



**CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE**

October 1, 1997

H.R. 2571

A bill to authorize major medical facility projects and major medical facility leases for the Department of Veterans Affairs for fiscal year 1998, and for other purposes

*As ordered reported by the House Committee on Veterans' Affairs
on September 30, 1997*

SUMMARY

H.R. 2571 would authorize appropriations for construction projects and leases at medical facilities of the Department of Veterans Affairs (VA). CBO estimates that enacting the bill would result in outlays of about \$14 million in 1997 and \$48 million over the 1998-2002 period, assuming appropriation of the authorized amounts. Because the bill would not affect direct spending or receipts, pay-as-you-go procedures would not apply. The bill contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would not affect the budgets of state, local, or tribal governments.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The bill would authorize appropriations of \$34.6 million to complete seismic corrections at VA's medical facility in Memphis, Tennessee, and appropriations of \$15.7 million for several specific leasing agreements. The following table shows CBO's estimate of the budgetary impact of the bill over the 1998-2002 period, assuming appropriation of the authorized amounts.

The bill would also authorize VA to use \$55 million in unobligated balances for two projects. The funding would be derived from amounts appropriated for fiscal years beginning before 1998 and that remain available for obligation. CBO estimates that this authorization would have no budgetary impact because the annual spending for the two newly authorized projects would not differ significantly from spending for the project that was funded originally.

	By Fiscal Year, in Millions of Dollars					
	1997	1998	1999	2000	2001	2002
SPENDING SUBJECT TO APPROPRIATION						
Spending Under Current Law for Major Construction						
Estimated Authorization Level ^a	219	32	0	0	0	0
Estimated Outlays	559	243	126	53	20	9
Proposed Changes						
Estimated Authorization Level	0	50	0	0	0	0
Estimated Outlays	0	14	7	11	10	6
Spending Under H.R. 2571 for Major Construction						
Estimated Authorization Level	219	82	0	0	0	0
Estimated Outlays	559	258	133	64	30	15

a. The 1997 and 1998 levels are the amounts appropriated for those years as of September 30, 1997.

PAY-AS-YOU-GO CONSIDERATIONS: None.

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

The bill contains no intergovernmental or private-sector mandates as defined in UMRA and would not affect the budgets of state, local, or tribal governments.

ESTIMATE PREPARED BY:

Federal Cost: Shawn Bishop
 Impact on State, Local, and Tribal Governments: Marc Nicole
 Impact on the Private Sector: Rachel Schmidt

ESTIMATE APPROVED BY:

Robert A. Sunshine
 Deputy Assistant Director for Budget Analysis