

CRS Report for Congress

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Veterans' Benefits Issues in the 109th Congress

Updated August 4, 2006

Paul J. Graney
Analyst in Social Legislation
Domestic Social Policy Division

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Summary

This report presents a brief overview of the Department of Veterans Affairs (VA) programs for veterans as well as some of the issues that have been or likely will be subjects of congressional attention during the 109th Congress. In particular, it outlines the veterans benefits provisions that have seen legislative action. Issues concerning the Veterans Health Administration and health care issues are discussed in a companion report, CRS Report RL32961, *Veterans' Health Care Issues in the 109th Congress*, by Sidath Viranga Panangala.

VA Budget and Appropriations. The budget submitted by the Administration in February 2005 called for funding VA at a level of \$66.5 billion for FY2006. Further adjustments raised this to \$70.9 billion, which was the amount ultimately provided through the regular appropriations process and supplemental funding bills.

The FY2007 budget submitted by the Administration in February 2006 calls for funding VA at a level of \$77.9 billion. This would be an increase of \$6.5 billion, or 9.0%, over the FY2006 total including the supplemental appropriations. The House Appropriations Committee approved its appropriations bill (H.R. 5385), including about the same amount as requested for VA on May 10, 2006. The bill, as passed by the House on May 19, 2006, would provide a total of \$77.9 billion for the VA budget with \$36.5 billion of the bill's \$94.7 billion 302(b) allocation for VA discretionary spending. The Senate Appropriations Committee approved the bill with the same totals on July 20, 2006.

Cost-of-Living Adjustment (COLA). The Veterans' Compensation Cost-of-Living Adjustment Act of 2005 (S. 1234), signed into law (P.L. 109-111) by the President on November 22, 2005, provides a COLA to disability compensation payments of 4.1% for 2006, matching the automatic increases received by most federal benefit programs. The House passed its version of the Veterans' Compensation Cost-of-Living Adjustment Act of 2006 (H.R. 4843) on June 27, 2006, and the Senate version (S. 2562) was reported on July 27, 2006.

Other Veterans Legislation in the 109th Congress. The Servicemembers' Group Life Insurance Enhancement Act of 2005 (P.L. 109-80) makes permanent the increase from \$250,000 to \$400,000 in maximum coverage under Servicemembers' Group Life Insurance and Veterans' Group Life Insurance. The Veterans' Housing Opportunity and Benefits Improvement Act of 2006 (P.L. 109-233) grants disabled veterans more flexibility in adapting their housing to their needs, makes permanent the Native American Veterans' Housing Loan Program, and reauthorizes the Homeless Veterans Reintegration Program. It will also transfer responsibility to the Department of Labor for promoting the hiring of veterans and encourage the involvement of employers in its advisory committee. On August 3, 2006, the Senate passed the Veterans' Choice of Representation and Benefits Enhancement Act of 2006 (S. 2694) by unanimous consent.

This report will be updated to reflect legislative activity.

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Veterans' Benefits Issues in the 109th Congress

Introduction

The first section of Title 38 of the United States Code defines a veteran as a person who has been discharged under conditions other than dishonorable from active military, naval, or air service. Federal policy toward veterans recognizes the importance of their service to the nation and the effect that service may have on their subsequent civilian lives. This policy dates back to the first pensions granted by the Continental Congress to soldiers disabled by their service in the Revolutionary War and to the dependents of those who were killed. Some benefits require service during a period of war. Members of reserve units or the National Guard can gain eligibility for some veterans' benefits by virtue of being called to active duty by the federal government. Although military retirees are veterans, their retirement benefits are paid by the Department of Defense (DOD). Benefits administered by the Department of Veterans Affairs (VA), directly or in conjunction with other federal agencies, include the following, among other things:

- programs that provide compensation for disabilities sustained or worsened as a result of active duty military service;
- pensions for war veterans with low incomes who are either (1) permanently and totally disabled or (2) over the age of 65;
- cash payments for certain categories of dependents and/or survivors;
- free medical care for conditions sustained during military service, and medical care for other conditions, much of which is provided free to low-income veterans;
- education, training, rehabilitation, and job placement services to assist veterans upon their return to civilian life;
- loan guarantees to help them obtain homes;
- life insurance to enhance financial security for their dependents; and
- burial assistance, flags, grave sites, and headstones when they die.

