



## CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

August 27, 2010

**A bill to amend title 38, United States Code, to improve Servicemembers' Group Life Insurance and Veterans' Group Life Insurance and to modify the provision of compensation and pension to surviving spouses of veterans in the months of the deaths of the veterans, and for other purposes**

*As ordered reported by the Senate Committee on Veterans' Affairs  
on August 5, 2010*

This legislation would modify several veterans' programs. CBO estimates that enacting the bill would increase direct spending by less than \$500,000 over the 2011-2020 period and would not affect revenues. Because enacting the bill would affect direct spending, pay-as-you-go procedures apply.

Section 104 would expand the Veterans Administration's (VA's) Presidential Memorial Certificate program to include survivors of individuals who die while serving in the active military, naval, or air service. Through the Presidential Memorial Certificate program a relative or friend can request a certificate signed by the President that expresses the country's recognition of a veteran's service. Eligibility for a certificate is currently limited to survivors of veterans who were honorably discharged from military service. Based on information from VA, CBO expects fewer than 100 additional requests would be made each year under this provision; therefore, CBO estimates section 104 would increase direct spending by less than \$500,000 over the 2011-2020 period. Costs for the Presidential Memorial Certificates are paid out of the veterans' burial account, which is a mandatory program.

Sections 101 and 102 would enhance the benefits available to veterans under the Servicemembers' Group Life Insurance program. Based on information from VA, CBO anticipates that the premiums servicemembers pay would cover the cost of the enhanced benefits. Therefore, we estimate that those provisions would have no budgetary impact.

Section 103 would clarify that the surviving spouse of a veteran who was receiving disability compensation or a pension at the time of death would be entitled to a similar benefit for the month of the veteran's death. Also, if a veteran's claim for compensation or pension was pending at the time of death and the surviving spouse receives a benefit payment that is less than the amount the veteran would have received upon adjudication, then the surviving spouse would be entitled to receive the additional amount upon final

adjudication. Information from VA indicates that surviving spouses are currently receiving such payments under other provisions of law; therefore, CBO estimates that this section of the legislation would have no cost.

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

The CBO staff contact for this estimate is Dwayne M. Wright. The estimate was approved by Theresa A Gullo.