



**CONGRESSIONAL BUDGET OFFICE  
COST ESTIMATE**

May 17, 2017

**H.R. 1329  
Veterans' Compensation Cost-of-Living Adjustment Act of 2017**

*As ordered reported by the House Committee on Veterans' Affairs  
on May 17, 2017*

H.R. 1329 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) that recipients of Social Security receive in 2018. The increase would take effect on December 1, 2017.

The COLA that would be authorized by this bill is assumed in CBO's baseline, consistent with section 257 of the Balanced Budget and Emergency Deficit Control Act. Because the COLA is assumed in CBO's baseline, authorizing the COLA would have no budgetary effect relative to the baseline. Relative to current law, CBO estimates that enacting this bill would increase spending for those programs by \$1.8 billion in fiscal year 2018. CBO estimates that the COLA effective on December 1, 2017, will be 2.5 percent. (The annualized cost would be about \$2.3 billion in subsequent years.)

Pay-as-you-go procedures do not apply because enacting H.R. 1329 would not affect direct spending relative to the baseline and would not affect revenues.

CBO estimates that enacting H.R. 1329 would not increase net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2028.

H.R. 1329 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 CBO staff contact for this estimate is Dwayne M. Wright. The estimate was approved by Theresa Gullo, Assistant Director for Budget Analysis.