

Calendar No. 1261

88TH CONGRESS }
2d Session }

SENATE }

REPORT
No. 1324

VETERANS' DISABILITY FREEZE

AUGUST 5, 1964.—Ordered to be printed

Mr. BYRD of Virginia, from the Committee on Finance, submitted the following

REPORT

[To accompany H.R. 8925]

The Committee on Finance, to whom was referred the bill (H.R. 8925) to amend title 38 of the United States Code in order to provide that a disability which has been rated at or above a certain percentage for 20 or more years may not thereafter be reduced below such percentage, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

EXPLANATION OF THE BILL

This bill amends existing law to provide that a disability which has been continuously rated at or above a given percentage for 20 or more years for the purposes of service-connected compensation, under laws administered by the Veterans' Administration, shall not thereafter be rated at any lesser percentage except upon a showing that the rating was based on fraud. Thus, a 30-percent rating which had been in effect for 20 continuous years could not thereafter be reduced to 20 or 10 percent. It could be increased, but if increased, the higher rating would not be protected until another 20 years had elapsed. However, during this period the protective feature would continue to apply with respect to the 30-percent rating, thus precluding reduction below that level. The proposal applies to each disability in the case of veterans with multiple disabilities.

In the 83d Congress, Public Law 311 was enacted, which prohibited the reduction or elimination of any rating for total disability which had been in effect for compensation, pension, or insurance purposes for 20 or more years. This law, which is now set forth in section 110 of title 38, United States Code, was originally opposed by the Veterans' Administration. It has in practice, however, worked extremely well, and has given no problem in the administration of the various veterans laws. In fact, quite the contrary has been the case. It has

eased administration and reduced administrative costs. The same result can be expected if this proposal is enacted into law.

The Veterans' Administration has indicated that that agency did not have adequate data on which to base an accurate estimate of cost, but, as indicated above, it is the opinion of the Committee on Finance that the administrative costs will be reduced by enactment of this bill.

CHANGES IN EXISTING LAW

In compliance with subsection 4 of rule XXIX of the Standing Rules of the Senate, changes in existing law made by the bill are shown as follows (existing law proposed to be omitted is enclosed in black brackets; new matter is printed in italics; existing law in which no change is proposed is shown in roman):

§ 110. Preservation of [total] disability ratings

A rating of total disability or permanent total disability which has been made for compensation, pension, or insurance purposes under laws administered by the Veterans' Administration, and which has been continuously in force for twenty or more years, shall not be reduced thereafter, except upon a showing that such rating was based on fraud. *A disability which has been continuously rated at or above any percentage for twenty or more years for compensation purposes under laws administered by the Veterans' Administration shall not thereafter be rated at less than such percentage, except upon a showing that such rating was based on fraud.* The mentioned period shall be computed from the date determined by the Administrator as the date on which the status commenced for rating purposes.

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TITLE 38, UNITED STATES CODE

CHAPTER 1—GENERAL

Sec.

101. Definitions.
102. Dependent parents and dependent husbands.
103. Special provisions relating to marriages.
104. Approval of educational institutions.
105. Line of duty and misconduct.
106. Certain service deemed to be active service.
107. Certain service deemed not to be active service.
108. Seven-year absence presumption of death.
109. Benefits for discharged members of allied forces.
110. Preservation of [total] disability ratings.
111. Travel expenses.

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