The VA is divided into three administrative structures: the Veterans Benefit Administration (VBA), the Veterans Health Administration (VHA), and the National Cemetery Administration (NCA). This report is primarily concerned with benefits other than those provided through the VHA. It does not discuss health care issues. For discussion of the VHA and health care issues for veterans, see CRS Report RL32961, *Veterans' Health Care Issues in the 109th Congress*, by Sidath Viranga Panangala.

The Veteran Population¹

As of September 30, 2005, there were an estimated 24.4 million living veterans, with 24.3 million of them in the U.S. and Puerto Rico. There were an estimated 37.2 million dependents (spouses and dependent children) of living veterans in the U.S. and Puerto Rico. There were more than 542,300 survivors of deceased veterans receiving VA survivor benefits. Thus, more than 62 million people, or 21% of the total estimated resident population of the U.S. and Puerto Rico (301.2 million), is composed of veterans, veterans' dependents, and survivors of deceased veterans.

Six states each had an estimated veteran population of one million or more: California (2.3 million), Florida (1.8 million), Texas (1.7 million), New York (1.1 million), Pennsylvania (1.1 million), and Ohio (1.0 million). These states are home to 37% of the total veteran population.

The number of veterans is declining, and their average age is increasing. Between April 1, 2000 and September 30, 2004, the estimated number of veterans declined by 7.3%, while the number of veterans 85 and older more than doubled (from 432,000 to 886,000). As of September 30, 2004, the estimated median age of veterans was 58.9 years, compared to 57.2 in 2000; 38.4% were at least 65 years of age; nearly 7% were female. VA projects a decline of about 19% in the number of veterans between 2004 and 2015 (from 24,793,000 to 19,988,000), but the number of Vietnam Era veterans at least 65 years old is projected to increase six-fold, from 859,000 in 2004 to 5.2 million in 2015.²

According to VA estimates, the number of disabled wartime veterans receiving pensions is declining. This decline appears to be due to two factors. First, the population of World War II veterans on pensions is dying. Secondly, veterans who might once have depended on VA pensions as a social safety net now have other sources of social insurance, primarily Social Security, that bring their incomes above the VA pension eligibility levels (\$10,579 for a veteran and \$13,855 for a veteran

¹ The estimates and projections of the veteran population used in this section come from VA's latest official estimates and projections (VetPop2004 Version 1.0, Office of the Actuary, Office of Policy, U.S. Department of Veterans Affairs, December 2004). This was the most recent data available as of February 2006.

² These estimates are based on a model which uses detailed data on veterans from the decennial Census through April 2000; actual DOD separations, including reserve and National Guard forces with a federal activation through September 2003, and projected DOD separations, including an estimate for an increased level of reserve separations through September 2009. At this time, the model output does not distinguish among cohorts of veterans by time of entry into and departure from the military nor whether they were Reserve or National Guard members activated for duty in Iraq or Afghanistan. Nor does the model incorporate any particular assumptions about the long-term effects of the war in Iraq and Afghanistan on the size or composition of the veteran population, save for the assumption that the Gulf War will end on Sept. 30, 2006, which is done to allocate veterans to period of service. It should also be noted that many Reserve and National Guard members activated for duty in Iraq or Afghanistan were veterans at the time of activation. That is, they were discharged from active duty military service before joining the Reserve or National Guard.

with one dependent in 2006). However, the increasing average age of veterans does mean changes in the aggregate demand for VA medical services as well as the kind of services needed for eligible veterans, as aging brings on chronic conditions needing more frequent care and lengthier convalescence.

