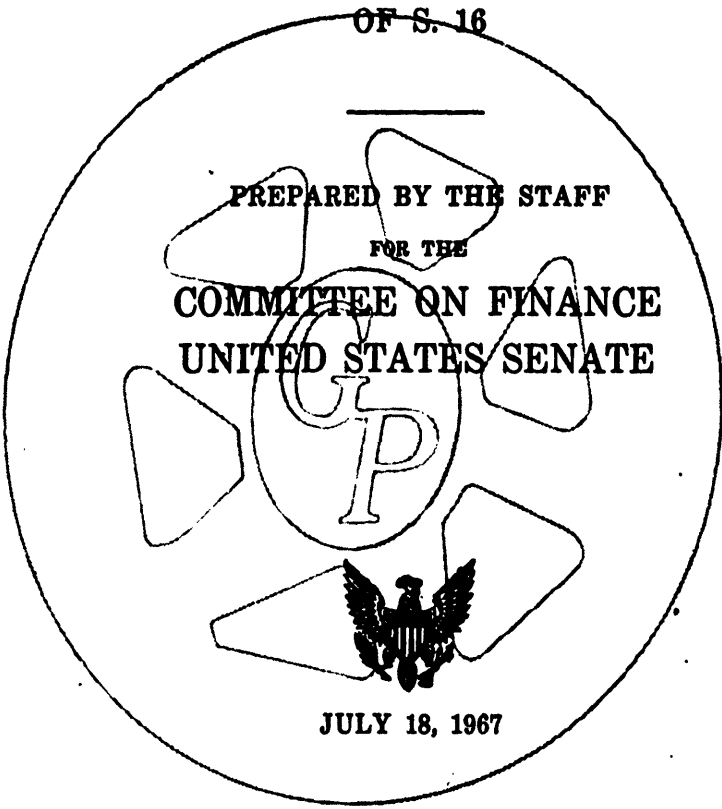


VETERANS PENSION AND READJUSTMENT
ASSISTANCE ACT OF 1967

SUMMARY OF DIFFERENCES BEFORE CONFEREES
REGARDING SENATE AND HOUSE VERSIONS
OF S. 16

PREPARED BY THE STAFF
FOR THE
COMMITTEE ON FINANCE
UNITED STATES SENATE



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SUMMARY OF DIFFERENCES BETWEEN SENATE AND HOUSE VERSIONS OF S. 16

Amendment Bill page

Explanation

PENSION

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|---|---|--|
| 1 | 3 | <p><i>“Old pension” payments and annuities.</i>—In determining eligibility for veterans’ benefits, the House bill provides exclusion of income from (1) old pension payments received by “dependency and indemnity” (DIC) parents, and; (2) the entire amount of annuities received under the retired serviceman’s family protection plan both by DIC parents and pensioners.</p> <p>The Senate bill contains no such provision.</p> <p>The Senate deleted these House provisions since such provisions had not been considered by the Committee on Finance when H.R. 17488 was taken up during the 89th Congress and no great need was demonstrated for their acceptance. The Veterans’ Administration supports the Senate action deleting the annuity exclusion but does not object to the House provision for “old pension” payment exclusion.</p> <p>The costs of these House provisions are not significant.</p> |
| 2 | 4 | <p><i>Social security.</i>—The Senate bill allows veteran beneficiaries to exclude 1965 and all future social security increases from income for both DIC and pension purposes. For the social security increase to be excluded, the veteran beneficiary must be receiving both social security and veteran payments at the time the increase is enacted.</p> <p>The House bill contains no such provision.</p> <p>This is the 5th time the Senate has passed a social security exclusion provision (the so-called Curtis-Miller amendment) to prevent the loss or reduction of DIC or pension payments which now results when social security benefits are increased. Social security increases are designed to provide additional funds for retirees to meet rising costs of living but are not designed to decrease the overall purchasing power of VA recipients. The Veterans’ Administration objects to this Senate provision, and suggests an alternative. In the opinion of the staff this alternative includes matter not covered by either the House or Senate versions and its adoption could make the conference report subject to a point of order.</p> |

