

At a Glance

H.R. 1364, Automotive Support Services to Improve Safe Transportation Act of 2025

As ordered reported by the House Committee on Veterans' Affairs on May 6, 2025

By Fiscal Year, Millions of Dollars	2025	2025-2030	2025-2035
Direct Spending (Outlays)	*	5	-29
Revenues	0	0	0
Increase or Decrease (-) in the Deficit	*	5	-29
Spending Subject to Appropriation (Outlays)	1	11	26

Increases <i>net direct spending</i> in any of the four consecutive 10-year periods beginning in 2036? < \$2.5 billion	Statutory pay-as-you-go procedures apply?	Yes
	Mandate Effects	
Increases <i>on-budget deficits</i> in any of the four consecutive 10-year periods beginning in 2036? < \$5 billion	Contains intergovernmental mandate?	No
	Contains private-sector mandate?	No

* = between zero and \$500,000.

The bill would

- Expand the types of adaptive equipment that the Department of Veterans Affairs (VA) can purchase for vehicles belonging to veterans who receive medical care from the department
- Extend the reduction of pensions VA pays to veterans and survivors residing in Medicaid nursing homes

Estimated budgetary effects would mainly stem from

- Purchasing additional adaptive equipment
- Reducing pension payments

Detailed estimate begins on the next page.

See also

[CBO's Cost Estimates Explained](#), [CBO Describes Its Cost-Estimating Process](#), [Glossary](#)



Bill Summary

H.R. 1364 would expand the types of adaptative equipment that the Department of Veterans Affairs (VA) can purchase for vehicles belonging to veterans who have received medical care from the department. The bill also would extend the reduction of pension payments for veterans and survivors who reside in Medicaid nursing homes.

Estimated Federal Cost

The estimated budgetary effects of H.R. 1364 are shown in Table 1. The bill would decrease net direct spending by \$29 million and increase spending subject to appropriation by \$26 million over the 2025-2035 period. The costs of the legislation fall within budget functions 550 (health) and 700 (veterans benefits and services).

Table 1. Estimated Budgetary Effects of H.R. 1364													
By Fiscal Year, Millions of Dollars												2025-2030	2025-2035
	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035		
Increases or Decreases (-) in Direct Spending													
Estimated Budget Authority	*	1	1	1	1	1	1	-39	1	1	2	5	-29
Estimated Outlays	*	1	1	1	1	1	1	-39	1	1	2	5	-29
Increases in Spending Subject to Appropriation													
Estimated Authorization	1	2	2	2	2	2	3	3	3	3	3	11	26
Estimated Outlays	1	2	2	2	2	2	3	3	3	3	3	11	26

* = between zero and \$500,000.

Basis of Estimate

For this estimate, CBO assumes that H.R. 1364 will be enacted in fiscal year 2025 and that provisions will take effect upon enactment. CBO also estimates that outlays will follow historical spending patterns for affected programs.

Provisions That Affect Spending Subject to Appropriation and Direct Spending

Section 2 would expand the types of adaptative equipment that VA can purchase for the vehicles of eligible veterans who receive medical care at VA facilities. In addition to equipment that VA provides under its current policy, section 2 would authorize VA to provide kneeling systems. Those systems lower the side or rear of a vehicle to reduce the incline of a ramp, making it easier for people using wheelchairs or other mobility devices to access the vehicle. Using information from VA, CBO estimates that the department would



purchase kneeling systems for roughly 55 veterans each year at a cost of about \$63,000 on average, for a total of \$37 million over the 2025-2035 period.

Some of the veterans who would acquire kneeling systems under section 2 would be veterans who have been exposed to environmental hazards; thus, CBO expects that some of the costs of implementing the bill would be paid from the Toxic Exposures Fund (TEF) established by Public Law 117-168, the Honoring our PACT Act. The TEF is a mandatory appropriation that VA uses to pay for health care, disability claims processing, medical research, and information technology modernization that benefit veterans who were exposed to environmental hazards. Additional spending from the TEF occurs if legislation increases the costs of similar activities that benefit veterans with such exposure. Thus, in addition to increasing spending subject to appropriation, enacting section 2 would increase amounts paid from the TEF, which are classified as direct spending.

CBO projects that the proportion of costs paid by the TEF will grow over time based on the amount of formerly discretionary appropriations that CBO expects will be provided through the mandatory appropriation as specified in the Honoring our PACT Act.¹ CBO estimates that over the 2025-2035 period, implementing section 2 would increase spending subject to appropriation by \$26 million and direct spending by \$11 million.

Direct Spending

In addition to expanding benefits that would partly be covered by the TEF, CBO estimates that enacting the bill would affect direct spending by reducing pension payments to veterans and survivors who reside in Medicaid nursing homes. In total, the bill would decrease net direct spending by \$29 million over the 2025-2035 period (see Table 2).

Under current law, VA reduces pension payments to veterans and survivors who reside in Medicaid nursing homes to \$90 per month. That required reduction expires November 30, 2031. Section 3 would extend that reduction for ten months, through September 30, 2032. CBO estimates that extending that requirement would reduce VA benefits by \$10 million per month. (Those benefits are paid from mandatory appropriations and are therefore considered direct spending.) As a result of that reduction in beneficiaries' income, Medicaid would pay more of the cost of their care, increasing spending for that program by \$6 million per month. Thus, enacting section 3 would reduce net direct spending by \$40 million over the 2025-2035 period.

1. For additional information about estimated spending from the TEF, see CBO's most recent table with details about baseline projections: <https://www.cbo.gov/system/files/2025-01/60044-2025-01-tef.pdf>.



Table 2.
Estimated Increases in Direct Spending Under H.R. 1364

	By Fiscal Year, Millions of Dollars											2025-2030	2025-2035
	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035		
Adaptive Equipment													
Estimated Budget Authority	*	1	1	1	1	1	1	1	1	1	2	5	11
Estimated Outlays	*	1	1	1	1	1	1	1	1	1	2	5	11
Pensions													
Estimated Budget Authority	0	0	0	0	0	0	0	-40	0	0	0	0	-40
Estimated Outlays	0	0	0	0	0	0	0	-40	0	0	0	0	-40
Total Changes													
Estimated Budget Authority	*	1	1	1	1	1	1	-39	1	1	2	5	-29
Estimated Outlays	*	1	1	1	1	1	1	-39	1	1	2	5	-29

* = between zero and \$500,000.

Spending Subject to Appropriation

The discussion above in “Provisions That Affect Spending Subject to Appropriation and Direct Spending” describes the expansion of vehicle adaptations VA can purchase for eligible veterans after receiving medical care from the department. That expansion would increase spending subject to appropriation by \$26 million over the 2025-2035 period (see Table 3).

Table 3.
Estimated Increases in Spending Subject to Appropriation Under H.R. 1364

	By Fiscal Year, Millions of Dollars											2025-2030	2025-2035
	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035		
Adaptive Equipment													
Estimated Authorization	1	2	2	2	2	2	3	3	3	3	3	11	26
Estimated Outlays	1	2	2	2	2	2	3	3	3	3	3	11	26

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 Table 2.



Increase in Long-Term Net Direct Spending and Deficits

CBO estimates that enacting H.R. 1364 would not increase net direct spending by more than \$2.5 billion in any of the four consecutive 10-year periods beginning in 2036.

CBO estimates that enacting H.R. 1364 would not increase on-budget deficits by more than \$5 billion in any of the four consecutive 10-year periods beginning in 2036.

Mandates

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

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