VA Budget and Appropriations

Summary: VA Appropriations

FY2006.³

- The total FY2006 request for VA is \$69.5 billion. This includes an additional \$1.977 billion dollars for discretionary medical care spending requested on July 14, 2005, in a letter (H.Doc. 109-46) the Administration sent to Congress.
- The total FY2006 request would have been an increase of \$2.1 billion, or 3.1%, over the total enacted for FY2005 including the supplemental amounts added by P.L. 108-324 and P.L. 109-54.
- H.R. 2528, as approved by the House Appropriations Committee on May 18, 2005, and by the House on May 26, 2005, would have provided a total of \$68.1 billion for the VA budget with \$31.5 billion going for VA discretionary spending.
- The Senate Appropriations Committee approved its version of H.R. 2528 on July 21, 2005, and the Senate passed the bill on September 22, 2005. This bill would have provided a total of \$70.7 billion for VA including \$34.1 billion in new budget authority for discretionary spending.
- The conference report (H.Rept. 109-305) was passed by the House and cleared by the Senate on November 18, 2005. The bill was signed by the President on November 30, 2005, making it P.L. 109-114. The FY2006 appropriation is \$33.0 billion in discretionary and \$37.2 in mandatory funding for a total of \$70.2 billion.

FY2007.⁴

- The total FY2007 request for VA is \$77.9 billion.
- The total FY2007 request would be an increase of \$6.5 billion, or 9.0%, over the total enacted for FY2006 including the supplemental amounts added by P.L. 109-148 and P.L. 109-234.

³ For further discussion of the VA FY2006 appropriations, see CRS Report RL33017, *Military Quality of Life/VA (House) and Military Construction/VA (Senate): FY2006 Appropriations*, by Daniel H. Else, Paul J. Graney, and Sidath Viranga Panangala.

⁴ For further discussion of the VA FY2007 appropriations, see CRS Report RL33427, *Military Construction, Military Quality of Life and Veterans Affairs: FY2007 Appropriations*, by Daniel H. Else, Paul J. Graney, and Sidath Viranga Panangala.

- H.R. 5385, as passed by the House on May 19, 2006, would provide a total of \$77.9 billion for the VA budget with \$36.5 billion for VA discretionary spending.
- The Senate Appropriations Committee approved its version of H.R. 5385 on July 20, 2006. This bill would provide the same totals as the House-passed bill.

**Table 1. Appropriations: Department of Veterans Affairs,
FY2006-FY2007**

(budget authority in billions)

Program	FY2006 Enacted	FY2007 Request	FY2007 House	FY2007 Senate Approp Comm.	FY2007 Conf.
Total: (VA)	\$71.458	\$77.909	\$77.909	\$77.909	
Compens., pension, burial	\$33.898	\$38.007	\$38.007	\$38.007	
Readjustment benefits	3.309	3.262	3.262	3.262	
Insurance/indemnities	0.046	0.050	0.050	0.050	
Housing prog. (net, indef.)	-0.047 ^a	0.097	0.097	0.097	
<i>Subtotal: Mandatory</i>	<i>\$37.206</i>	<i>\$41.416</i>	<i>\$41.416</i>	<i>\$41.416</i>	
Medical services	21.322	25.512	25.412	28.689	
Emerg. funding	1.225	—	—	—	
Emerg. funding (P.L. 109-148)	0.225	—	—	—	
Medical administration	2.858	3.177	3.277	—	
Medical facilities	3.298	3.569	3.594	3.569	
Med. & prosthetic research	0.412	0.399	0.412	0.412	
Med. care collection fund ^b					
(offsetting receipts)	-2.170	-2.329	-2.329	-2.329	
(approps. indefinite)	2.170	2.329	2.329	2.329	
<i>Subtotal: Med. programs & admin. (appropriations)</i>	<i>29.341</i>	<i>32.657</i>	<i>32.695</i>	<i>32.670</i>	
<i>Total available to VHA</i>	<i>31.511</i>	<i>34.986</i>	<i>35.024</i>	<i>34.999</i>	
Gen. admin. exp. (total)	1.411	1.481	1.481	1.468	
Emerg. funding (P.L. 109-148)	0.025	—	—	—	
Information technology	1.214	1.257	1.302	1.256	
National Cemetery Admin.	0.156	0.161	0.161	0.161	
Emerg. funding (P.L. 109-148)	^c	—	—	—	
Inspector General	0.070	0.069	0.069	0.071	
Construction	0.806	0.597	0.494	0.597	

