

(12) by striking "\$2,443" in subsection (l) and inserting "\$2,533";

(13) by striking "\$2,694" in subsection (m) and inserting "\$2,794";

(14) by striking "\$3,066" in subsection (n) and inserting "\$3,179";

(15) by striking "\$3,426" each place it appears in subsections (o) and (p) and inserting "\$3,553";

(16) by striking "\$1,471" and "\$2,190" in subsection (r) and inserting "\$1,525" and "\$2,271", respectively; and

(17) by striking "\$2,199" in subsection (s) and inserting "\$2,280".

(b) SPECIAL RULE.—The Secretary of Veterans Affairs may authorize administratively, consistent with the increases authorized by this section, the rates of disability compensation payable to persons within the purview of section 10 of Public Law 85-857 who are not in receipt of compensation payable pursuant to chapter 11 of title 38, United States Code.

SEC. 3. ADDITIONAL COMPENSATION FOR DEPENDENTS.

Section 1115(1) is amended—

(1) by striking "\$114" in clause (A) and inserting "\$117";

(2) by striking "\$195" and "\$60" in clause (B) and inserting "\$201" and "\$61", respectively;

(3) by striking "\$78" and "\$60" in clause (C) and inserting "\$80" and "\$61", respectively;

(4) by striking "\$92" in clause (D) and inserting "\$95";

(5) by striking "\$215" in clause (E) and inserting "\$222"; and

(6) by striking "\$180" in clause (F) and inserting "\$186".

SEC. 4. CLOTHING ALLOWANCE FOR CERTAIN DISABLED VETERANS.

Section 1162 is amended by striking "\$528" and inserting "\$546".

SEC. 5. DEPENDENCY AND INDEMNITY COMPENSATION FOR SURVIVING SPOUSES.

(a) NEW LAW RATES.—Section 1311(a) is amended—

(1) by striking "\$850" in paragraph (1) and inserting "\$881"; and

(2) by striking "\$185" in paragraph (2) and inserting "\$191".

(b) OLD LAW RATES.—The table in section 1311(a)(3) is amended to read as follows:

"Pay grade	Monthly rate	Pay grade	Monthly rate
E-1	\$881	W-4	\$1,054
E-2	881	O-1	930
E-3	881	O-2	962
E-4	881	O-3	1,028
E-5	881	O-4	1,087
E-6	881	O-5	1,198
E-7	911	O-6	1,349
E-8	962	O-7	1,458
E-9	¹ 1,003	O-8	1,598
W-1 ...	930	O-9	1,712
W-2 ...	968	O-10	² 1,878
W-3 ...	997		

¹If the veteran served as sergeant major of the Army, senior enlisted advisor of the Navy, chief master sergeant of the Air Force, sergeant major of the Marine Corps, or master chief petty officer of the Coast Guard, at the applicable time designated by section 1302 of this title, the surviving spouse's rate shall be \$1,082.

²If the veteran served as Chairman or Vice-Chairman of the Joint Chiefs of Staff, Chief of Staff of the Army, Chief of Naval Operations, Chief of Staff of the Air Force, Commandant of the Marine Corps, or Commandant of the Coast Guard, at the applicable time designated by section 1302 of this title, the surviving spouse's rate shall be \$2,013."

(c) ADDITIONAL DIC FOR CHILDREN.—Section 1311(b) is amended by striking "\$215" and inserting "\$222".

(d) AID AND ATTENDANCE ALLOWANCE.—Section 1311(c) is amended by striking "\$215" and inserting "\$222".

(e) HOUSEBOUND RATE.—Section 1311(d) is amended by striking "\$104" and inserting "\$107".

SEC. 6. DEPENDENCY AND INDEMNITY COMPENSATION FOR CHILDREN.

(a) DIC FOR ORPHAN CHILDREN.—Section 1313(a) is amended—

(1) by striking "\$361" in paragraph (1) and inserting "\$373";

(2) by striking "\$520" in paragraph (2) and inserting "\$538";

(3) by striking "\$675" in paragraph (3) and inserting "\$699"; and

(4) by striking "\$675" and "\$132" in paragraph (4) and inserting "\$699" and "\$136", respectively.

(b) SUPPLEMENTAL DIC FOR DISABLED ADULT CHILDREN.—Section 1314 is amended—

(1) by striking "\$215" in subsection (a) and inserting "\$222";

(2) by striking "\$361" in subsection (b) and inserting "\$373"; and

(3) by striking "\$182" in subsection (c) and inserting "\$188".

SEC. 7. EFFECTIVE DATE.

The amendments made by this Act shall take effect on December 1, 1999.

Amend the title so as to read "An Act to amend title 38, United States Code, to provide a cost-of-living adjustment in the rates of disability compensation for veterans with service-connected disabilities and the rates of dependency and indemnity compensation for survivors of such veterans."

