

July 5, 2017

Honorable Mac Thornberry
Chairman
Committee on Armed Services
U.S. House of Representatives
Washington, DC 20515

Dear Mr. Chairman:

The Congressional Budget Office has completed a preliminary estimate of the direct spending and revenue effects of H.R. 2810, the National Defense Authorization Act for Fiscal Year 2018, as ordered reported by the House Committee on Armed Services on June 28, 2017. This preliminary estimate is based on the Committee Print 115-23 of H.R. 2810 that was posted to the website of the House Committee on Rules on June 30, 2017. CBO's complete cost estimate for H.R. 2810, including discretionary costs, will be provided shortly.

Several provisions of the legislation would have insignificant effects on direct spending over the 2017-2026 period, primarily as a result of changes to military health care benefits. On a preliminary basis, CBO estimates that in total enacting H.R. 2810 would increase or decrease net direct spending by less than \$500,000 over the 2018-2027 period.

The bill also would add a specified offense under the military justice system that CBO expects would increase the amount of fines and forfeitures of pay, which are classified as revenues, that are assessed at military courts-martial. Those increases would total less than \$500,000 over the next 10 years, CBO estimates. Because enacting the bill would affect direct spending and revenues, pay-as-you-go procedures apply.

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If you wish further details on this estimate, we will be pleased to provide them.

Sincerely,

Keith Hall
Director

Attachment

cc: Honorable Adam Smith
Ranking Member