

107TH CONGRESS
1ST SESSION

S. 1093

To amend title 38, United States Code, to exclude certain income from annual income determinations for pension purposes, to limit provision of benefits for fugitive and incarcerated veterans, to increase the home loan guaranty amount for construction and purchase of homes, to modify and enhance other authorities relating to veterans' benefits, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JUNE 22, 2001

Mr. ROCKEFELLER introduced the following bill; which was read twice and referred to the Committee on Veterans' Affairs

A BILL

To amend title 38, United States Code, to exclude certain income from annual income determinations for pension purposes, to limit provision of benefits for fugitive and incarcerated veterans, to increase the home loan guaranty amount for construction and purchase of homes, to modify and enhance other authorities relating to veterans' benefits, and for other purposes.

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.**

2 This Act may be cited as the “Veterans’ Benefits
3 Programs Modification Act of 2001”.

4 **SEC. 2. EXCLUSION OF CERTAIN ADDITIONAL INCOME**
5 **FROM DETERMINATIONS OF ANNUAL INCOME**
6 **FOR PENSION PURPOSES.**

7 (a) LIFE INSURANCE PROCEEDS.—Section 1503(a)
8 of title 38, United States Code, is amended—

9 (1) in paragraph (9), by striking “and” at the
10 end;

11 (2) in paragraph (10), by striking the period at
12 the end and inserting a semicolon; and

13 (3) by adding at the end the following new
14 paragraph (11):

15 “(11) proceeds of any life insurance policy of a
16 veteran; and”.

17 (b) OTHER NON-RECURRING INCOME.—That section
18 is further amended by inserting after paragraph (11), as
19 added by subsection (a)(3) of this section, the following
20 new paragraph (12):

21 “(12) any other non-recurring income from any
22 source.”.

23 (c) EFFECTIVE DATE.—The amendments made by
24 this section shall take effect on January 1, 2002, and shall
25 apply with respect to determinations of annual income

1 under section 1503 of title 38, United States Code, as so
 2 amended, on or after that date.

3 **SEC. 3. EFFECTIVE DATES OF AWARDS AND REDUCTIONS**
 4 **AND DISCONTINUANCES OF BENEFITS.**

5 (a) REPEAL OF 45-DAY RULE FOR EFFECTIVE DATE
 6 OF AWARD OF DEATH PENSION.—Section 5110(d) of title
 7 38, United States Code, is amended—

8 (1) by striking “(1)”; and

9 (2) by striking paragraph (2).

10 (b) EFFECTIVE DATE OF CHANGE IN RECURRING IN-
 11 COME FOR BENEFITS PURPOSES.—Section 5112(b)(4) of
 12 that title is amended by striking subparagraph (A) and
 13 inserting the following new subparagraph (A):

14 “(A) change in recurring income will be
 15 the last day of the calendar year in which the
 16 change occurred (with the pension rate for the
 17 following calendar year based on all anticipated
 18 countable income); and”.

19 **SEC. 4. TIME LIMITATION ON RECEIPT OF CLAIM INFORMA-**
 20 **TION PURSUANT TO REQUEST BY DEPART-**
 21 **MENT OF VETERANS AFFAIRS.**

22 (a) IN GENERAL.—Section 5102 of title 38, United
 23 States Code, is amended by adding at the end the fol-
 24 lowing new subsection:

1 “(c) TIME LIMITATION.—(1) If information that a
 2 claimant and the claimant’s representative, if any, are no-
 3 tified under section 5103(a) of this title is necessary to
 4 complete an application is not received by the Secretary
 5 within one year from the date of such notification, no ben-
 6 efit may be paid or furnished by reason of the claimant’s
 7 application.

8 “(2) This subsection shall not apply to any applica-
 9 tion or claim for Government life insurance benefits.”.

10 (b) REPEAL OF SUPERSEDED PROVISIONS.—Section
 11 5103 of that title is amended—

12 (1) by striking “(a) REQUIRED INFORMATION
 13 AND EVIDENCE.—”; and

14 (2) by striking subsection (b).

15 (c) EFFECTIVE DATE.—The amendments made by
 16 this section shall take effect as if enacted on November
 17 9, 2000, immediately after the enactment of the Veterans
 18 Claims Assistance Act of 2000 (Public Law 106–475; 114
 19 Stat. 2096).

20 **SEC. 5. CLARIFICATION OF EFFECTIVE DATE OF MODIFICA-**
 21 **TIONS OF DUTY TO ASSIST.**

22 (a) CLARIFICATION.—Section 7 of the Veterans
 23 Claims Assistance Act of 2000 (Public Law 106–475; 114
 24 Stat. 2096; 38 U.S.C. 5107 note) is amended—

25 (1) in subsection (a)—

1 (A) in the matter preceding paragraph (1),
2 by striking “the provisions of section 5107 of
3 title 38, United States Code, as amended by
4 section 4 of this Act” and inserting “the
5 amendments to chapter 51 of title 38, United
6 States Code, made by this Act”; and