Ms. COLLINS. I ask unanimous consent the Senate agree to the amendments of the House.

The PRESIDING OFFICER. Without objection, it is so ordered.

U.S. HOLOCAUST ASSETS COMMISSION EXTENSION ACT OF 1999

Ms. COLLINS. Mr. President, I ask unanimous consent the Banking Committee be discharged from further consideration of H.R. 2401, and the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (H.R. 2401) to amend the U.S. Holocaust Assets Commission Act of 1998 to extend the period by which the final report is due and to authorize additional funding.

There being no objection, the Senate proceeded to consider the bill.

Ms. COLLINS. I ask unanimous consent the bill be read the third time and passed, the motion to reconsider be laid upon the table, and any statements relating to the bill be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (H.R. 2401) was read the third time and passed.

AMENDING THE FEDERAL RESERVE ACT

Ms. COLLINS. Mr. President, I ask unanimous consent the Banking Committee be discharged from further consideration of H.R. 1094, and the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (H.R. 1094) to amend the Federal Reserve Act to broaden the range of discount

window loans which may be used as collateral for Federal reserve notes.

There being no objection, the Senate proceeded to consider the bill.

Mr. GRAMM. Mr. President, today the Senate is taking up for its consideration H.R. 1094, a bill to amend the Federal Reserve Act to broaden the range of discount window loans which may be used as collateral for Federal Reserve notes. This legislation will expand the field of assets that the Federal Reserve may use to collateralize Federal Reserve notes. All currency in circulation must be backed by specific assets, but much of the collateral that the Federal Reserve accepts for discount window loans is ineligible under current law for use to back the currency. The changes put in place by this legislation will allow the Federal Reserve to apply all eligible discount loan assets to collateralize the currency.

This legislation poses some risks unless adequate safeguards are in place. The Federal Reserve applies a discount to each type of asset used as collateral. Broadening the scope of eligible assets makes it even more imperative that strict and aggressive discounting be applied to any assets used to back U.S. currency. The Federal Reserve should discount aggressively these assets through an objective and clearly defined process that leaves no room for doubt that our currency is fully backed by reliable assets. At the most basic level, when valuing these assets this should be our general rule: when in doubt, discount.

Failure to discount collateral assets aggressively would do more than threaten the safety and soundness of the Federal Reserve's balance sheet; it would threaten the U.S. economy and all economies that rely on a stable dollar. Many countries around the world recently have learned a painful lesson on the value of a sound currency.

We must remember that any country can engage in monetary mismanagement, and most have at some point in time. The United States must avoid that path. With a currency that is considered a stable medium by U.S. citizens and a store of value by both domestic and foreign investors, the Federal Reserve must hold sound money paramount as it implements this important change in currency collateral requirements. It has taken nearly two decades to rebuild the reputation of the dollar after the inflation of the Carter years. Today, "sound as a dollar" has meaning here and all over the world. We must do nothing to undermine it.

Ms. COLLINS. I ask unanimous consent the bill be read the third time and passed, the motion to reconsider be laid upon the table, and any statements relating to the bill be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (H.R. 1094) was read the third time and passed.

PARTICIPATION OF TAIWAN IN
THE WORLD HEALTH ORGANIZA-
TION

Ms. COLLINS. I ask unanimous consent the Senate proceed to the consideration of Calendar No. 382, H.R. 1794.

The PRESIDING OFFICER. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (H.R. 1794) concerning the participation of Taiwan in the World Health Organization.

There being no objection, the Senate proceeded to consider the bill.

Ms. COLLINS. I ask unanimous consent the bill be read the third time and passed, the motion to reconsider be laid upon the table, and any statements related to the bill be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (H.R. 1794) was read the third time and passed.

VETERANS' MILLENNIUM HEALTH
CARE ACT—CONFERENCE REPORT

Ms. COLLINS. Mr. President, I submit a report of the committee of conference on the bill (H.R. 2116) to amend title 38, United States Code, to establish a program of extended care services for veterans and to make other improvements in health care programs of the Department of Veterans Affairs, and ask for its immediate consideration.

The PRESIDING OFFICER. The report will be stated.

The legislative clerk read as follows:

The committee on conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill, H.R. 2116, have agreed to recommend and do recommend to their respective Houses this report, signed by all of the conferees.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report is printed in the House proceedings of the RECORD of November 16, 1999.)

Mr. SPECTER. Mr. President, I urge my colleagues to join me in support of the Veterans Millennium Health Care and Benefits Act of 1999. On Veterans Day, many of the members honored America's veterans and acknowledged our debt to them for their service. This legislation gives the Senate an opportunity to do something tangible to honor our veterans.