Program	FY2006 Enacted	FY2007 Request	FY2007 House	FY2007 Senate Approp Comm.	FY2007 Conf.
Emerg. funding (P.L. 109-148 & 234)	0.955	—	—	—	
Grants; state facilities	0.085	0.085	0.105	0.085	
State veteran cemeteries	0.032	0.032	0.032	0.032	
Housing & other loan admin.	0.155	0.154	0.154	0.154	
Disaster comp. — emerg. (P.L. 106-148)	0.003	—	—	—	
<i>Subtotal: Discretionary</i>	<i>\$34.252</i>	<i>\$36.493</i>	<i>\$36.493</i>	<i>\$36.493</i>	

Source: Table prepared by the Congressional Research Service based on H.Rept. 109-464 and S.Rept. 109-286.

- a. This negative budget authority is the result of combining the loan subsidy payments estimated to be needed during FY2006 with the offsetting receipts expected to be collected.
- b. Medical Care Collections Fund (MCCF) receipts are restored to the VHA as an indefinite budget authority equal to the revenue collected.
- c. \$200,000.

Spending for VA Programs

The cash benefit programs, i.e., compensation and pensions (and benefits for eligible survivors); readjustment benefits (education and training, special assistance for the disabled); home loan guarantees; and veterans' insurance and indemnities are mandatory (entitlement) spending, although required amounts are annually appropriated. Veterans' entitlement benefits were once increasing rapidly, but now are a relatively stable federal obligation to a declining population of veterans.

The remaining programs, primarily those associated with medical care, facility construction, and medical research are annual discretionary appropriations, as are funds for the costs of administering VA programs. In FY1976, entitlements constituted 73% of VA's budget, with the remaining 27% of the budget comprised of discretionary appropriations for VA health care, administration, and construction. For FY2007, mandatory spending is expected to be about 53% of the total VA budget, with discretionary spending at 47%. For the entire federal budget, a little more than one-third of spending is discretionary.

VA Cash Benefits. Spending for the VA cash benefit programs is mandatory, and the amounts requested by the budget are based on projected caseloads. Definitions of eligibility and benefit levels are found in various sections of Title 38 of the U.S. Code. While the overall number of veterans is declining, outlays for VA entitlement benefits, mostly service-connected compensation, pensions, and readjustment (primarily education) payments, is expected to be \$37.8 billion for FY2006, and is projected to reach \$39.2 billion in FY2007. Much of the projected increases for recent years result from a greater proportion of surviving veterans

receiving benefits and liberalizations to the Montgomery GI Bill (MGIB), the primary education program.

Compensation and Pensions. The compensation program pays benefits to living veterans who have suffered a loss or reduction in earning capacity as a result of a condition traceable to a period of military service,⁵ and to the dependent survivors of certain veterans. The VA pension program is a means-tested benefit for permanently disabled (from a condition unrelated to their military service) veterans of war-time service, whose incomes and assets fall below certain levels. After taking into consideration the financial circumstances and dependents of eligible veterans, the pension payments, along with countable income, are intended to bring their total incomes to the targeted amounts.⁶ Given the broad availability of other sources of income, including social security, program caseload is diminishing as fewer veterans have incomes below the categorical levels.

During FY2005, about 2.6 million veterans drew an average of \$783 in monthly compensation for service-connected disabilities; about 326,300 of their dependent survivors averaged about \$1,072 in monthly payments. Pensions for 337,787 veterans averaged about \$654 monthly; 211,240 survivors of veteran pensioners averaged about \$288 monthly.

One of the issues that arises in determining who should receive compensation and how much is the inconsistency of VA representatives in the 57 regional offices applying written criteria to individual cases.⁷ Out of concern for the disparity in the amounts of disability compensation awarded to veterans living in different regions of the country, Congress included a provision in the FY2006 appropriations bill for VA (P.L. 109-114) to instruct the VA to conduct a veterans' disability compensation information campaign in states with an average annual disability compensation payment of less than \$7,300. In response to this provision, VA is conducting outreach efforts in Illinois, Indiana, Michigan, Ohio, New Jersey, and Connecticut.

