

BASIS OF ESTIMATE

Under current law, VA pays a \$300 plot allowance to the state or municipality when a veteran is buried in a cemetery that is not under U.S. government jurisdiction and the veteran is eligible for burial in a national cemetery. H.R. 2354 would increase the plot allowance paid to certain states to \$750 or the actual cost, if it is lower, for eligible veterans who are buried in states where ground burial in a national cemetery is not available.

VA estimates that roughly 655,000 veterans died in 2003. According to VA, it paid a plot allowance for 13,614 veterans buried in state-owned cemeteries in 2003. Of that number, 9,489 were buried in states where an in-ground burial in a national cemetery was not available, either because space was not available in a national cemetery in the state or because there was no national cemetery in the state.

According to VA, the department expects about 662,000 veterans to die in 2004. It projects that number to increase to 676,000 veterans by 2008 before declining to about 644,000 deaths by 2014. After accounting for recently passed legislation that extends eligibility for this \$300 plot allowance to veterans who served in the military during peacetime and assuming that the number of veterans who would be buried in a state-owned cemetery where a ground burial in a national cemetery is not available remains at about the same percentage of all veteran deaths as today (about 1.5 percent), CBO estimates that an average of about 10,650 veterans a year would qualify for the increased plot allowance over the 2005-2014 period.

Assuming that VA would pay the full \$750 plot allowance to those states, CBO estimates that enacting H.R. 2354 would increase direct spending for veterans' burial benefits by \$5 million in 2005, about \$25 million over the 2005-2009 period, and almost \$50 million over the 2005-2014 period.

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

H.R. 2354 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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