2 SUMMARY OF DIFFERENCES BETWEEN VERSIONS OF S. 16

Amendment	Bill page	Explanation
2	4	This provision of the Senate bill costs an additional \$7,700,000 for the 1st year as compared to the House bill.
3	8	<i>Widows aid and attendance.</i> —The Senate bill authorizes a special aid and attendance allowance of \$50 per month for widows of the Spanish-American War and previous wars who are receiving pensions under the “new” pension program and who are found in need of regular aid and attendance. The House bill extends this new benefit also to “old” pension widows. This House provision was deleted by the Senate since creation of a special aid and attendance payment for widows under the “old” program would be inconsistent with the policy of Congress that the “old” program should be phased out and superseded by the new pension law. Beneficiaries under the “old” program may elect to move to the new program at any time it becomes economically advisable for them to do so. Increasing benefits under the “old” program defers these elections and makes its phaseout more difficult. The Veterans’ Administration favors the Senate version. This provision of the House bill costs an additional \$816,000 for the 1st year as compared with Senate bill.
4	9	<i>Housebound “old law” veterans.</i> —The House bill provides a new “housebound” rate of \$100 per month to “old pension” veterans. The Senate bill contains no such provision. It was deleted since it, too, would be inconsistent with the congressional policy that the prior pension program should be ultimately superseded by the new income-graduated pension program (Public Law 86-211). The Veterans’ Administration supports the Senate action. The House provision costs \$2,600,000 for the 1st year.
5	10	<i>Spanish-American and Indian War veterans.</i> —The House bill directs the Administrator of Veterans’ Affairs to pay aid and attendance veterans of the Spanish-American and Indian Wars the higher rates as between the “new” pension program (based on their need) and the service pensions they currently receive (regardless of their need) when the facts in each particular case warrant it.
5	10	The Senate bill contains no such provision. It was deleted since, in principle, it would deviate from the established rule that persons receiving pensions under another law must make an irrevocable election in seeking “new pension” benefits. Although the Veterans’ Administration indicates

SUMMARY OF DIFFERENCES BETWEEN VERSIONS OF S. 16 3

Amendment	Bill page	Explanation
		<p>that the House provision is objectionable in principle, it does not oppose the provision in view of "the advanced age and disability of the affected veterans."</p> <p>The House provision costs \$808,000 for the 1st year.</p> <p style="text-align: center;">VIETNAM VETERANS</p>
6	12	<p><i>Compensation.</i>—The Senate bill extends the wartime rate (100 percent) of compensation for service during the Vietnam era; that is, the period commencing Aug. 5, 1964, and ending on a date to be determined by Presidential proclamation. Veterans who are disabled in service after this period would receive the lesser peacetime compensation rate (80 percent).</p> <p>The House bill provides no cutoff date but would establish this rate for all future years.</p> <p>The Senate version, by equating a specific time during the Vietnam crisis with a period of war, preserves the established distinction between wartime and peacetime service that Congress has previously employed in providing veterans benefits. The House version, on the other hand, provides the wartime rate of compensation to peacetime veterans. The Veterans' Administration supports the Senate version.</p> <p>The 1st year cost of both versions would be \$7,300,000. However, the House version would cost more in the long run.</p>
7 and 8	13	<p><i>Vietnam period pension.</i>—Both the House and Senate bills authorize pensions for non-service-connected disabilities only to veterans serving after Aug. 4, 1964, and until a date to be determined by the President.</p> <p>The House bill entitles this period as "the Vietnam conflict." The Senate bill describes it as "the Vietnam era," and defines this term as a "period of war." The Veterans' Administration has indicated that it favors the Senate version which equates the Vietnam era in all instances with other war periods.</p>
9	20	<p><i>Psychosis as service connected.</i>—Under the Senate bill, psychosis developed within 2 years after discharge of a Vietnam veteran is conclusively presumed to be service connected, conforming to the rule applied to other wartime veterans (World War II and Korea).</p> <p>The House bill further extends this benefit to so-called cold war, or peacetime, veterans serving on or after Jan. 31, 1955, with no future cutoff date.</p> <p>The Senate version, in line with similar treatment given to World War II and Korean veterans,</p>

