



CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE

July 29, 2010

H.R. 5226
Appalachian Veterans Outreach Improvement Act

*As ordered reported by the House Committee on Transportation and Infrastructure
on July 1, 2010*

SUMMARY

H.R. 5226 would require the Department of Veterans Affairs (VA) and the Appalachian Regional Commission (ARC) to jointly implement an outreach program to veterans who reside in the Appalachian region. The bill would allow VA and ARC to enter into agreements with federal and state agencies, provide technical assistance, and award grants to increase veterans' awareness of and access to federal, state, and local programs providing compensation and benefits.

CBO estimates that implementing H.R. 5226 would cost about \$34 million over the 2011-2015 period, assuming appropriation of the necessary amounts. Enacting H.R. 5226 would not affect direct spending or revenues; therefore, pay-as-you-go procedures would not apply.

H.R. 5226 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would impose no costs on state, local, or tribal governments.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary impact of H.R. 5226 is shown in the following table. The costs of this legislation fall within budget functions 700 (veterans' benefits and services) and 450 (community and regional development).

	By Fiscal Year, in Millions of Dollars					2011- 2015
	2011	2012	2013	2014	2015	
CHANGES IN SPENDING SUBJECT TO APPROPRIATION						
Department of Veterans Affairs						
Estimated Authorization Level	5	7	9	7	5	33
Estimated Outlays	5	7	9	7	5	33
Appalachian Regional Commission						
Estimated Authorization Level	*	*	*	*	*	1
Estimated Outlays	*	*	*	*	*	1
Total Changes						
Estimated Authorization Level	5	7	9	7	5	34
Estimated Outlays	5	7	9	7	5	34

Notes: Components may not sum to totals because of rounding.

* = less than \$500,000.

BASIS OF ESTIMATE

For this estimate, CBO assumes that H.R. 5226 will be enacted near the end of 2010 and that the necessary amounts will be appropriated each year. Estimated outlays are based on historical spending patterns for similar programs and activities.

H.R. 5226 would require VA and ARC to implement an outreach program to veterans of the Armed Forces residing in the Appalachian region. The program would be designed to increase veterans' awareness of and access to federal, state, and local programs providing compensation and benefits for veterans. The bill would allow VA and ARC to enter into agreements with federal and state agencies, provide technical assistance, and award grants.

Based on information provided by VA for a similar program, CBO estimates that the provisions of the bill affecting the agency would cost about \$33 million over the 2011-2015 period, including grants to conduct the outreach programs for the 13 states in the Appalachian region. In addition, ARC expects that implementing the provisions of H.R. 5226 would require an additional staff member and associated travel costs. Based on this information, CBO estimates that implementing the provisions of the bill would cost ARC about \$1 million over the 2011-2015 period.

Assuming appropriation of the necessary amounts, CBO estimates that implementing H.R. 5226 would cost \$34 million over the 2011-2015 period.

PAY-AS-YOU-GO CONSIDERATIONS: None.

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

H.R. 5226 contains no intergovernmental or private-sector mandates as defined in UMRA and would impose no costs on state, local, or tribal governments.

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