

107TH CONGRESS
1ST SESSION

S. 1488

To amend title 38, United States Code, to authorize a cost-of-living adjustment in the rates of disability compensation for veterans with service-connected disabilities and dependency and indemnity compensation for the survivors of certain disabled veterans, to make modifications in the veterans home loan guaranty program, to make permanent certain temporary authorities, and for other purposes.

IN THE SENATE OF THE UNITED STATES

OCTOBER 3, 2001

Mr. ROCKEFELLER (by request) 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 authorize a cost-of-living adjustment in the rates of disability compensation for veterans with service-connected disabilities and dependency and indemnity compensation for the survivors of certain disabled veterans, to make modifications in the veterans home loan guaranty program, to make permanent certain temporary authorities, 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; REFERENCES TO TITLE 38,**
 2 **UNITED STATES CODE; TABLE OF CONTENTS.**

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

5 (b) **REFERENCES.**—Except as otherwise expressly
 6 provided, whenever in this Act an amendment or repeal
 7 is expressed in terms of an amendment to, or repeal of,
 8 a section or other provision, the reference shall be consid-
 9 ered to be made to a section or other provision of title
 10 38, United States Code.

11 (c) **TABLE OF CONTENTS.**—The table of contents for
 12 this Act is as follows:

Sec. 1. Short title; references to title 38, United States Code; table of contents.

TITLE I—COMPENSATION PROGRAM

Sec. 101. Increase in compensation rates and limitations.

Sec. 102. Rounding down of cost-of-living adjustments in compensation and
 DIC rates.

TITLE II—HOUSING LOANS

Sec. 201. Vendee loan authority.

Sec. 202. Loan fees.

Sec. 203. Procedures on default.

TITLE III—TEMPORARY AUTHORITIES MADE PERMANENT

Sec. 301. Income verification authority.

Sec. 302. Limitation on pension for certain recipients of medicaid-covered nurs-
 ing home care.

Sec. 303. Health-care and medication copayments.

Sec. 304. Third-party insurance collections.

**TITLE I—COMPENSATION
PROGRAM**

SEC. 101. INCREASE IN COMPENSATION RATES AND LIMITATIONS.

(a) RATE ADJUSTMENT.—The Secretary of Veterans Affairs shall, effective on December 1, 2001, increase the dollar amounts in effect for the payment of disability compensation and dependency and indemnity compensation by the Secretary, as specified in subsection (b).

(b) AMOUNTS TO BE INCREASED.—The dollar amounts to be increased pursuant to subsection (a) are the following:

(1) COMPENSATION.—Each of the dollar amounts in effect under section 1114 of title 38, United States Code.

(2) ADDITIONAL COMPENSATION FOR DEPENDENTS.—Each of the dollar amounts in effect under section 1115(1) of such title.

(3) CLOTHING ALLOWANCE.—The dollar amount in effect under section 1162 of such title.

(4) NEW DIC RATES.—The dollar amounts in effect under paragraphs (1) and (2) of section 1311(a) of such title.

1 (5) OLD DIC RATES.—Each of the dollar
2 amounts in effect under section 1311(a)(3) of such
3 title.

4 (6) ADDITIONAL DIC FOR SURVIVING SPOUSES
5 WITH MINOR CHILDREN.—The dollar amount in ef-
6 fect under section 1311(b) of such title.

7 (7) ADDITIONAL DIC FOR DISABILITY.—The
8 dollar amounts in effect under sections 1311(c) and
9 1311(d) of such title.

10 (8) DIC FOR DEPENDENT CHILDREN.—The
11 dollar amounts in effect under sections 1313(a) and
12 1314 of such title.

13 (c) DETERMINATION OF INCREASE.—(1) The in-
14 crease under subsection (a) shall be made in the dollar
15 amounts specified in subsection (b) as in effect on Novem-
16 ber 30, 2001.

17 (2) Except as provided in paragraph (3), each such
18 amount shall be increased by the same percentage as the
19 percentage by which benefit amounts payable under title
20 II of the Social Security Act (42 U.S.C. 401 et seq.) are
21 increased effective December 1, 2001, as a result of a de-
22 termination under section 215(i) of such Act (42 U.S.C.
23 415(i)).

1 (3) Each dollar amount increased pursuant to para-
 2 graph (2) shall, if not a whole dollar amount, be rounded
 3 down to the next lower whole dollar amount.

4 (d) SPECIAL RULE.—The Secretary may adjust ad-
 5 ministratively, consistent with the increases made under
 6 subsection (a), the rates of disability compensation pay-
 7 able to persons within the purview of section 10 of Public
 8 Law 85–857 (72 Stat. 1263) who are not in receipt of
 9 compensation payable pursuant to chapter 11 of title 38,
 10 United States Code.

11 (e) PUBLICATION REQUIREMENT.—At the same time
 12 as the matters specified in section 215(i)(2)(D) of the So-
 13 cial Security Act (42 U.S.C. 415(i)(2)(D)) are required
 14 to be published by reason of a determination made under
 15 section 215(i) of such Act during fiscal year 2002, the
 16 Secretary shall publish in the Federal Register the
 17 amounts specified in subsection (b) as increased under
 18 this section.

19 **SEC. 102. ROUNDING DOWN OF COST-OF-LIVING ADJUST-**
 20 **MENTS IN COMPENSATION AND DIC RATES.**

21 (a) COMPENSATION COLAS.—Section 1104(a) is
 22 amended by striking out “fiscal years 1998 through
 23 2002.”

24 (b) DIC COLAS.—Section 1303(a) is amended by
 25 striking out “fiscal years 1998 through 2002.”

1 **TITLE II—HOUSING LOANS**

2 **SEC. 201. VENDEE LOAN AUTHORITY.**

3 (a) TERMINATION OF VENDEE LOAN AUTHORITY.—

4 Section 3733(a) is amended by striking out paragraphs

5 (1) and (2) in their entirety and inserting in lieu thereof:

6 “(1) Prior to October 1, 2001, the Secretary

7 may sell real property acquired by the Secretary as

8 the result of a default on a loan guaranteed or made

9 under this chapter with the purchase financed by a

10 loan made by the Secretary.”.

11 (b) INTERNAL REVENUE CODE AMENDMENT.—Sec-

12 tion 6103(I)(7)(D) of the Internal Revenue Code of 1986,

13 is amended by striking out “Clause (viii) shall not apply

14 after September 30, 2003.”

15 **SEC. 302. LIMITATION ON PENSION FOR CERTAIN RECIPI-**

16 **ENTS OF MEDICAID-COVERED NURSING**

17 **HOME CARE.**

18 Section 5503(f) is amended by striking out para-

19 graph (7).

20 **SEC. 303. HEALTH CARE AND MEDICATION COPAYMENTS.**

21 (a) Section 1710 is amended by striking out “before

22 September 30, 2002,” in subsection (f)(2)(B).

23 (b) Section 1722A is amended by striking out sub-

24 section (d).

1 **SEC. 304. THIRD-PARTY INSURANCE COLLECTIONS.**

2 Section 1729 is amended by striking out “before Oc-
3 tober 1, 2002,” in subsection (a)(2)(E).

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