

107TH CONGRESS
1ST SESSION

H. R. 801

To amend title 38, United States Code, to improve programs of educational assistance, to expand programs of transition assistance and outreach to departing servicemembers, veterans, and dependents, to increase burial benefits, to provide for family coverage under Servicemembers' Group Life Insurance, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 28, 2001

Mr. SMITH of New Jersey (for himself, Mr. EVANS, Mr. HAYWORTH, and Mr. REYES) introduced the following bill; which was referred to the Committee on Veterans' Affairs

A BILL

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1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

2 (a) SHORT TITLE.—This Act may be cited as the
3 “Veterans’ Opportunities Act of 2001”.

4 (b) TABLE OF CONTENTS.—The table of contents for
5 this Act is as follows:

- Sec. 1. Short title; table of contents.
- Sec. 2. References to title 38, United States Code.

TITLE I—EDUCATIONAL ASSISTANCE PROVISIONS

- Sec. 101. Increase in maximum allowable annual ROTC award for eligibility for benefits under the Montgomery GI Bill.
- Sec. 102. Expansion of work-study opportunities.
- Sec. 103. Inclusion of certain private technology entities in the definition of educational institution.
- Sec. 104. Expansion of special restorative training benefit to certain disabled spouses or surviving spouses.
- Sec. 105. Distance education.
- Sec. 106. Technical amendments to the Montgomery GI Bill.

TITLE II—TRANSITION AND OUTREACH PROVISIONS

- Sec. 201. Increase in transition assistance.
- Sec. 202. Timing of preseparation counseling.
- Sec. 203. Improvement in education and training outreach services for separating servicemembers and veterans.
- Sec. 204. Expansion of outreach efforts to eligible dependents.
- Sec. 205. Improvement of veterans outreach programs.

TITLE III—MEMORIAL AFFAIRS, INSURANCE, AND OTHER PROVISIONS

- Sec. 301. Increase in burial benefits.
- Sec. 302. Family coverage under Servicemembers’ Group Life Insurance.
- Sec. 303. Increase in amount of assistance for automobile and adaptive equipment for certain disabled veterans.
- Sec. 304. Increase in assistance amount for specially adapted housing.
- Sec. 305. Revision of rules with respect to net worth limitation for eligibility for pensions for veterans who are permanently and totally disabled from a non-service-connected disability.
- Sec. 306. Technical amendments.

6 **SEC. 2. REFERENCES TO TITLE 38, UNITED STATES CODE.**

7 Except as otherwise expressly provided, whenever in
8 this Act an amendment or repeal is expressed in terms
9 of an amendment to, or repeal of, a section or other provi-

1 sion, the reference shall be considered to be made to a
 2 section or other provision of title 38, United States Code.

3 **TITLE I—EDUCATIONAL** 4 **ASSISTANCE PROVISIONS**

5 **SEC. 101. INCREASE IN MAXIMUM ALLOWABLE ANNUAL** 6 **ROTC AWARD FOR ELIGIBILITY FOR BENE-** 7 **FITS UNDER THE MONTGOMERY GI BILL.**

8 (a) IN GENERAL.—Sections 3011(c)(3)(A) and
 9 3012(d)(3)(B) are each amended by striking “\$2,000”
 10 and inserting “\$3,400”.

11 (b) EFFECTIVE DATE.—The amendments made by
 12 subsection (a) shall take effect on the date of the enact-
 13 ment of this Act, and shall apply with respect to edu-
 14 cational assistance allowances paid under chapter 30 of
 15 title 38, United States Code, for months beginning after
 16 such date.

17 **SEC. 102. EXPANSION OF WORK-STUDY OPPORTUNITIES.**

18 (a) ASSISTING IN OUTREACH SERVICES.—The sec-
 19 ond sentence of section 3485(a)(1) is amended in clause
 20 (A) by inserting before the comma the following: “or out-
 21 reach services to servicemembers and veterans furnished
 22 by employees of State approving agencies”.

