

H.R. 561, Protecting Business Opportunities for Veterans Act of 2019

As ordered reported by the House Committee on Veterans' Affairs on October 16, 2019

By Fiscal Year, Millions of Dollars	2020	2020-2024	2020-2029
Direct Spending (Outlays)	0	0	0
Revenues	0	0	0
Increase or Decrease (-) in the Deficit	0	0	0
Spending Subject to Appropriation (Outlays)	*	*	*
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 2030?	No	Contains intergovernmental mandate?	No
		Contains private-sector mandate?	No
* = between zero and \$500,000.			

The Department of Veterans Affairs (VA) sets aside contracts for small businesses owned by veterans including those who are disabled. H.R. 561 would require that businesses awarded such contracts spend no more than half of the value of the contracts on subcontractors and purchases from other businesses. That requirement would codify VA's current practices for awarding set-aside contracts. Thus, CBO expects that the requirement would not affect the federal budget. The bill also would require such businesses to certify to VA that they will comply with the subcontracting limitation. Finally, the bill would require VA to develop processes to monitor that compliance, and to report to the Congress each year until 2024 on the number of businesses that fail to comply.

On the basis of information from VA, CBO estimates that implementing H.R. 561 would cost less than \$500,000 to certify, monitor, and report on compliance to the Congress over the 2020-2024 period, subject to the availability of appropriated funds.

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