

## EFFECTIVE DATE OF ADDITIONAL COMPENSATION FOR DEPENDENTS

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

### R E P O R T

[To accompany H.R. 276]

The Committee on Finance, to whom was referred the bill (H.R. 276) to amend section 3011 of title 38, United States Code, to establish a new effective date for payment of additional compensation for dependents, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

#### GENERAL EXPLANATION

The bill proposes to authorize payment to veterans of additional compensation for dependents (based on the establishment of a disability rating of not less than 50 percent) from the effective date of the increased percentage evaluation, provided the basic proof of dependents is received in the Veterans' Administration within 60 days from the date of notification of such rating action.

Sections 315 and 335 of title 38, United States Code, authorize payment of additional compensation for dependents (wife, child, or dependent parents) of veterans whose disability is evaluated at not less than 50 percent. Section 3011 provides that the effective date of an award of increased compensation shall be fixed in accordance with the facts found, but "shall not be earlier than the date of receipt of evidence showing entitlement thereto."

H.R. 276 recognizes that these cases actually involve two separate claims—the one a basic claim for increased disablement, and the other a claim for additional compensation for dependents in the event the increased disability is 50 percent or more. The claim for increased disablement must contain or be accompanied by evidence to show the probability of increased disability, otherwise there would be no basis for a reconsideration. The second claim for additional compensation

for dependents would not become operative until such time as the degree of disablement could be evaluated. Existing law does not take the dual nature of these claims into consideration. The result is that in cases where the increased disability becomes 50 percent or more disabling no additional compensation can be paid prior to the date the Veterans' Administration receives proof of relationship and dependency. Until the disability becomes 50 percent or more disabling the veteran is under no requirement to submit evidence as to dependents nor would the Veterans' Administration, except for purposes of apportionment, have occasion to request such proofs.

If basic proof of a dependent is received within the 60 days provided by the bill an additional period of 1 year would be allowed, under existing law, in which to submit substantiating evidence, such as a divorce decree to show dissolution of a prior marriage. Experience with hospitalized veterans who are requested to submit proof of dependents to prevent reduction of payments, under 38 U.S.C. 3203(a)(1), shows that 60 days is a reasonable time in which to submit proof after a request therefor by the Veterans' Administration. Of course, this liberalizing provision would extend only to those dependents in existence on the effective date of the increased disability and not to dependents subsequently acquired.

The following excerpt is from the Veterans' Administration report on this bill:

Information is not available on which to base an estimate of the cost of the bill, if enacted.

We believe that the purpose of H.R. 276 is meritorious and, therefore, favor its enactment.

#### 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 italic; existing law in which no change is proposed is shown in roman):

#### SECTION 3011, TITLE 38, UNITED STATES CODE

##### § 3011. EFFECTIVE DATES OF INCREASES

The effective date of an award of increased compensation, dependency and indemnity compensation, or pension (amending, reopening, or supplementing a previous award, authorizing any payments not previously authorized to the individual involved) shall be fixed in accordance with the facts found, but shall not be earlier than the date of receipt of evidence showing entitlement thereto, *except as hereafter provided. Additional compensation on account of dependents based on the establishment of a disability rating in the percentage evaluation specified by law for the purpose shall be payable from the effective date of such rating provided the basic proof of dependents is received in the Veterans' Administration within sixty days from the date of notification of such rating action.*