23 (b) WORKING IN MAJOR ACADEMIC DISCIPLINE.—
 24 Such second sentence is further amended—

1 (1) by striking “or (E)” and inserting “(E)”;
 2 and

3 (2) by inserting before the period the following:
 4 “or (F) in the case of an individual who has de-
 5 clared a major academic discipline, activities within
 6 the department of that academic discipline approved
 7 by the Secretary that complement and reinforce the
 8 program of education pursued by the individual”.

9 (c) WORKING IN STATE VETERANS HOME.—Such
 10 second sentence is amended in clause (C) by inserting
 11 after the comma “including the provision of such care to
 12 veterans in a State home for which payment is made under
 13 section 1741 of this title,”.

14 (d) EFFECTIVE DATE.—The amendments made by
 15 this section shall apply with respect to agreements entered
 16 into under section 3485 of title 38, United States Code,
 17 on or after the date of the enactment of this Act.

18 **SEC. 103. INCLUSION OF CERTAIN PRIVATE TECHNOLOGY**
 19 **ENTITIES IN THE DEFINITION OF EDU-**
 20 **CATIONAL INSTITUTION.**

21 (a) IN GENERAL.—Section 3452(c) is amended by
 22 adding at the end the following new sentence: “Such term
 23 also includes any private entity (that meets such require-
 24 ments as the Secretary may establish) that offers, either
 25 directly or under an agreement with another entity (that

1 meets such requirements), a course or courses to fulfill
 2 requirements for the attainment of a license or certificate
 3 generally recognized as necessary to obtain, maintain, or
 4 advance in employment in a profession or vocation in a
 5 technological occupation (as determined by the Secretary).

6 (b) EFFECTIVE DATE.—The amendment made by
 7 subsection (a) shall apply to enrollments in courses occur-
 8 ring on or after the date of the enactment of this Act.

9 **SEC. 104. EXPANSION OF SPECIAL RESTORATIVE TRAINING**
 10 **BENEFIT TO CERTAIN DISABLED SPOUSES OR**
 11 **SURVIVING SPOUSES.**

12 (a) IN GENERAL.—Section 3540 is amended by strik-
 13 ing “section 3501(a)(1)(A) of this title” and inserting
 14 “subparagraphs (A), (B), and (D) of section 3501(a)(1)
 15 of this title”.

16 (b) CONFORMING AMENDMENTS.—(1) Section
 17 3541(a) is amended in the matter preceding paragraph
 18 (1) by striking “of the parent or guardian”.

19 (2) Section 3542(a) is amended—

20 (A) by striking “the parent or guardian shall be
 21 entitled to receive on behalf of such person” and in-
 22 serting “the eligible person shall be entitled”; and

23 (B) by striking “upon election by the parent or
 24 guardian of the eligible person” and inserting “upon
 25 election by the eligible person”.

1 (3) Section 3543(a) is amended by striking “the par-
 2 ent or guardian for the training provided to an eligible
 3 person” and inserting “for the training provided the eligi-
 4 ble person”.

5 (4) Section 3543 is amended by adding at the end
 6 the following new subsection:

7 “(c) In the case of an eligible person that the Sec-
 8 retary determines requires a parent or guardian to make
 9 a request under section 3541(a) of this title on behalf of
 10 the eligible person, the parent or guardian shall be
 11 entitled—

12 “(1) to receive on behalf of the eligible person
 13 the special training allowance provided for under
 14 section 3542(a) of this title;

15 “(2) to elect an increase in the basic monthly
 16 allowance provided for under such section; and

17 “(3) to agree with the Secretary on the fair and
 18 reasonable amounts which may be charged under
 19 subsection (a).”.

20 **SEC. 105. DISTANCE EDUCATION.**

21 (a) IN GENERAL.—Subsection (a)(4) of section
 22 3680A is amended—

23 (1) by inserting “(A)” after “leading”; and

24 (2) by inserting before the period the following:

25 “or (B) leading to a certificate which reflects edu-

1 cational attainment offered by an institution of high-
 2 er learning”.

3 (b) EFFECTIVE DATE.—The amendments made by
 4 subsection (a) shall apply to enrollments in independent
 5 study courses beginning on or after the date of the enact-
 6 ment of this Act.

