



CONGRESSIONAL BUDGET OFFICE
U.S. Congress
Washington, DC 20515

Phillip L. Swagel, Director

May 29, 2024

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

Re: Direct Spending and Revenue Effects of H.R. 8070, the Servicemember Quality of Life Improvement and National Defense Authorization Act for Fiscal Year 2025

Dear Mr. Chairman:

The Congressional Budget Office has completed an estimate of the direct spending and revenue effects of H.R. 8070, the Servicemember Quality of Life Improvement and National Defense Authorization Act for Fiscal Year 2025, as ordered reported by the House Committee on Armed Services on May 22, 2024. This estimate is based on the Committee Print 118-36, which was posted to the website of the House Committee on Rules on May 24, 2024.

Enacting the bill would have an insignificant net effect on direct spending and revenues each year and in total over the 2025-2034 period, CBO estimates. Provisions that would affect direct spending and revenues include the following:

- Some provisions in H.R. 8070 would affect direct spending by between -\$500,000 and \$500,000, generally because very few people would be affected. Those provisions primarily involve personnel benefits such as health care and compensation.
- Several provisions would allow the Department of Defense to collect receipts (which are recorded as reductions in direct spending) and spend them without further appropriation so that the net effect on direct spending would be negligible.

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- Two sections would increase revenues from criminal fines by less than \$500,000.

Because the bill would affect direct spending and revenues, statutory pay-as-you-go procedures apply.

CBO estimates that enacting H.R. 8070 would not increase net direct spending by more than \$2.5 billion in any of the four consecutive 10-year periods beginning in 2035.

CBO estimates that enacting H.R. 8070 would not increase on-budget deficits by more than \$5 billion in any of the four consecutive 10-year periods beginning in 2035.

Our complete cost estimate for H.R. 8070, including a discussion of discretionary authorizations and mandates under the Unfunded Mandates Reform Act, will be provided as soon as it is available.

I hope this information is useful to you. If you wish further details on this analysis, we would be pleased to provide them.

Sincerely,



Phillip L. Swagel
Director

cc: Honorable Adam Smith
Ranking Member