

S. 850, Highly Rural Veteran Transportation Program Extension Act

As reported by the Senate Committee on Veterans' Affairs on February 5, 2020

By Fiscal Year, Millions of Dollars	2020	2020-2025	2020-2030
Direct Spending (Outlays)	0	0	0
Revenues	0	0	0
Increase or Decrease (-) in the Deficit	0	0	0
Spending Subject to Appropriation (Outlays)	1	8	not estimated
Statutory pay-as-you-go procedures apply?	No	Mandate Effects	
Increases on-budget deficits in any of the four consecutive 10-year periods beginning in 2031?	No	Contains intergovernmental mandate?	No
		Contains private-sector mandate?	No

S. 850 would permanently extend the authority for the Department of Veterans Affairs (VA) to transport veterans who require assistance traveling—and their family members or attendants—to VA facilities for medical care, educational counseling, and vocational rehabilitation. Under current law, that authority expires at the end of fiscal year 2020. In 2019, VA spent \$40 million on drivers and vehicles to transport veterans to 95 of the department's locations. After adjusting for inflation and the expected 30 percent increase in the number of locations where transportation would be provided, CBO estimates that extending the program would cost \$330 million over the 2021-2025 period. However, based on information from the department, CBO expects that those transportation services would partially supplant the demand for other transportation services that VA provides under service contracts. Because the department expects that its costs would be lower than the contracts, that substitution would reduce spending for those services by \$326 million over the same period. On net, CBO estimates that implementing this section would cost \$4 million over the 2021-2025 period, subject to appropriations consistent with the bill's provisions.

The bill also would authorize the appropriation of \$3 million in 2021 for grants to veteran service organizations that transport veterans in rural areas to and from VA facilities. VA disbursed \$1.8 million in grants to such organizations in 2018. CBO estimates implementing that authority would cost \$3 million over the 2020-2025 period, subject to the appropriation of the specified amount.

Finally, the bill would require the Government Accountability Office (GAO) to submit a report to the Congress on transportation services provided to veterans. On the basis of information from GAO regarding necessary staff to prepare similar reports, CBO estimates that satisfying that requirement would cost \$1 million over the 2020-2025 period.

In total, CBO estimates that implementing the bill would cost \$8 million over the 2020-2025 period. (See Table 1.)

Table 1.
Estimated Increases in Spending Subject to Appropriation Under S. 850

	By Fiscal Year, Millions of Dollars						2020-2025
	2020	2021	2022	2023	2024	2025	
Transportation of Veterans to and from VA facilities							
Estimated Authorization	0	*	1	1	1	1	4
Estimated Outlays	0	*	1	1	1	1	4
Grants for Transportation							
Authorization	0	3	0	0	0	0	3
Estimated Outlays	0	3	*	0	0	0	3
GAO Report							
Estimated Authorization	1	0	0	0	0	0	1
Estimated Outlays	1	*	0	0	0	0	1
Total Changes							
Estimated Authorization	1	3	1	1	1	1	8
Estimated Outlays	1	3	1	1	1	1	8

VA = Department of Veterans Affairs; GAO = Government Accountability Office; * = between zero and \$500,000.

The CBO staff contact for this estimate is Ann E. Futrell. The estimate was reviewed by Leo Lex, Deputy Director of Budget Analysis.