Readjustment. Near the end of World War II Congress enacted a series of programs to assist veterans in readjusting to civilian life and to help the national economy adapt to the influx of demobilizing armed forces. The GI Bill has entered the national lexicon as an example of federal responsibility for this readjustment

⁵ For more information on disability compensation, see CRS Report RL33113, *Veterans Affairs: Basic Eligibility for Disability Benefit Programs*, by Douglas Reid Weimer and CRS Report RL33323, *Veterans Affairs: Benefits for Service-Connected Disabilities*, by Douglas Reid Weimer.

⁶ For 2005, the annual basic level for an eligible single veteran was \$10,162; with one dependent, \$13,309; and each additional dependent, \$1,734. For 2006, these amounts have been adjusted to \$10,579; \$13,855; and \$1,806, respectively. Additional amounts are available for eligible veterans who are housebound or in need of aid and attendance.

⁷ The Government Accountability Office (GAO) addressed this and other processing problems in several reports, for example, *Veterans' Benefits: Further Changes in VBA's Field Office Structure Could Help Improve Disability Claims Processing*, GAO-06-149 (December 2005) and *Veterans Benefits: VA Needs Plan for Assessing Consistency of Decisions*, GAO-05-99 (November 2004).

responsibility, and many citizens continue to refer to the current array of programs by that historical name. Indeed, the largest current program providing readjustment education benefits is named the Montgomery GI Bill (MGIB) program, after its congressional sponsor and the heritage it brought into the age of an all-volunteer military service.

Without conscription to fill the ranks of active duty armed services, the inducements to potential recruits must be sufficient to attract them to enlist. The MGIB provides recruits with the promise of educational assistance when they separate, and the amounts that eligible participants receive has climbed significantly over the last few years, from \$800 per month for 36 months for a three-year enlistment in FY2002, to \$985 per month in FY2004, and \$1,034 per month in FY2006. About \$2.6 billion in total payments for education during FY2005 went to 336,347 active duty veterans, 87,589 reservists, and 74,360 dependents.

Veterans Housing Benefits. The VA program to guarantee home loans for veterans has made a significant contribution to the national goal of increasing the number of families who own their own homes by supporting the loan applications of more than 200,000 veterans a year. Because of the guarantees, lenders are protected against losses up to the amount of the guarantee, thereby permitting veterans to obtain mortgages with little or no down payment and with competitive interest rates. These guarantees, and certain direct loans to specific categories of veterans are obligations of the federal government that constitute mandatory spending; administrative expenses are discretionary appropriations transferred from the home loan programs to the General Operating Expenses account.⁸

VA Construction. Congress provided \$1.561 billion in major construction for FY2006 and \$201 million in minor construction, including supplementals. These construction funds are used primarily for health care facilities, such as hospitals, community based outpatient clinics, and nursing homes, but these funds are also used to design, build, and acquire land for cemeteries and administrative centers. The Administration request is \$399 million for major construction projects for FY2007 and \$198 million for minor construction. H.R. 5385, as passed by the House, would provide \$284 million for major construction and \$210 million for minor construction. The Senate Appropriations Committee approved \$429 million and \$168 million, respectively. Major construction projects are those with an estimated cost of \$7 million or more. Many of the minor construction projects will continue VA's overall strategy of expanding outpatient access.⁹

Burial and Cemetery Benefits. Payments to honor and help defray the cost of veterans' burials will total about \$171 million in FY2006, and cover an estimated 82,000 burials, 66,000 burial plots, 14,000 service-connected deaths, 542,000 flags, and 343,000 headstones and markers.

⁸ For more information on VA housing guarantees, see CRS Report RS20533, *VA-Home Loan Guaranty Program: An Overview*, by Bruce E. Foote, updated by Meredith Peterson.

⁹ For further discussion of the construction of health care facilities, see CRS Report RL32961, *Veterans' Health Care Issues in the 109th Congress*, by Sidath Viranga Panangala.

A Closer Look at Ongoing Issues

Cost-of-Living Adjustments (COLAs)

Each year Congress typically passes legislation to provide a COLA equal to the Social Security increase in payments for disability compensation to veterans and for dependency and indemnity compensation to their eligible survivors. Since the COLA for these programs is not in permanent law as the Social Security increase is, a bill increasing benefits for veterans for 2007 is likely to be passed by Congress in the second session.