7 **SEC. 106. TECHNICAL AMENDMENTS TO THE MONTGOMERY**
 8 **GI BILL.**

9 (a) CLARIFICATION OF ELIGIBILITY REQUIREMENT
 10 FOR MGIB BENEFITS.—

11 (1) IN GENERAL.—Clause (i) of section
 12 3011(a)(1)(A) is amended to read as follows:

13 “(i) who (I) in the case of an indi-
 14 vidual whose obligated period of active
 15 duty is three years or more, serves at least
 16 three years of continuous active duty in
 17 the Armed Forces, or (II) in the case of an
 18 individual whose obligated period of active
 19 duty is less than three years, serves at
 20 least two years of continuous active duty in
 21 the Armed Forces; or”.

22 (2) EFFECTIVE DATE.—The amendment made
 23 by paragraph (1) shall take effect as if included in
 24 the enactment of the Veterans Benefits and Health

1 Care Improvement Act of 2000 (Public Law 106–
2 419).

3 (b) ENTITLEMENT CHARGE FOR OFF-DUTY TRAIN-
4 ING AND EDUCATION.—

5 (1) IN GENERAL.—Section 3014(b)(2) is
6 amended—

7 (A) in subparagraph (A), by striking
8 “(without regard to” and all that follows
9 through “subsection”; and

10 (B) by adding at the end the following new
11 subparagraph:

12 “(C) The number of months of entitlement charged
13 under this chapter in the case of an individual who has
14 been paid a basic educational assistance allowance under
15 this subsection shall be equal to the number (including any
16 fraction) determined by dividing the total amount of such
17 educational assistance allowance paid the individual by the
18 full-time monthly institutional rate of educational assist-
19 ance which such individual would otherwise be paid under
20 subsection (a)(1), (b)(1), (c)(1), or (e)(1) of section 3015
21 of this title, as the case may be.”.

22 (2) CONFORMING AMENDMENTS.—(A) Section
23 3015 is amended—

(i) in subsections (a)(1) and (b)(1), by inserting “subsection (g)” after “from time to time under”;

(ii) by striking subsection (g), as inserted by section 1602(b)(3)(C) of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (Public Law 106–398); and

(iii) by redesignating subsection (h) as subsection (g).

(B) Section 3032(b) is amended by inserting before the period at the end the following: “, or (3) the amount of the charges of the educational institution elected by the individual under section 3014(b)(1) of this title”.

(c) INCREMENTAL MGIB INCREASES FOR CONTRIBUTING ACTIVE DUTY MEMBERS.—

(1) IN GENERAL.—Section 3011(e), as added by section 105(a)(1) of the Veterans Benefits and Health Care Improvement Act of 2000 (Public Law 106–419; 114 Stat. 1828), is amended—

(A) in paragraph (2), by inserting “, but not more frequently than monthly” before the period;

(B) in paragraph (3), by striking “\$4” and inserting “\$20”; and

1 (C) in paragraph (4)—

2 (i) by striking “Secretary. The” and
3 inserting “Secretary of the military depart-
4 ment concerned. That”; and

5 (ii) by striking “by the Secretary”.

6 (2) CONFORMING AMENDMENTS.—(A) Section
7 3012(f), as added by section 105(a)(2) of such Act,
8 is amended—

9 (i) in paragraph (2), by inserting “, but
10 not more frequently than monthly” before the
11 period;

12 (ii) in paragraph (3), by striking “\$4” and
13 inserting “\$20”; and

14 (iii) in paragraph (4)—

15 (I) by striking “Secretary. The” and
16 inserting “Secretary of the military depart-
17 ment concerned. That”; and

18 (II) by striking “by the Secretary”.

19 (B) Section 3015(g), as added by section
20 105(b)(3) of such Act, is amended—

21 (i) in the matter preceding paragraph (1),
22 by inserting “effective as of the first day of the
23 enrollment period following receipt of such con-
24 tribution by the Secretary concerned,” after “by
25 section 3011(e) or 3012(f) of this title,”; and

1 (ii) in paragraph (1)—

2 (I) by striking “\$1” and inserting
3 “\$5”;

4 (II) by striking “\$4” and inserting
5 “\$20”; and

6 (III) by inserting “of this title” after
7 “section 3011(e) or 3012(f)”.