4 SUMMARY OF DIFFERENCES BETWEEN VERSIONS OF S. 16

Amendment	Bill page	Explanation
9	20	<p>recognizes the fact that <i>war</i> veterans suffering from this serious condition should be given medical care on a priority basis without the uncertainty or delay in determining whether the condition is service connected. The Veterans Administration favors the Senate version.</p> <p>The cost of the Senate or House version is not significant.</p>
10	21	<p><i>Drugs.</i>—The Senate bill makes the present prescribed drugs and medication benefits available to Vietnam veterans receiving pensions who are in need of regular aid and attendance.</p> <p>The House bill, in addition, extends these benefits to (1) "old pension" aid and attendance cases and (2) service-connected disabled veterans requiring aid and attendance for treatment of their non-service-connected disabilities.</p> <p>The Senate bill deletes these House provisions. As for the "old pension" program, the Senate amendment is consistent with the congressional policy of phasing out this old program. As for the care of non-service-connected ill of service-connected disabled veterans, the Senate bill was confined to making existing wartime benefits available to Vietnam era veterans, and this was not an existing program. The Veterans' Administration does not object to the House version.</p> <p>This provision of the House bill costs \$2,200,000 for the 1st year, and would increase in future years.</p>
11	22	<p><i>Miscellaneous medical benefits.</i>—The Senate bill extends certain medical care benefits; i.e., outpatient care and therapeutic devices, to Vietnam era veterans.</p> <p>The House bill enlarges these benefits to include all "cold war," or peacetime, veterans serving after Jan. 31, 1955, with no termination date.</p> <p>The Senate amendment deletes the House provision and adheres to the established practice of affording greater benefits for conditions arising from service during wartime as compared to conditions resulting from peacetime service. The House version departs from this principle. The Veterans' Administration does not object to the House version.</p> <p>The estimated cost of the House version is not significant.</p>
12	23	<p><i>Automobiles.</i>—This Senate provision extends to Vietnam era veterans the \$1,600 automobile allowance for veterans who are blind or amputees and whose disabilities resulted from their wartime</p>

Amendment Bill page

Explanation

service. It also eliminates the present time limitation on filing application for this benefit.

The House provision enlarges this allowance to include "cold war," or peacetime, veterans serving after Jan. 31, 1955, but limits benefit to disabilities arising from direct performance of military duty.

The Senate action is predicated upon the established practice of giving greater benefits to disabled veterans because of wartime service. It extends the existing program to Vietnam veterans on the same terms as have applied to prior war veterans. The Veterans' Administration favors the Senate version.

These provisions of the House bill cost an additional \$2,700,000 for the 1st year as compared with the Senate bill.

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Burial allowance.—The Senate bill makes the present \$250 burial allowance for funeral expenses of veterans serving in wartime available to Vietnam era veterans.

The House bill adopts the same starting date, Aug. 5, 1964, but eliminates any cutoff date for the burial benefit, thereby making it available to future peacetime veterans.

The Senate version preserves the present distinction between wartime and peacetime service and benefits under which greater benefits accrue to the wartime veteran. The Veterans' Administration favors the Senate version.

The 1st year cost for both versions is \$657,000. Because it is open-ended, the House provision will result in greater costs in the long run.

EDUCATION AND TRAINING

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Entitlement.—The Senate bill provides 1½ months of education for each month of active service after Jan. 31, 1955.

The House bill contains no such provision but continues the present rule of 1 month of education for 1 month of service.

The Senate version conforms with provisions of prior "GI bill of rights" for World War II and Korean veterans and achieves the aim of making the "cold war GI bill" essentially the same as these prior veterans' acts in amount and scope of benefits. The Veterans' Administration objects to the Senate provision.

There are no 1st-year costs involved in the Senate change, but eventually the Senate version would result in greater costs.