The COLA for 2006 of 4.1%, first payable in checks issued in January 2006, was provided by P.L. 109-111, which the President signed on November 22, 2005. The House passed its version of the Veterans' Compensation Cost-of-Living Adjustment Act of 2006 (H.R. 4843) on June 27, 2006, and the Senate version (S. 2562) was reported on July 27, 2006.

Concurrent Receipt of Military Retirement and VA Disability Benefits

Until 2004, simultaneous payment of military retirement and VA disability benefits was prohibited as a duplicate payment for the same period of service. Retirement pay has been reduced on a dollar-for-dollar basis by the amount of disability compensation received because retirement pay is taxable while disability benefits are not. The FY2004 National Defense Authorization Act (NDAA) approved concurrent receipt for retirees with at least a 50% disability, but set up a 10-year schedule to phase in full payment of retirement benefits. The FY2005 NDAA repealed this phase-in after December 31, 2004, for a "qualified retiree receiving veterans' disability compensation for a disability rated as 100%." The Senate version of the FY2006 NDAA extended the repeal of the phase-in to veterans with a full, or 100% "unemployability" rating, but the House version only accelerated the phase-in for these veterans. The House provision was adopted in the conference report. The House version of the FY2006 NDAA (H.Rept. 109-89, passed House May 25, 2005), contained a partial step toward inclusion of 100% unemployables. The House would authorize full concurrent receipt for 100% unemployables beginning October 1, 2009, over four years earlier than the date of January 1, 2014, in current law (the date of full concurrent receipt for all retirees, regardless of disability rating). The Senate version once again would have authorized immediate concurrent receipt for all those with a 100% unemployability rating. The House version was again accepted in the conference report (now P.L. 109-163).¹⁰

¹⁰ Further discussion of this issue is included in CRS Report RL33449, *Military Retirement: Major Legislative Issues*, by Charles A. Henning.

Legislation

New Laws Affecting Benefits for Veterans

Servicemembers' Group Life Insurance Enhancement Act of 2005 (P.L. 109-80). This law makes permanent the increase from \$250,000 to \$400,000 in maximum coverage under Servicemembers' Group Life Insurance (SGLI) and Veterans' Group Life Insurance (VGLI). This increase included in H.R. 3200 was first provided for FY2005 by the supplemental spending bill (H.R. 1268) that was signed into law (P.L. 109-13) on May 11, 2005. It also provides for the notification of the servicemember's spouse if less than the maximum coverage is chosen or if a beneficiary other the spouse or a child is designated. VA offers life insurance to servicemembers and veterans because the extra risks of military service or a service-connected disability might prevent them from obtaining coverage in the private sector at a reasonable price. SGLI is available in \$50,000 increments up to the \$400,000 maximum for a monthly premium of \$3.25 for each \$50,000 of coverage. After discharge servicemembers are able to switch to VGLI in \$10,000 increments up to the maximum coverage they carried while on active duty. The premiums for VGLI are based on age with the lowest monthly rate being \$0.80 per \$10,000 of coverage for those under 30 years of age.

Veterans' Compensation Cost-of-Living Adjustment Act of 2005 (P.L. 109-111). H.R. 1220 was passed by the House on July 13, 2005 (H.Rept. 109-162) to provide a COLA to payments for disability compensation to veterans and for dependency and indemnity compensation to their eligible survivors. The COLA will be equal to the Social Security increase for 2006 (4.1%), first payable in checks issued in January 2006. The House bill contained additional provisions relating to the VHA. The Senate Committee on Veterans' Affairs marked up S. 1234 with the same provision for a COLA as H.R. 1220, but without the additional provisions, on July 28, 2005. It was reported on September 21, 2005 (S.Rept. 109-138) and passed on November 16, 2005, in amended form to specify the amounts that would be paid as a result of the 4.1% increase. The House passed the Senate bill later that same day, and it was signed into law by the President on November 22, 2005.