8 (3) EFFECTIVE DATE.—The amendments made
9 by this subsection shall take effect as if included in
10 the enactment of section 105 of the Veterans Bene-
11 fits and Health Care Improvement Act of 2000
12 (Public Law 106–419; 114 Stat. 1828).

13 (d) CONFORMING AMENDMENT FOR DEATH BEN-
14 EFIT.—

15 (1) IN GENERAL.—Paragraph (1) of section
16 3017(b) is amended to read as follows:

17 “(1) the sum of (A) the total amount reduced
18 from the individual’s basic pay under section
19 3011(b), 3012(c), or 3018(c) of this title, and (B)
20 the total amount of any contributions made by the
21 individual under section 3011(e) or 3012(f) of this
22 title, less”.

23 (2) EFFECTIVE DATE.—The amendment made
24 by paragraph (1) shall take effect on May 1, 2001.

1 (e) CLARIFICATION OF TIME PERIOD FOR ELECTION
2 OF BEGINNING OF CHAPTER 35 ELIGIBILITY FOR DE-
3 PENDENTS.—

4 (1) IN GENERAL.—(A) Section 3512(a)(3)(B),
5 as amended by section 112 of the Veterans Benefits
6 and Health Care Improvement Act of 2000 (Public
7 Law 106–419), is amended to read as follows:

8 “(B) the eligible person elects that begin-
9 ning date by not later than the end of the 60-
10 day period beginning on the date on which the
11 Secretary provides written notice to that person
12 of that person’s opportunity to make such elec-
13 tion, such notice including a statement of the
14 deadline for the election imposed under this
15 subparagraph; and”.

16 (B) Section 3512(a)(3)(C), as so amended, is
17 amended by striking “between the dates described
18 in” and inserting “the date determined pursuant
19 to”.

20 (2) EFFECTIVE DATE.—The amendments made
21 by paragraph (1) shall take effect as if enacted on
22 November 1, 2000.

TITLE II—TRANSITION AND OUTREACH PROVISIONS

SEC. 201. INCREASE IN TRANSITION ASSISTANCE.

(a) OUTREACH SERVICES.—Section 7722(d) is amended by inserting at the end the following new sentence: “The Secretary shall provide such aid and assistance to members of the Armed Forces as part of their transition assistance programs under section 1144 of title 10.”.

(b) OVERSEAS VETERANS ASSISTANCE OFFICES.—Section 7723(a) is amended by inserting after the first sentence the following new sentence: “The Secretary shall also maintain such offices on such Armed Forces installations located elsewhere as the Secretary, after consultation with the Secretary of Defense, determines to be necessary to carry out such purposes.”.

(c) OUTSTATIONING OF COUNSELING AND OUTREACH PERSONNEL.—Section 7724 is amended by inserting “and military installations” after “including educational institutions”.

SEC. 202. TIMING OF PRESEPARATION COUNSELING.

(a) IN GENERAL.—(1) The first sentence of section 1142(a)(1) of title 10, United States Code, is amended to read as follows: “Within the time periods specified in paragraph (3), the Secretary concerned shall (except as

1 provided in paragraph (4)) provide for individual
2 preseparation counseling of each member of the armed
3 forces whose discharge or release from active duty is an-
4 ticipated.”.

5 (2) Such section is further amended by adding at the
6 end the following new paragraphs:

7 “(3)(A) Preseparation counseling shall commence as
8 soon as possible during the 18-month period preceding an
9 anticipated retirement and as soon as possible during the
10 9-month period preceding other separations, but, except
11 as provided in subparagraph (B), in no event later than
12 90 days before the date of discharge or release.

13 “(B) In the event that a retirement or other separa-
14 tion is unanticipated until there are 90 or fewer days re-
15 maining in the member’s service, preseparation counseling
16 shall begin as soon as possible within the remaining period
17 of service.

18 “(4) Except in the case of a member who is being
19 retired or separated for disability, a member who is being
20 discharged or released before the completion of that mem-
21 ber’s first 180 days of active duty may elect not to receive
22 preseparation counseling. A notation of an election by the
23 member not to receive preseparation counseling shall be
24 placed in the service record of that member.”.

