deficit Control Act sets up pay-as-you-go procedures for legislation affecting direct spending or receipts. The net changes in outlays that are subject to pay-as-you-go procedures are shown in the following table. For the purposes of enforcing pay-as-you-go procedures, only the effects in the current year, the budget year, and the succeeding four years are counted.

	By Fiscal Year, in Millions of Dollars										
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Changes in outlays	0	59	58	57	57	56	56	55	55	54	54
Changes in receipts	Not applicable										

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

H.R. 3678 contains no intergovernmental or private-sector mandates as defined in UMRA and would impose no costs on state, local, or tribal governments.

ESTIMATE PREPARED BY:

Federal Costs: Evan Christman

Impact on State, Local, and Tribal Governments: Susan Tompkins

Impact on the Private Sector: Rachel Schmidt

ESTIMATE APPROVED BY:

Peter H. Fontaine

Deputy Assistant Director for Budget Analysis