

Estimated Budgetary Effects of H.R. 3967, Honoring our PACT Act of 2021, as Passed by the House of Representatives on March 3, 2022, and as Amended by the Senate Committee on Veterans' Affairs
www.veterans.senate.gov/services/files/0F8496EA-7D5E-4323-956F-D399FC221B9C

	By Fiscal Year, Billions of Dollars										2022-2026	2022-2031
	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031		
Increases and Decreases (-) in Discretionary Spending Subject to Appropriation												
Health Care^a												
Estimated Authorization	0.2	0.7	4.2	5.6	9.4	11.5	14.8	16.9	20.1	22.3	20.1	105.6
Estimated Outlays	0.2	0.6	3.8	5.4	8.9	11.1	14.3	16.4	19.5	21.8	18.8	101.9
Operating Costs^b												
Estimated Authorization	*	0.5	0.5	0.7	0.8	0.7	0.6	0.5	0.6	0.6	2.6	5.5
Estimated Outlays	*	0.4	0.5	0.7	0.7	0.7	0.6	0.5	0.6	0.6	2.4	5.4
Leases^c												
Estimated Authorization	0	0.9	0.0	0.0	0.1	0.1	0.1	0.1	0.1	0.1	0.9	1.4
Estimated Outlays	0	0.6	0.2	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.9	1.3
Human Resources^d												
Estimated Authorization	0.1	0.2	0.7	0.8	1.1	1.0	0.5	0.5	0.5	0.5	2.7	5.7
Estimated Outlays	0.1	0.2	0.6	0.8	1.1	1.0	0.5	0.5	0.5	0.5	2.7	5.7
Camp Lejeune Administrative Costs^e												
Estimated Authorization	0	*	*	*	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.5
Estimated Outlays	0	*	*	*	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.5
Subtotal Discretionary Spending												
Estimated Authorization	0.3	2.2	5.5	7.1	11.4	13.3	16.1	18.0	21.3	23.5	26.4	118.7
Estimated Outlays	0.2	1.8	5.2	6.9	10.8	12.9	15.5	17.6	20.7	23.1	24.9	114.8
Discretionary Spending Classified as Direct Spending^f												
Estimated Authorization	-0.3	-1.4	-5.4	-7.0	-11.3	-13.1	-15.9	-17.9	-21.2	-23.4	-25.4	-116.8
Estimated Outlays	-0.2	-1.2	-5.0	-6.8	-10.7	-12.8	-15.4	-17.5	-20.6	-22.9	-23.9	-113.0
Current Law Discretionary Spending Reclassified as Direct Spending^g												
Estimated Authorization	0	-25.4	-29.6	-34.0	-38.8	-43.5	-48.5	-53.6	-58.9	-64.3	-127.8	-396.6
Estimated Outlays	0	-22.9	-29.2	-33.6	-38.3	-43.0	-48.0	-53.1	-58.4	-63.8	-124.0	-390.3
Total Discretionary Spending												
Estimated Authorization	0	-24.5	-29.6	-34.0	-38.7	-43.4	-48.4	-53.4	-58.7	-64.1	-126.7	-394.8
Estimated Outlays	0	-22.3	-29.0	-33.5	-38.2	-42.9	-47.9	-52.9	-58.2	-63.6	-123.0	-388.5

(Continued)


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(Continued)

	By Fiscal Year, Billions of Dollars										2022-2026	2022-2031
	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031		
Increases in Direct Spending												
Compensation^h												
Budget Authority	0.1	3.6	6.5	9.5	13.6	16.6	20.5	23.3	27.4	30.5	33.3	151.7
Outlays	0.1	3.6	6.5	9.5	13.6	16.6	20.5	23.3	27.4	30.5	33.3	151.7
Other Mandatory Benefits^h												
Budget Authority	0	*	0.1	0.1	0.2	0.2	0.2	0.1	0.2	0.1	0.4	1.2
Outlays	0	*	0.1	0.1	0.2	0.2	0.2	0.1	0.2	0.1	0.4	1.2
Leases^c												
Budget Authority	0.9	1.9	0.1	0.2	0.4	0.5	0.6	0.6	0.6	0.7	3.5	6.4
Outlays	0	*	*	0.1	0.4	0.8	0.8	0.8	0.8	0.7	0.5	4.2
Direct Appropriationⁱ												
Budget Authority	0.5	0	0	0	0	0	0	0	0	0	0.5	0.5
Outlays	*	0.4	0.1	0	0	0	0	0	0	0	0.5	0.5
Camp Lejeune Claims^e												
Budget Authority	0	0	*	0.2	0.4	0.8	1.2	1.3	1.1	1.1	0.6	6.1
Outlays	0	0	*	0.2	0.4	0.8	1.2	1.3	1.1	1.1	0.6	6.1
Subtotal Direct Spending												
Budget Authority	1.5	5.5	6.7	10.0	14.6	18.0	22.5	25.4	29.3	32.4	38.4	165.9
Outlays	0.2	4.1	6.7	10.0	14.5	18.3	22.6	25.6	29.5	32.4	35.3	163.7
Discretionary Spending Classified as Direct Spending^f												
Budget Authority	0.3	1.4	5.4	7.0	11.3	13.1	15.9	17.9	21.2	23.4	25.4	116.8
Outlays	0.2	1.2	5.0	6.8	10.7	12.8	15.4	17.5	20.6	22.9	23.9	113.0
Current-Law Discretionary Spending Reclassified as Direct Spending^g												
Estimated Authorization	0	25.4	29.6	34.0	38.8	43.5	48.5	53.6	58.9	64.3	127.8	396.6
Estimated Outlays	0	22.9	29.2	33.6	38.3	43.0	48.0	53.1	58.4	63.8	124.0	390.3
Total Direct Spending												
Budget Authority	1.8	32.3	41.7	51.1	64.6	74.7	86.9	96.9	109.3	120.1	191.5	679.4
Outlays	0.4	28.1	40.9	50.3	63.5	74.1	86.0	96.1	108.4	119.1	183.2	667.0