1 (b) CONFORMING AMENDMENT.—The second sen-
 2 tence of section 1144 of title 10, United States Code, is
 3 amended by striking “during the 180-day period” and all
 4 that follows and inserting “within the time periods pro-
 5 vided under paragraph (3) of section 1142(a) of this title,
 6 except that a member may elect, in the manner provided
 7 under paragraph (4) of such section, not to receive
 8 preseparation counseling under this section.”.

9 **SEC. 203. IMPROVEMENT IN EDUCATION AND TRAINING**
 10 **OUTREACH SERVICES FOR SEPARATING**
 11 **SERVICEMEMBERS AND VETERANS.**

12 (a) PROVIDING OUTREACH THROUGH STATE AP-
 13 PROVING AGENCIES.—Section 3672(d) is amended by in-
 14 serting “and State approving agencies” before “shall ac-
 15 tively promote the development of programs of training
 16 on the job”.

17 (b) ADDITIONAL DUTY.—Such section is further
 18 amended—

19 (1) by inserting “(1)” after “(d)”; and

20 (2) by adding at the end the following new
 21 paragraph:

22 “(2) In conjunction with outreach services furnished
 23 by the Secretary for education and training benefits under
 24 chapter 77 of this title, each State approving agency shall
 25 conduct outreach programs and provide outreach services

1 to eligible persons and veterans about education and train-
 2 ing benefits available under applicable Federal and State
 3 law.”.

4 **SEC. 204. EXPANSION OF OUTREACH EFFORTS TO ELIGIBLE**
 5 **DEPENDENTS.**

6 (a) AVAILABILITY OF OUTREACH SERVICES FOR
 7 CHILDREN, SPOUSES, SURVIVING SPOUSES, AND DE-
 8 PENDENT PARENTS.—Paragraph (2) of section 7721(b)
 9 is amended to read as follows:

10 “(2) the term ‘eligible dependent’ means a
 11 spouse, surviving spouse, child, or dependent parent
 12 of a person who served in the active military, naval,
 13 or air service.”.

14 (b) IMPROVED OUTREACH PROGRAM.—(1) Sub-
 15 chapter II of chapter 77 is amended by adding at the end
 16 the following new section:

17 **“§ 7727. Outreach for eligible dependents**

18 “(a) In carrying out this subchapter, the Secretary
 19 shall ensure that the needs of eligible dependents are fully
 20 addressed.

21 “(b) The Secretary shall ensure that the availability
 22 of outreach services and assistance for eligible dependents
 23 under this subchapter is made known through a variety
 24 of means, including the Internet, announcements in vet-
 25 erans publications, and announcements to the media.”.

1 (2) The table of sections at the beginning of such
 2 chapter is amended by inserting after the item relating
 3 to section 7726 the following new item:

“7727. Outreach for eligible dependents.”.

4 **SEC. 205. IMPROVEMENT OF VETERANS OUTREACH PRO-**
 5 **GRAMS.**

6 Section 7722(c) is amended—

7 (1) by inserting “(1)” after “(c)”; and

8 (2) by adding at the end the following:

9 “(2) Whenever a veteran or dependent first applies
 10 for any benefit under laws administered by the Secretary
 11 (including a request for burial or related benefits, or an
 12 application for life insurance proceeds), the Secretary shall
 13 provide to the veteran or dependent information con-
 14 cerning benefits and health care services under programs
 15 administered by the Secretary.”.

16 **TITLE III—MEMORIAL AFFAIRS,**
 17 **INSURANCE, AND OTHER**
 18 **PROVISIONS**

19 **SEC. 301. INCREASE IN BURIAL BENEFITS.**

20 (a) BURIAL AND FUNERAL EXPENSES.—(1) Section
 21 2307 is amended by striking “\$1,500” and inserting
 22 “\$2,000 (as increased from time to time under section
 23 5312 of this title)”.

1 (2) Section 2302(a) is amended by striking “\$300”
2 and inserting “\$500 (as increased from time to time under
3 section 5312 of this title)”.

4 (3) Section 2303(a)(1)(A) is amended by striking
5 “\$300” and inserting “\$500 (as increased from time to
6 time under section 5312 of this title)”.

