



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

August 28, 2003

H.R. 2066

A bill to amend title 38, United States Code, to increase the allowance for burial expenses of certain veterans buried in private or state-owned cemeteries

As introduced on May 9, 2003

SUMMARY

H.R. 2066 would raise the plot or interment allowance that the Department of Veterans Affairs (VA) pays for certain veterans buried in private or state-owned cemeteries from \$300 to \$1,000 and would require the Secretary of Veterans Affairs to adjust that amount annually for increases in the cost of living. CBO estimates that enacting this bill would increase direct spending by about \$50 million in 2004, \$260 million over the 2004-2008 period, and \$580 million over the 2004-2013 period.

H.R. 2066 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA). It would provide about \$40 million between fiscal years 2004 and 2008 in additional payments to state governments for the burial of veterans.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary impact of H.R. 2066 is shown in the following table. This estimate assumes that the legislation will be enacted by October 1, 2003. The costs of this legislation fall within budget function 700 (veterans benefits and services).

By Fiscal Year, in Millions of Dollars

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
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DIRECT SPENDING

Spending Under Current Law
for Veterans' Burial Benefits

Estimated Budget Authority	157	157	154	156	158	161	164	166	168	170	172
Estimated Outlays	157	157	154	156	158	161	164	166	168	170	172

Proposed Changes

Estimated Authorization Level	0	48	50	51	54	56	58	61	64	67	70
Estimated Outlays	0	48	50	51	54	56	58	61	64	67	70

Spending Under H.R. 2066
for Veterans' Burial Benefits

Estimated Authorization Levels	157	205	204	207	212	217	222	227	232	237	242
Estimated Outlays	157	205	204	207	212	217	222	227	232	237	242

BASIS OF ESTIMATE

Under current law, VA pays a \$300 plot allowance when a veteran is buried in a cemetery that is not under U.S. government jurisdiction and the veteran:

- Was discharged from active duty because of a disability incurred or aggravated in the line of duty,
- Was receiving disability compensation or a pension from VA (or would have been except for receiving a military retirement annuity), or
- Died in a VA facility.

H.R. 2066 would raise the plot allowance that VA pays for qualifying veterans who are buried in private or state-owned cemeteries to \$1,000 and would require the Secretary of Veterans Affairs to adjust that amount annually for increases in the cost of living.

According to VA, the department expects that just over 68,000 qualifying veterans would be buried in private or state-owned cemeteries in 2004 and that the number would increase to about 74,000 veterans by 2013. After adjusting the \$1,000 allowance for annual increases in the cost of living, CBO estimates that enacting H.R. 2066 would raise direct spending for

veterans' burial benefits by about \$50 million in 2004, \$260 million over the 2004-2008 period, and \$580 million over the 2004-2013 period.

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

H.R. 2066 contains no intergovernmental or private-sector mandates as defined in UMRA. It would provide about \$40 million between fiscal years 2004 and 2008 in additional payments to state governments for the burial of veterans.

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