



CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE

April 3, 2001

H.R. 963
Samuel B. Moody Bataan Death March Compensation Act
As introduced on March 8, 2001

SUMMARY

The Samuel B. Moody Bataan Death March Compensation Act would entitle survivors of the 1942 Bataan death march to a payment for their time in captivity. CBO estimates that such payments would cost \$13 million in 2002 and \$43 million over the 2002-2006 period. Because the bill would affect direct spending, pay-as-you-go procedures would apply. H.R. 963 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would impose no costs on state, local, or tribal governments.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary impact of H.R. 963 is shown in the following table. The costs of this legislation fall within budget function 050 (national defense).

	By Fiscal Year, in Millions of Dollars					
	2001	2002	2003	2004	2005	2006

CHANGES IN DIRECT SPENDING

Estimated Budget Authority	0	13	13	13	2	2
Estimated Outlays	0	13	13	13	2	2

The bill would entitle any veteran who was captured at Bataan or Corregidor and survived the Bataan death march to a payment for the veteran's time in captivity. If the veteran is deceased, and if there is an unremarried surviving spouse, the payment would be made to that surviving spouse.

CBO estimates that about 4,500 veterans from the two regions participated in the death march and survived the war. The Department of Defense would be required to pay \$4 a day for each day spent in captivity, compounded at a rate of 3 percent a year. On average, such veterans spent about three and a half years in captivity, making the payments about \$27,000 per beneficiary in 2001.

CBO estimates that about 60 percent of the 2,700 veterans or surviving spouses still alive would receive payments under the bill because not all potential beneficiaries would learn of the benefit or be able to prove their eligibility. We estimate that all of the payments would occur over the 2002-2006 period, when about 1,500 beneficiaries would collect benefits, resulting in outlays of \$43 million over that period. CBO estimates that administrative costs to provide this benefit would be negligible.

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 and governmental receipts 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									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Changes in outlays	0	13	13	13	2	2	0	0	0	0
Changes in receipts	Not applicable									

PREVIOUS CBO ESTIMATE

On May 30, 2000, CBO transmitted an estimate for H.R. 4438, as introduced in the 106th Congress. That bill would have authorized a compensation payment to any veteran who was captured at Bataan or Corregidor and survived the Bataan death march, or the nearest surviving relative. The estimated cost of H.R. 963 is less than that of H.R. 4438 because, if the veteran is deceased, the former would authorize payments only to unremarried former spouses.

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