7 (b) PLOT ALLOWANCE.—Section 2303(b) is amended
8 by striking “150” each place it appears and inserting
9 “\$300 (as increased from time to time under section 5312
10 of this title)”.

11 (c) INDEXING PAYMENT AMOUNTS.—Section
12 5312(a) is amended—

13 (1) by striking “and each rate of monthly allow-
14 ance” and inserting “each rate of monthly allow-
15 ance”; and

16 (2) by inserting “and each rate of allowance
17 paid under sections 2302, 2303, and 2307 of this
18 title,” after “under section 1805 of this title,”.

19 (d) EFFECTIVE DATE.—The amendments made by
20 this section shall apply to deaths occurring on or after the
21 date of the enactment of this Act.

1 **SEC. 302. FAMILY COVERAGE UNDER SERVICEMEMBERS'**
2 **GROUP LIFE INSURANCE.**

3 (a) INSURABLE DEPENDENTS.—(1) Section 1965 is
4 amended by adding at the end the following new para-
5 graph:

6 “(10) The term ‘insurable dependent’, with re-
7 spect to a member, means the following:

8 “(A) The member’s spouse.

9 “(B) The member’s child, as defined in the
10 first sentence of section 101(4)(A) of this
11 title.”.

12 (2) Section 101(4)(A) is amended in the matter pre-
13 ceding clause (i) by inserting “(other than with respect
14 to a child who is an insurable dependent under section
15 1965(10)(B) of such chapter)” after “except for purposes
16 of chapter 19 of this title”.

17 (b) INSURANCE COVERAGE.—(1) Subsection (a) of
18 section 1967 is amended to read as follows:

19 “(a)(1) Subject to an election under paragraph (2),
20 any policy of insurance purchased by the Secretary under
21 section 1966 of this title shall automatically insure the fol-
22 lowing persons against death:

23 “(A) In the case of any member of a uniformed
24 service on active duty (other than active duty for
25 training)—

26 “(i) the member; and

1 “(ii) each insurable dependent of the mem-
2 ber.

3 “(B) Any member of a uniformed service on ac-
4 tive duty for training or inactive duty training
5 scheduled in advance by competent authority.

6 “(C) Any member of the Ready Reserve of a
7 uniformed service who meets the qualifications set
8 forth in section 1965(5)(B) of this title.

9 “(2)(A) A member may elect in writing not to be in-
10 sured under this subchapter.

11 “(B) A member referred to in subparagraph (A) may
12 also elect in writing not to insure a dependent spouse
13 under this subchapter.

14 “(3)(A) Subject to subparagraphs (B) and (C), the
15 amount for which a person is insured under this sub-
16 chapter is as follows:

17 “(i) In the case of a member, \$250,000.

18 “(ii) In the case of a member’s spouse,
19 \$100,000.

20 “(iii) In the case of a member’s child, \$10,000.

21 “(B) A member may elect in writing to be insured
22 or to insure the member’s spouse in an amount less than
23 the amount provided for under subparagraph (A). The
24 member may not elect to insure the member’s child in an
25 amount less than \$10,000. The amount of insurance so

1 elected shall, in the case of a member or spouse, be evenly
2 divisible by \$10,000.

3 “(C) In no case may the amount of insurance cov-
4 erage under this subsection of a member’s spouse exceed
5 the amount of insurance coverage of the member.

6 “(4) No dependent of a member is insured under this
7 chapter unless the member is insured under this sub-
8 chapter.

9 “(5) The insurance shall be effective with respect to
10 a member and the member’s dependents on the latest of
11 the following dates:

12 “(A) The first day of active duty or active duty
13 for training.

14 “(B) The beginning of a period of inactive duty
15 training scheduled in advance by competent author-
16 ity.

17 “(C) The first day a member of the Ready Re-
18 serve meets the qualifications set forth in section
19 1965(5)(B) of this title.

20 “(D) The date certified by the Secretary to the
21 Secretary concerned as the date Servicemembers’
22 Group Life Insurance under this subchapter for the
23 class or group concerned takes effect.

1 “(E) In the case of an insurable dependent who
2 is a spouse, the date of marriage of the spouse to
3 the member.