Veterans' Housing Opportunity and Benefits Improvement Act of 2006 (P.L. 109-233). S. 1235 was introduced on June 14, 2005, and marked up on July 28, 2005. It was reported by the Senate Committee on Veterans' Affairs on September 21, 2005 (S.Rept. 109-139), and passed by the Senate on September 28, 2005. The bill was amended in the House to include some provisions of H.R. 2046, which had passed on May 23, 2005, and of H.R. 3665, which had passed on November 10, 2005. The amended bill passed the House on May 22, 2006, and was approved by the Senate on May 25, 2006. It was signed by the President on June 15, 2006. The new law will do the following:

- authorize grants of \$2,000 to \$14,000 to adapt homes of relatives who are providing temporary housing for disabled veterans;
- allow disabled veterans more flexibility in the use of grants up to \$50,000 for the purpose of adapting their own home;

- grant the Secretary of VA authority to adjust the interest rate on adjustable rate mortgages under the VA housing loan program by more than 1%;
- make permanent the Native American Veterans' Housing Loan Program and extend eligibility to any veteran who is the spouse of a Native American;
- make technical amendments to the section on eligibility for specially adapted housing as previously amended by the Veterans Benefits Improvement Act of 2004;
- transfer to the Department of Labor responsibility for promoting the hiring of veterans, with a transition plan due to the Veterans' Affairs Committees by July 1, 2006;
- expand the name, duties, and membership of the Advisory Committee on Veterans Employment, Training, and Employer Outreach by encouraging the involvement of employers;
- reauthorize the Homeless Veterans Reintegration Program at \$50 million (the same amount as currently authorized through FY2006) per year for FY2007 through FY2009;
- raise from one year to two years after separation from active duty the amount of time those who are totally disabled can remain covered by Servicemembers' Group Life Insurance until September 30, 2001, and reduce period to 18 months after that;
- add a new chapter on outreach activities to Title 38 of the U.S. Code that would require VA to prepare a biennial outreach plan that will include efforts to identify veterans who are not enrolled or registered for benefits or services and to inform veterans and their dependents of program changes, and require VA to submit to Congress a biennial report on these outreach activities;
- extend the reporting requirement through 2009 on cases where equitable relief was granted because of administrative error;
- add heart disease and stroke to the list of diseases and conditions presumed to be associated with prisoner of war status; and
- make technical, clarifying, and technical amendments to SGLI and other provisions of Title 38 of the U.S. Code.

Bills Passed by the House or the Senate

Veterans' Compensation Cost-of-Living Adjustment Act of 2006 (H.R. 4843). The House Committee on Veterans' Affairs marked up and reported (H.Rept. 109-521) its version of the Veterans' Compensation Cost-of-Living Adjustment Act of 2006 on June 22, 2006. It was then passed by the House on June 27, 2006.

Veterans' Choice of Representation and Benefits Enhancement Act of 2006 (S. 2694). The Senate Committee on Veterans' Affairs marked up this bill on June 22, 2006. It was then reported (S.Rept. 109-297) with an amendment in the nature of a substitute and an amendment to the title on July 27, 2006. The bill as passed by unanimous consent on August 3, 2006, includes the following provisions affecting veterans' benefits:

- allow veterans to be represented by attorneys in presenting claims to VA and allow VA to establish standards for attorney representation, place caps on attorney fees, and collect registration fees from eligible lawyers;
- authorize grants to tribal organizations to assist in establishing, expanding, or improving veterans' cemeteries on tribal land;
- expand the availability of government headstones or markers for veterans buried at private cemeteries;
- expand the approved educational programs eligible for accelerated payment of benefits under the MGIB from only the high technology industry to also include the transportation, construction, hospitality, and energy industries;
- make these accelerated payments available to those receiving survivors' and dependents' educational assistance under MGIB;
- authorize permanently the grants for comprehensive service programs for homeless veterans and raise the amount authorized to \$130 million;
- extend authority and/or funding for several other homeless veterans assistance programs through 2011 or 2012;¹¹
- make housing loans available to those veterans moving into residential cooperative housing units; and
- increase amount of supplemental insurance available to totally disabled veterans from \$20,000 to \$30,000 for the period from October 1, 2007, to September 31, 2011.

¹¹ For further information on programs for homeless veterans, see CRS Report RL30442, *Homelessness: Recent Statistics, Targeted Federal Programs, and Recent Legislation*, coordinated by Libby Perl.