



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

May 16, 2013

H.R. 671 **Ruth Moore Act of 2013**

As ordered reported by the House Committee on Veterans' Affairs on May 8, 2013

SUMMARY

H.R. 671 would extend provisions of current law that require increases in monthly rates of certain education assistance be rounded down to the next lower whole dollar. The bill would also require the Department of Veterans Affairs (VA) to submit annual reports about disability claims for military sexual trauma (MST) to the Congress and to veterans who file MST claims. CBO estimates that enacting H.R. 671 would reduce direct spending by \$15 million over the 2014-2023 period. Also, CBO estimates that implementing H.R. 671 would have a discretionary cost of \$4 million over the 2014-2018 period, subject to the availability of appropriated amounts.

Pay-as-you-go procedures apply because enacting the legislation would affect direct spending. Enacting the bill would have no effect on revenues.

H.R. 671 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA).

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary impact of H.R. 671 is shown in the following table. The costs of this legislation fall within budget function 700 (veterans benefits and services).

	By Fiscal Year, in Millions of Dollars											2014-	2014-	
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2018	2023		
CHANGES IN DIRECT SPENDING														
Estimated Budget Authority	*	-1	-1	-1	-2	-2	-2	-2	-2	-2	-5	-15		
Estimated Outlays	*	-1	-1	-1	-2	-2	-2	-2	-2	-2	-5	-15		

Notes: In addition to the budgetary effects shown above, H.R. 671 would have a discretionary cost of \$4 million over the 2014-2018 period, subject to appropriation of the necessary amounts.

* = less than \$500,000.

BASIS OF ESTIMATE

Direct Spending

Under current law, the rates of certain monthly benefits paid under the Montgomery G.I. Bill and Survivors' and Dependents' Educational Assistance programs are increased annually by specified economic indices. Section 3 of H.R. 671 would extend for five years two provisions of law that require those increases to be rounded down to the next lower whole dollar. Those two provisions are both currently due to expire at the end of fiscal year 2013. Based on projections of the number of beneficiaries and payments made each year, CBO estimates that enacting section 3 would reduce direct spending by \$15 million over the 2014-2023 period.

Spending Subject to Appropriation

Section 2 would require VA to submit annual reports through 2018 to the Congress detailing the number of MST claims for disability benefits approved and denied, the number of claims pending and on appeal, and the average number of days it takes to process such claims. The required reports also would include information on any training VA provides to its employees for handling MST claims. In addition to mandating such reports to the Congress, section 2 would require VA to provide the annual reports to every veteran who has submitted a claim or been treated at a VA medical facility because of MST until such time as VA updates its regulations for adjudicating those claims. VA also would be required to submit monthly reports to each veteran who has submitted a claim or been treated at a VA facility for such trauma detailing information on VA's monthly tracking, approval, and denial of claims relating to MST. Finally, VA would be required to place such information on its website.

CBO estimates that subject to the availability of appropriated funds, implementing section 2 would have an insignificant cost in 2014 and would cost \$1 million a year thereafter, for a total of \$4 million over the 2014-2018 period.

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 the following table.

CBO Estimate of Pay-As-You-Go Effects for H.R. 671 as ordered reported by the House Committee on Veterans’ Affairs on May 8, 2013

	By Fiscal Year, in Millions of Dollars												2013-	2013-
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2018	2023	
NET DECREASE (-) IN THE DEFICIT														
Statutory Pay-As-You-Go Impact	0	0	-1	-1	-1	-2	-2	-2	-2	-2	-2	-5	-15	

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

H.R. 671 contains no intergovernmental or private-sector mandates as defined in UMRA and would not affect the budgets of state, local, or tribal governments.

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