7 (B) in paragraph (2), by striking
8 “and not final as of that date” and inserting
9 “in which a decision had not been issued by the
10 Secretary of Veterans Affairs before that date”;
11 and

12 (2) in subsection (b)—

13 (A) by striking “RULE FOR CLAIMS THE
14 DENIAL OF WHICH BECAME FINAL AFTER
15 THE COURT OF APPEALS FOR VETERANS
16 CLAIMS DECISION IN THE MORTON CASE.—
17 (1)” and inserting “(1)”; and

18 (B) in paragraph (2), by striking
19 “that—” and all that follows through the end
20 of the paragraph and inserting the following:
21 “that—

22 “(A) became final during the period begin-
23 ning on July 14, 1999, and ending on the date
24 of the enactment of this Act and was issued by
25 the Secretary or a court because the claim was

1 not well grounded (as that term was used in
 2 section 5107(a) of title 38, United States Code,
 3 as in effect during that period); or

4 “(B) did not become final before the date
 5 of the enactment of this Act.”.

6 (b) EFFECTIVE DATE.—The amendments made by
 7 subsection (a) shall take effect as if included in the enact-
 8 ment of the Veterans Claims Assistance Act of 2000, to
 9 which such amendments relate.

10 **SEC. 6. PROHIBITION ON PROVIDING CERTAIN BENEFITS**
 11 **WITH RESPECT TO VETERANS WHO ARE FU-**
 12 **GITIVE FELONS.**

13 (a) PROHIBITION.—(1) Chapter 53 of title 38,
 14 United States Code, is amended by inserting after section
 15 5313A the following new section:

16 **“§ 5313B. Prohibition on providing certain benefits**
 17 **with respect to veterans who are fugitive**
 18 **felons**

19 “(a) A veteran described in subsection (b), or depend-
 20 ent of the veteran, who is otherwise eligible for a benefit
 21 described in subsection (c) may not be paid or otherwise
 22 provided such benefit during any period in which the vet-
 23 eran is a fugitive as described in subsection (b).

24 “(b)(1) A veteran described in this subsection is a
 25 veteran who is a fugitive by reason of—

1 “(A) fleeing to avoid prosecution, or custody or
2 confinement after conviction, for an offense, or an
3 attempt to commit an offense, which is a felony
4 under the laws of the place from which the veteran
5 flees; or

6 “(B) violating a condition of probation or pa-
7 role imposed under Federal or State law.

8 “(2) For purposes of this subsection, the term ‘fel-
9 ony’ includes a high misdemeanor under the laws of a
10 State which characterizes as high misdemeanors offenses
11 that would be felony offenses under Federal law.

12 “(c) A benefit described in this subsection is any ben-
13 efit under the following:

14 “(1) Chapter 11 of this title.

15 “(2) Chapter 15 of this title.

16 “(3) Chapter 17 of this title.

17 “(4) Chapter 19 of this title.

18 “(5) Chapters 30, 31, 32, and 34 of this title.

19 “(6) Chapter 37 of this title.

20 “(d)(1) The Secretary shall furnish to any Federal,
21 State, or local law enforcement official, upon the written
22 request of such official, the most current address main-
23 tained by the Secretary of a veteran who is eligible for
24 a benefit described in subsection (c) if such official—

1 “(A) provides the Secretary such information as
2 the Secretary may require to fully identify the vet-
3 eran;

4 “(B) identifies the veteran as being a fugitive
5 described in subsection (b); and

6 “(C) certifies to the Secretary that the location
7 and apprehension of the veteran is within the official
8 duties of such official.

9 “(2) The Secretary shall enter into memoranda of un-
10 derstanding with Federal law enforcement agencies, and
11 may enter into agreements with State and local law en-
12 forcement agencies, for purposes of furnishing information
13 to such agencies under paragraph (1).”.

14 (2) The table of sections at the beginning of that
15 chapter is amended by inserting after the item relating
16 to section 5313A the following new item:

 “5313B. Prohibition on providing certain benefits with respect to veterans who
 are fugitive felons.”.

17 (b) SENSE OF CONGRESS ON ENTRY INTO MEMO-
18 RANDA OF UNDERSTANDING AND AGREEMENTS.—It is
19 the sense of Congress that the memoranda of under-
20 standing and agreements referred to in section
21 5313B(d)(2) of title 38, United States Code (as added by
22 subsection (a)), should be entered into as soon as prac-
23 ticable after the date of the enactment of this Act, but
24 not later than six months after that date.

1 **SEC. 7. LIMITATION ON PAYMENT OF COMPENSATION FOR**
2 **VETERANS REMAINING INCARCERATED FOR**
3 **FELONIES COMMITTED BEFORE OCTOBER 7,**
4 **1980.**

5 (a) LIMITATION.—Notwithstanding any other provi-
6 sion of law, the payment of compensation to or with re-
7 spect to a veteran described in subsection (b) shall, for
8 the remainder of the period of incarceration of the veteran
9 described in that subsection, be subject to the provisions
10 of section 5313 of title 38, United States Code, other than
11 subsection (d) of that section.