Components may not sum to totals because of rounding; * = between zero and \$50 million.

On February 28, 2022, CBO transmitted a [cost estimate for H.R. 3967](#), as posted in Rules Committee Print 117-33 on February 18, 2022, <https://go.usa.gov/xzCqG>. The estimate for H.R. 3967 as passed by the House of Representatives on March 3, 2022, is the same.

This estimate reflects changes in the version of the bill as posted on the website of the Senate Committee on Veterans' Affairs. At the direction of the House and Senate Committees on the Budget, this estimate is



relative to CBO's July 2021 baseline. This version, like the earlier version, contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act.

- a. CBO estimates that fewer veterans would receive disability compensation under the Senate version than it estimated for the House-passed version. As a result, the estimated cost of providing health care would be lower than in the prior version. The date on which some veterans become eligible for health care also would be later than under the earlier version; therefore, some spending would be deferred until later in the 2022-2031 period.
- b. CBO expects that because fewer veterans would become eligible for disability compensation under the current version, estimated operating costs for processing claims would be lower than for the House-passed version.
- c. Title VII would authorize 31 major medical facilities leases for 2023. It also would remove the requirement for legislative authorization of major medical facilities leases. Finally, it would authorize the Department of Veterans Affairs to enter into enhanced-use leases for purposes other than domiciliary care facilities. Those provisions were not included in the House-passed version.
- d. Title IX includes several provisions that would affect pay and compensation for employees of the Department of Veterans Affairs. Those provisions were not included in the House-passed version.
- e. Section 804 would allow people who worked or resided at Marine Corps Base Camp Lejeune in Onslow County, North Carolina, between 1953 and 1987 to seek compensation from the federal government for physical ailments related to exposure to contaminated water. The right to file a claim would be limited to people whose illnesses manifest before the date of enactment. Implementing the section would increase spending subject to appropriation for processing and litigating claims. CBO expects that awards and settlements would be paid from the Judgment Fund, a permanent, indefinite appropriation that is available to pay monetary awards against the United States that are judicially or administratively ordered. Payments from that fund are classified as direct spending. CBO also estimates that, in addition to the amounts shown in this table, payments under the section would increase direct spending by about \$15 billion after 2031.
- f. Section 805 would establish and authorize appropriations for the Cost of War Toxic Exposure Fund for the increase in costs, over the fiscal year 2021 amount, that would arise from the act. The fund would be used to pay for health care associated with environmental exposures, expenses incidental to the delivery of that health care, disability claims processing, medical research, information technology programs, and other services associated with environmental exposure. Under current law, those costs are generally classified as discretionary. At the direction of the Senate Committee on the Budget and in keeping with section 805 of this act, CBO has classified those expenses as direct spending.
- g. Some activities that would be funded through the new Cost of War Toxic Exposure Fund are similar to activities currently funded from other discretionary appropriations. As a result of section 805, CBO anticipates that some of those currently discretionary appropriations would be provided through the new mandatory appropriation instead, to the extent that costs for those similar activities exceed the amounts provided in 2021. As a result, this table shows a reduction in spending subject to appropriation under current law, and an offsetting increase in direct spending.
- h. CBO estimates that fewer veterans would receive disability compensation under this version of the act than it did for the House-passed version. Costs are reduced primarily because the act would phase in the effective date of some presumptive conditions and reduce the number of people who receive retroactive benefits. Costs also are lower because the assumed enactment date is later for the current version. As a result, estimates for mandatory spending for compensation and other benefits are lower in this version.
- i. Section 806 would directly appropriate \$500 million to the Cost of War Toxic Exposure Fund for fiscal year 2022.