The Veterans Millennium Health Care and Benefits Act of 1999 contains 74 substantive provisions; I refer the Members to the conference report text for a complete description. Let me highlight just a few provisions now.

Long-term care for veterans is one of the most pressing issues facing America—and the Department of Veterans Affairs (VA). A half century ago, the 16 million youthful veterans of World War II looked forward to building new civilian lives. Today, only about 6 million survive, and their average age is 75.

Health care is their primary concern, the long-term care is a critical component of their health care needs. Simply put, what World War II veterans need from VA is long-term care. Soon, so too will the 4 million Korean war veterans, now in their mid-sixties, and the 8 million Vietnam veterans, now in their fifties, who follow them.

Under current law, VA is not required to provide long-term care to any veteran. Such care is purely discretionary to VA; it is supplied on a space available basis only. Under this "discretionary" authority—as inadequate as it has been—VA has made a substantial contribution to the long term care needs of veterans—by directly providing (at an annual cost of \$1.1 billion) nursing home care to an average of approximately 13,000 veterans per day; by paying for nursing home care received by approximately 6,500 veterans per day in private nursing homes (at an annual cost of \$316.8 million); by subsidizing (at an annual cost approximately \$200 million per year) nursing home care provided to approximately 14,000 veterans per day in State veterans' homes; and by providing non-institutional alternatives to nursing home care to an average of 11,000 veterans at any given time at an annual cost of \$154 million.

Notwithstanding these significant contributions by VA, there is increasing evidence that the discretionary nature of VA's long-term care mission has created an incentive for VA to divert resources to other missions and reduce its capacity to provide long-term care. This bill responds to that negative trend by requiring VA to maintain long term capacity at least the 1998 level. In addition, this legislation would, for the first time, require—not authorize—VA to provide nursing home care to veterans who need it to treat service-connected conditions, and to severely service-disabled veterans who need it to cope with other conditions.

Nursing home care is the most expensive form of long-term care and, from the veterans' standpoint, the form of care which is to be avoided if possible, or delayed until it is inevitable. This bill will assure that non-institutional alternatives to nursing home care—home-based primary care, home health aide visits, adult day health care, and similar services—will be available to veterans who need such services by requiring that VA include them in the package of medical services to which each veteran who enrolls for VA care is entitled. The provision of such services, as an alternative to much more expensive inpatient nursing home care, will save money and improve aging veterans' lives.

This legislation also directs VA to operate pilot programs to identify the best—and most cost-effective—ways to meet veterans' long term needs. Armed with the data generated by these pilot programs, Congress will reevaluate VA nursing home and non-institutional

long term care after three years and determine how best to proceed at the four-year "sunset" point of this legislation. I might add that the conferees were all in agreement that, when we get to the point where we consider renewal of this legislation, we will be looking for ways to improve it, not to repeal it.

There is one additional key feature of this legislation that merits mention: this bill will plug a substantial hole in VA health care coverage by allowing VA to fund the emergency care needs of all enrolled veterans who do not have other health care coverage to fund such care. The President has stated that all Americans should have access to emergency care. This bill assures that veterans who rely on VA for care will.

I am particularly pleased that this bill will extend, expand, and improve VA's authority to provide counseling to the victims of sexual trauma while on active duty. It will also extend and improve services for homeless veterans; it will liberalize eligibility for survivors' benefits for widows of totally disabled ex-POWs; it will expand benefits available to veterans exposed to radiation while in service; and—importantly—it will ensure that the World War II Veterans' Memorial is constructed in a timely manner by facilitating fund raising for that monument.

This legislation does many positive things, particularly for our older veterans. The Committee on Veterans' Affairs, however, must also respond to the needs of veterans who are leaving the service today. Educational assistance is the most important benefit that our Nation provides to young veterans. Earlier this year, the Senate passed legislation which would have substantially improved benefits under the Montgomery GI bill. Unfortunately, budgetary pressures compelled the conferees to set these provisions aside for now. I know, however, that the House supports improvements in Montgomery GI bill benefits, and we will take that issue up again in the second session.

This legislation reflects the hard work and dedication of many members of the Senate and the other body. I particularly acknowledge the contribution of the Ranking Minority Member of the Committee on Veterans' Affairs, Senator ROCKEFELLER, and our Committee's longest-serving member and a member of the conference committee, Senator THURMOND. The conference committee could not have reached a successful conclusion without them, or without the energy and commitment of the chairman of the House Committee, BOB STUMP and his ranking member, LANE EVANS. I thank them. And I urge the Senate to approve this conference report.

Mr. DOMENICI. Mr. President, it is with great pleasure that I rise today to talk about the Senate passage of the Veterans' Millennium Health Care Act.