6 SUMMARY OF DIFFERENCES BETWEEN VERSIONS OF S. 16

Amendment	Bill page	Explanation
15 and 17	26 and 28	<p><i>On-the-job, on-the-farm, and flight training.</i>—The Senate bill broadens the types of education available under the GI bill to include monthly allowances for certain on-the-job, on-the-farm, and flight training, and establishes program criteria, eligibility standards, and allowances for such training.</p> <p>The House bill contains no such provision.</p> <p>This Senate provision conforms to the range of educational benefits granted to World War II and Korean veterans. The Veterans' Administration objects to these Senate provisions, and the Labor Department indicates the on-the-job feature duplicates a program it administers.</p> <p>This Senate provision costs an additional \$42,000,000.</p>
16	27	<p><i>Education rate increase.</i>—Both the Senate and House versions increase the rates of payment provided by the "cold war GI bill of rights" from \$100 to \$130 monthly for a single veteran; from \$125 to \$155 for a veteran with 1 dependent; and from \$150 to \$175 for a veteran with 2 or more dependents (proportionately smaller rates are provided for veterans who are taking courses on a part-time basis.)</p> <p>The Senate bill adds a \$10 monthly benefit for each dependent in excess of two.</p> <p>The House bill contains no such provision.</p> <p>The Senate action adopts the President's recommendation to provide additional amounts where there are more than 2 children. The Veterans' Administration supports the Senate version.</p> <p>The additional cost is \$9,000,000 for the 1st year.</p>
18	40	<p><i>Age limit for orphaned students.</i>—The House bill increases the age limit from 22 to 25 for children of deceased or severely disabled war veterans to receive educational assistance under the war orphans educational assistance program.</p> <p>The Senate bill deleted this provision, since it had no previous opportunity to study the implications. Also, attainment of age 23 is generally the point at which benefits cease for children under other Veterans' Administration programs and for students under retirement plans such as social security and railroad retirement. The Veterans' Administration objects to the House provision, and suggests an alternative. In the opinion of the staff this alternative includes matter not covered by either the House or Senate versions</p>

Amendment	Bill page	Explanation
		and its adoption could make the conference report subject to a point of order.
		This House provision costs \$4,400,000 for the 1st year.
19	41	<p><i>Anatomical loss.</i>—The House bill would add to the basic rate of compensation payable to severely disabled veterans by allowing a statutory award of \$47 monthly for each anatomical loss they suffer, except that the combined benefits may not exceed a total of \$400 monthly. (Under present law only a single \$47 award is payable, regardless of how many anatomical losses are sustained.)</p> <p>The Senate deleted this provision since the Committee on Finance, in considering identical House bills passed during the last 6 Congresses, found no justification to report any measure along these lines. The Veterans' Administration supports the Senate action.</p> <p>This provision of the House bill costs an additional \$262,000 as compared to the Senate bill.</p>
20	42	<p><i>Burial flags.</i>—The Senate bill authorizes issuance of burial flags to survivors of deceased Vietnam era veterans whose remains are not recovered.</p> <p>The House bill includes the flag provision. However, it establishes May 27, 1941, as the starting date for this benefit (rather than Aug. 5, 1964) but provides no termination date, thereby making this wartime benefit available to future peacetime veterans.</p> <p>The Senate date maintains the distinction between wartime and peacetime benefits and is consistent with the Senate objective of providing wartime benefits to Vietnam era veterans. The Veterans' Administration does not object to the House version.</p> <p>The cost is insignificant in either version.</p>
21	43	<p><i>Loan guaranty.</i>—The Senate bill extends the cutoff date for World War II veterans to apply for home and small business loans from July 25, 1967, to July 25, 1970.</p> <p>The House bill contains no such provision.</p> <p>The Senate accepted this floor amendment (offered by Senator Javits) to provide an additional 3 years to eligible World War II veterans to avail themselves of the loan benefit program. This action was taken on the basis of providing the same treatment to World War II veterans as is given to Korean veterans. The Veterans' Administration opposes this Senate provision.</p> <p>The additional cost of the Senate bill as compared to the House bill is not significant.</p>

