



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

January 24, 2014

S. 1262
Veterans Conservation Corps Act of 2013
As ordered reported by the Senate Committee on Veterans' Affairs on November 19, 2013

SUMMARY

S. 1262 would provide the Department of Veterans Affairs (VA) \$600 million to establish a conservation corps to employ veterans in conservation, resource management, historical preservation, and maintenance projects on public lands and as disaster relief personnel.

CBO estimates that enacting the bill would increase direct spending by \$600 million over the 2014-2024 period. Pay-as-you-go procedures apply because enacting the legislation would affect direct spending. Enacting S. 1262 would not affect revenues.

The bill contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA).

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary impact of S. 1262 is shown in the following table. The costs of this legislation fall within budget function 700 (veterans benefits and services).

	By Fiscal Year, in Millions of Dollars												
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2014-	2014-
												2019	2024
CHANGES IN DIRECT SPENDING													
Estimated Budget Authority	54	137	137	137	135	0	0	0	0	0	0	600	600
Estimated Outlays	34	139	143	141	137	6	0	0	0	0	0	600	600

BASIS OF ESTIMATE

S. 1262 would appropriate \$600 million over the 2014-2018 period for VA, in cooperation with the Departments of Agriculture, Commerce, Homeland Security, and the Interior, and the U.S. Army Corps of Engineers, to establish a veterans conservation corps to provide employment opportunities to veterans transitioning to civilian life. For the purposes of this estimate, CBO assumes that the legislation will be enacted early in calendar year 2014.

Under the legislation, funding would be made available for VA to:

- Employ veterans to make improvements to cemeteries under the National Cemetery Administration,
- Provide the Departments of Agriculture, Commerce, and the Interior, and the U.S. Army Corps of Engineers, with funding to employ veterans to undertake conservation, resource management, and historical preservation projects, and
- Provide the Department of Homeland Security with up to \$20 million to employ veterans to perform disaster preparedness, response, and recovery activities.

As part of the veterans conservation corps, the bill would require VA to establish a steering committee, consisting of the Secretaries of VA, Agriculture, Commerce, and the Interior, and the Chief of Engineers, to develop selection criteria for projects to be funded. Once the committee approves projects for funding, participating agencies may hire veterans, award grants, or enter into contracts with states, local governments, tribal organizations, or nongovernmental entities to hire veterans to carry out those projects.

Of the amounts appropriated, not more than 5 percent could be used for administrative expenses.

PAY-AS-YOU-GO CONSIDERATIONS

The Statutory Pay-As-You-Go Act of 2010 establishes budget-reporting and enforcement procedures for legislation affecting direct spending or revenues. The net changes in outlays that are subject to those pay-as-you-go procedures are shown in the following table.

CBO Estimate of Pay-As-You-Go Effects for S. 1262 as ordered reported by the Senate Committee on Veterans' Affairs on November 19, 2013

	By Fiscal Year, in Millions of Dollars												2014-	2014-
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2019	2024	
NET INCREASE IN THE DEFICIT														
Statutory Pay-As-You-Go Impact	34	139	143	141	137	6	0	0	0	0	0	600	600	

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

S. 1262 contains no intergovernmental or private-sector mandates as defined in UMRA and would not affect the budgets of state, local, or tribal governments. State, local, and tribal governments that employ veterans for conservation, resource management, and historic preservation projects could benefit from grant assistance authorized in the bill.

ESTIMATE PREPARED BY:

Federal Costs: William Ma
 Impact on State, Local, and Tribal Governments: J'nell L. Blanco
 Impact on the Private Sector: Elizabeth Bass

ESTIMATE APPROVED BY:

Theresa Gullo
 Deputy Assistant Director for Budget Analysis