12 (b) COVERED VETERANS.—A veteran described in
13 this subsection is any veteran entitled to compensation
14 who—

15 (1) was incarcerated on October 7, 1980, for a
16 felony committed before that date; and

17 (2) remains incarcerated for conviction of that
18 felony after the date of the enactment of this Act.

19 (c) EFFECTIVE DATE.—This section shall take effect
20 90 days after the date of the enactment of this Act, and
21 shall apply with respect to the payment of compensation
22 for months beginning on or after that date.

23 (d) COMPENSATION DEFINED.—For purposes of this
24 section, the term “compensation” shall have the meaning
25 given that term in section 5313 of title 38, United States
26 Code.

1 **SEC. 8. ELIGIBILITY FOR SURVIVORS' AND DEPENDENTS'**
 2 **EDUCATIONAL ASSISTANCE OF SPOUSES AND**
 3 **SURVIVING SPOUSES OF VETERANS WITH**
 4 **TOTAL SERVICE-CONNECTED DISABILITIES.**

5 (a) DESIGNATION OF ELIGIBILITY.—Section
 6 3501(a)(1)(D) of title 38, United States Code, is
 7 amended—

8 (1) by inserting “(i)” after “(D)”; and

9 (2) by inserting “(ii)” after “or”.

10 (b) RESTATEMENT AND EXPANSION OF TREATMENT
 11 OF USE OF ELIGIBILITY.—(1) Section 3511 of that title
 12 is amended by adding at the end the following new sub-
 13 section:

14 “(c) Any entitlement used by any eligible person as
 15 a result of eligibility under section 3501(a)(1)(A)(iii),
 16 3501(a)(1)(C), or 3501(a)(1)(D)(i) of this title shall be
 17 deducted from any entitlement to which such person may
 18 subsequently become entitled under this chapter.”.

19 (2) Section 3512 of that title is amended by striking
 20 subsection (g).

21 (c) DELIMITING PERIOD.—

22 (1) IN GENERAL.—Section 3512(b) of that title
 23 is amended—

24 (A) by striking paragraph (1) and insert-
 25 ing the following new paragraph (1):

1 “(1)(A) Except as provided in subparagraph (B), a
2 person made eligible by subparagraph (B) or (D) of sec-
3 tion 3501(a)(1) of this title may be afforded educational
4 assistance under this chapter during the 10-year period
5 beginning on the date (as determined by the Secretary)
6 the person became an eligible person within the meaning
7 of section 3501(a)(1)(B), 3501(D)(i), or 3501(D)(ii) of
8 this title. In the case of a surviving spouse made eligible
9 by clause (ii) of section 3501(a)(1)(D) of this title, the
10 10-year period may not be reduced by any earlier period
11 during which the person was afforded educational assist-
12 ance under this chapter as a spouse made eligible by
13 clause (i) of that section.

14 “(B) Notwithstanding subparagraph (A), an eligible
15 person referred to in that subparagraph may, subject to
16 the Secretary’s approval, elect a later beginning date for
17 the 10-year period than would otherwise be applicable to
18 the person under that subparagraph. The beginning date
19 so elected may be any date between the beginning date
20 determined for the person under subparagraph (A) and
21 whichever of the following dates applies:

22 “(i) The date the Secretary notifies the veteran
23 from whom eligibility is derived that the veteran has
24 a service-connected total disability permanent in na-
25 ture.

1 “(ii) The date on which the Secretary deter-
 2 mines that the veteran from whom eligibility is de-
 3 rived died of a service-connected disability.”; and

4 (B) by striking paragraph (3).

5 (2) APPLICABILITY.—The amendment made by
 6 paragraph (1) shall apply with respect to any deter-
 7 mination (whether administrative or judicial) of the
 8 eligibility of a spouse or surviving spouse for edu-
 9 cational assistance under chapter 35 of title 38,
 10 United States Code, made on or after the date of
 11 the enactment of this Act, whether pursuant to an
 12 original claim for such assistance or pursuant to a
 13 reapplication or attempt to reopen or readjudicate a
 14 claim for such assistance.

15 **SEC. 9. REPEAL OF FISCAL YEAR LIMITATION ON NUMBER**
 16 **OF VETERANS IN PROGRAMS OF INDE-**
 17 **PENDENT LIVING SERVICES AND ASSIST-**
 18 **ANCE.**

19 (a) REPEAL OF LIMITATION.—Section 3120(e) of
 20 title 38, United States Code, is amended by striking “Pro-
 21 grams” and all that follows through “such programs” and
 22 inserting “First priority in the provision of programs of
 23 independent living services and assistance under this sec-
 24 tion”.

1 (b) EFFECTIVE DATE.—The amendment made by
2 subsection (a) shall take effect on September 30, 2001.

3 **SEC. 10. INCREASE IN HOME LOAN GUARANTY AMOUNT**
4 **FOR CONSTRUCTION AND PURCHASE OF**
5 **HOMES.**

6 Section 3703(a)(1) of title 38, United States Code,
7 is amended by striking “\$50,750” each place it appears
8 in subparagraphs (A)(i)(IV) and (B) and inserting
9 “\$63,175”.

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