8 SUMMARY OF DIFFERENCES BETWEEN VERSIONS OF S. 16

- 22 43 *Direct loans.*—The Senate bill added a provision which permits the Administrator of Veterans' Affairs to make direct home loans up to \$30,000 (presently limited to \$17,500) when he finds that "cost levels so require."
The House bill contains no such provision.
The Senate accepted this floor amendment (offered by Senator Gruening) to correct an inequity existing predominantly in Alaska and Hawaii where, due to differential in costs, the \$17,500 limit is stated to be inadequate for home loans. The Veterans' Administration opposes this Senate provision.
The additional cost of this Senate provision is not significant.
- 23 43 *Reporting fees.*—The Senate bill provides \$1 payment to qualifying educational and vocational institutions for each enrolled veteran on whose behalf a report is required to be filed.
The House bill contains no such provision.
The Senate amendment largely conforms to the method of reimbursing educational institutions for the administrative costs of complying with Veterans' Administration requirements as was provided under the Korean "GI bill." The Veterans' Administration opposes the Senate provision.
As compared to the House bill, the Senate provision will cost an additional \$1,600,000 the 1st year.
- 24 44 *Effective date.*—All provisions of the Senate bill would become effective on the 1st day of the 1st calendar month which begins more than 10 days after enactment, except (1) certain medical and presumption benefits, and; (2) burial benefits, both of which would become effective on date of enactment.
All provisions of the House bill would become effective July 1, 1967.

ESTIMATED COSTS OF S. 16

Description	Annual additional cost of—	
	Senate version	House version
PENSION BENEFITS		
Enlarging widow's eligibility for benefits.....	(1)	(1)
P. & T. disability at age 65.....	(1)	(1)
Exclusions from annual income (additional costs for social security).....	\$7, 700, 000	(1)
Pension increases for veterans of World War I, World War II, and Korean conflict.....	50, 235, 000	\$50, 235, 000
Pension increases for widows prior to World War I.....	3, 121, 000	3, 121, 000
Pension increases for widows of World War I, World War II, and Korean conflict.....	33, 809, 000	33, 809, 000
Pension increases for children survivors of World War I, World War II, and Korean conflict.....	8, 711, 000	8, 711, 000
A. & A. for widows of veterans (all wars).....	1, 704, 000	2, 520, 000
Therapeutic and rehabilitative devices for certain veterans.....	5, 246, 000	5, 246, 000
"Housebound" allowance for old law pensioners.....	(?)	2, 552, 000
Spanish-American and Indian War veterans higher rate.....	(?)	808, 000
Total.....	110, 526, 000	107, 002, 000
VIETNAM VETERANS		
Definitions of "Period of war":		e
Equalization of PT/WT rates.....	7, 365, 000	7, 365, 000
Burial awards.....	657, 000	657, 000
Eligibility for pension.....	971, 000	971, 000
Presumption, drugs and medicines:		
Presumption relating to psychosis.....	(1)	(1)
Drugs and medicines for A. & A. pension cases.....	(1)	2, 214, 000
Specially equipped automobiles.....	720, 000	3, 432, 000
Total.....	9, 713, 000	14, 639, 000
EDUCATION AND TRAINING		
Training time entitlement (1½: 1).....	(?)	(?)
On-the-job, farm, or flight training.....	42, 000, 000	(?)
Educational assistance allowances.....	104, 000, 000	95, 000, 000
Special assistance for educationally disadvantaged.....	15, 000, 000	15, 000, 000
War orphans educational assistance.....	(?)	4, 400, 000
Total.....	161, 000, 000	114, 400, 000
MISCELLANEOUS PROVISIONS		
Burial flags for certain inservice deaths.....	(1)	(1)
Home loans, etc., extends World War II entitlement from July 26, 1967 to July 26, 1970.....	(1)	(?)
Direct loans to Veterans' Administration may increase to \$30,000.....	(1)	(?)
Reporting fee to educational institutions.....	1, 600, 000	(?)
Anatomical loss statutory awards.....	(?)	262, 000
Total.....	1, 600, 000	262, 000
Grand total.....	282, 839, 000	236, 303, 000

¹ Not significant.

² None.

³ No 1st-year cost.