4 “(F) In the case of an insurable dependent who
5 is a child, the date of birth of such child.”.

6 (2) Subsection (c) of such section is amended by
7 striking the first sentence and inserting the following: “If
8 a person eligible for insurance under this subchapter is
9 not so insured, or is insured for less than the maximum
10 amount provided for the person under subparagraph (A)
11 of subsection (a)(3), by reason of an election made by a
12 member under subparagraph (B) of that subsection, the
13 person may thereafter be insured under this subchapter
14 in the maximum amount or any lesser amount elected as
15 provided in such subparagraph (B) upon written applica-
16 tion by the member, proof of good health of each person
17 (other than a child) to be so insured, and compliance with
18 such other terms and conditions as may be prescribed by
19 the Secretary.”.

20 (c) TERMINATION OF COVERAGE.—(1) Subsection
21 (a) of section 1968 is amended—

22 (A) in the matter preceding paragraph (1), by
23 inserting “and any insurance thereunder on any in-
24 surable dependent of such a member,” after “any in-

1 surance thereunder on any member of the uniformed
2 services,”;

3 (B) by striking “and” at the end of paragraph
4 (3);

5 (C) by striking the period at the end of para-
6 graph (4) and inserting “; and”; and

7 (D) by adding at the end the following new
8 paragraph:

9 “(5) with respect to an insurable dependent of
10 the member—

11 “(A) upon election made in writing by the
12 member to terminate the coverage; or

13 “(B) on the earliest of—

14 “(i) the date that is 120 days after
15 the date of the member’s death;

16 “(ii) the date of termination of the in-
17 surance on the member’s life under this
18 subchapter;

19 “(iii) the date of the dependent’s
20 death; or

21 “(iv) the date that is 120 days after
22 the termination of the dependent’s status
23 as an insurable dependent of the mem-
24 ber.”.

1 (2) Subsection (b)(1)(A) of such section is amended
2 by inserting “(to insure against death of the member
3 only)” after “converted to Veterans’ Group Life Insur-
4 ance”.

5 (d) PREMIUMS.—Section 1969 is amended by adding
6 at the end the following new subsections:

7 “(g)(1) During any period in which a spouse of a
8 member is insured under this subchapter, there shall be
9 deducted each month from the member’s basic or other
10 pay until separation or release from active duty an amount
11 determined by the Secretary as the premium allocable to
12 the pay period for providing that insurance coverage. No
13 premium may be charged for providing insurance coverage
14 for a child.

15 “(2)(A) The Secretary shall determine the premium
16 amounts to be charged for life insurance coverage for
17 spouses of members under this subchapter.

18 “(B) The premium amounts shall be determined on
19 the basis of sound actuarial principles and shall include
20 an amount necessary to cover the administrative costs to
21 the insurer or insurers providing such insurance.

22 “(C) Each premium rate for the first policy year shall
23 be continued for subsequent policy years, except that the
24 rate may be adjusted for any such subsequent policy year

1 on the basis of the experience under the policy, as deter-
2 mined by the Secretary in advance of that policy year.

3 “(h) Any overpayment of a premium for insurance
4 coverage for an insurable dependent of a member that is
5 terminated under section 1968(a)(5) of this title shall be
6 refunded to the member.”.

7 (e) PAYMENTS OF INSURANCE PROCEEDS.—Section
8 1970 is amended by adding at the end the following new
9 subsection:

10 “(h) Any amount of insurance in force on an insur-
11 able dependent of a member under this subchapter on the
12 date of the dependent’s death shall be paid, upon the es-
13 tablishment of a valid claim therefor, to the member or,
14 in the event of the member’s death before payment to the
15 member can be made, then to the person or persons enti-
16 tled to receive payment of the proceeds of insurance on
17 the member’s life under this subchapter.”.

18 (f) CONVERSION OF SGLI TO PRIVATE LIFE INSUR-
19 ANCE.—Section 1968(b) is amended by adding at the end
20 the following new paragraph:

21 “(3)(A) In the case of a policy purchased under this
22 subchapter for an insurable dependent who is a spouse,
23 upon election of the spouse, the policy may be converted
24 to an individual policy of insurance as described in section
25 1977(e) of this title upon written application for conver-

1 sion made to the participating company selected by the
2 spouse and payment of the required premiums. Conversion
3 of such policy to Veterans' Group Life Insurance is pro-
4 hibited.

