

**H.R. 1200, Veterans' Compensation Cost-of-Living Adjustment Act of 2019**

As ordered reported by the House Committee on Veterans' Affairs on May 8, 2019

By Fiscal Year, Millions of Dollars	2019	2019-2024	2019-2029
Direct Spending (Outlays)	0	0	0
Revenues	0	0	0
Deficit Effect	0	0	0
Spending Subject to Appropriation (Outlays)	0	0	0
Pay-as-you-go procedures apply?	No	<b>Mandate Effects</b>	
Increases on-budget deficits in any of the four consecutive 10-year periods beginning in 2030?	No	Contains intergovernmental mandate?	No
		Contains private-sector mandate?	No

H.R. 1200 would increase the amounts paid to veterans for disability compensation and to their survivors for dependency and indemnity compensation by the same cost-of-living adjustment (COLA) that recipients of Social Security receive in 2020. The increase would take effect on December 1, 2019.

Relative to current law, CBO estimates that enacting this bill would increase spending for those programs by \$1.5 billion in fiscal year 2020. CBO estimates that the COLA effective on December 1, 2019, will be 2.1 percent. (The annualized cost would be about \$2.0 billion in subsequent years.) However, section 257 of the Balanced Budget and Emergency Deficit Control Act directs CBO to assume that COLA will occur in CBO's baseline. Because the COLA is assumed in CBO's baseline, authorizing that increase would have no budgetary effect relative to the baseline.

The CBO staff contact for this estimate is Logan Smith. The estimate was reviewed by Leo Lex, Deputy Assistant Director for Budget Analysis.