5 “(B) In the case of a policy purchased under this sub-
6 chapter for an insurable dependent who is a child, such
7 policy may not be converted under this subsection.”.

8 (g) EFFECTIVE DATE AND INITIAL IMPLEMENTA-
9 TION.—(1) The amendments made by this section shall
10 take effect on the first day of the first month that begins
11 more than 120 days after the date of the enactment of
12 this Act.

13 (2) The Secretaries of the military departments, the
14 Secretary of Transportation, the Secretary of Commerce,
15 and the Secretary of Health and Human Services, in con-
16 sultation with the Secretary of Veterans Affairs, shall take
17 such action as is necessary to ensure that each member
18 of the uniformed services on active duty (other than active
19 duty for training) during the period between the date of
20 the enactment of this Act and the effective date deter-
21 mined under paragraph (1) is furnished an explanation
22 of the insurance benefits available for dependents under
23 the amendments made by this section and is afforded an
24 opportunity before such effective date to make elections

1 that are authorized under those amendments to be made
2 with respect to dependents.

3 **SEC. 303. INCREASE IN AMOUNT OF ASSISTANCE FOR**
4 **AUTOMOBILE AND ADAPTIVE EQUIPMENT**
5 **FOR CERTAIN DISABLED VETERANS.**

6 (a) INCREASE.—Section 3902(a) is amended by strik-
7 ing “\$8,000” and inserting “\$9,000”.

8 (b) EFFECTIVE DATE.—The amendment made by
9 subsection (a) shall apply with respect to assistance fur-
10 nished on or after the date of the enactment of this Act.

11 **SEC. 304. INCREASE IN ASSISTANCE AMOUNT FOR SPE-**
12 **CIALY ADAPTED HOUSING.**

13 (a) IN GENERAL.—Section 2102 is amended—

14 (1) in the matter preceding paragraph (1) of
15 subsection (a), by striking “\$43,000” and inserting
16 “\$48,000”; and

17 (2) in subsection (b)(2), by striking “\$8,250”
18 and inserting “\$9,250”.

19 (b) EFFECTIVE DATE.—The amendments made by
20 subsection (a) shall apply with respect to assistance fur-
21 nished on or after the date of the enactment of this Act.

1 **SEC. 305. REVISION OF RULES WITH RESPECT TO NET**
2 **WORTH LIMITATION FOR ELIGIBILITY FOR**
3 **PENSIONS FOR VETERANS WHO ARE PERMA-**
4 **NENTLY AND TOTALLY DISABLED FROM A**
5 **NON-SERVICE-CONNECTED DISABILITY.**

6 (a) IN GENERAL.—Section 1522(a) is amended by
7 adding at the end the following: “In determining the cor-
8 pus of the estates of the veteran and the veteran’s spouse,
9 if any, the value of the real property of the veteran and
10 the veteran’s spouse and children shall be excluded if such
11 property is used for farming, ranching, or similar agricul-
12 tural purposes.”.

13 (b) EFFECTIVE DATE.—The amendment made by
14 subsection (a) shall apply to payment of pensions for
15 months beginning on or after the date of the enactment
16 of this Act.

17 **SEC. 306. TECHNICAL AMENDMENTS.**

18 (a) IN GENERAL.—(1) Section 107 is amended by re-
19 designating subsection (c), as added by section 332(a)(2)
20 of the Veterans Benefits and Health Care Improvement
21 Act of 2000 (Public Law 106–419), as subsection (d).

22 (2) Subsection (d) of that section, as so redesignated,
23 is amended in paragraph (1) by striking “In” and insert-
24 ing “With respect to benefits under chapter 23 of this
25 title, in”.

1 (b) CONFORMING AMENDMENT.—The second sen-
2 tence of subsection (a) of that section is amended by in-
3 serting “or (d)” after “subsection (c)”.

4 (c) EFFECTIVE DATE.—The amendments made by
5 this section shall take effect as if enacted on November
6 1, 2000.

