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Report 106–108

VETERANS' COMPENSATION COST-OF-LIVING ADJUSTMENT ACT OF 1999

JULY 19, 1999.—Ordered to be printed

Mr. SPECTER, from the Committee on Veterans' Affairs, submitted the following

REPORT

[To accompany S. 1393]

The Committee on Veterans' Affairs, reported an original bill S. 1393 to provide a cost-of-living adjustment in rates of compensation for veterans with service-connected disabilities and dependency and indemnity compensation for survivors of such veterans, to amend title 38, United States Code, to codify the previous cost-of-living adjustment in such rates, and for other purposes, having considered the same, reports favorably an original bill and recommends that the original bill do pass.

INTRODUCTION

On May 19, 1999, Committee Chairman Arlen Specter introduced S. 1076, the proposed "Veterans Benefits Act of 1999." S. 1076 would have provided for a December 1, 1999, cost-of-living adjustment (COLA), equal to the December 1, 1999, COLA in Social Security benefits, in the rates of compensation for veterans who have service-connected disabilities and in the rates of dependency and indemnity compensation (DIC) for the survivors of those who died from service-connected causes. In addition, S. 1076 would have, among other things: reauthorized, modified, and enhanced certain programs providing health care, education, and other benefits for veterans; authorized major medical facility projects; reformed eligibility for burial in Arlington National Cemetery; granted fund raising and borrowing authorities to facilitate the construction of a World War II Memorial; and modified provisions of law relating to the retirement of judges on the United States Court of Appeals for Veterans' Claims.

69-010

COMMITTEE HEARING

On May 20, 1999, the Committee held a hearing on a number of bills pending before the Committee, including S. 1076. The Committee received testimony from Senator Kent Conrad; from representatives of the Department of Veterans Affairs (VA) and the Department of Army; and from representatives of The American Legion, the Veterans of Foreign Wars, the Disabled American Veterans, the Paralyzed Veterans of America, AMVETS, and the Vietnam Veterans of America. In addition, the Committee received written statements for the record from the Chief Judge of the United States Court of Appeals for Veterans Claims; and from representatives of the American Federation of Government Employees, AFL-CIO, the National Association of Government Employees, the National Association of VA Physicians and Dentists, the Nurses Organization of Veterans Affairs, and National Coalition for Homeless Veterans.

COMMITTEE MEETING

On June 23, 1999, the Committee met in open session to consider S. 1076, as amended, and other legislation pending before the Committee. Among the measures so considered was S. 1393 (hereinafter, the "Committee bill"), an original bill which was derived from and, except for technical changes, restated the text of Title I of S. 1076, as introduced. The Committee voted by unanimous voice vote to report the Committee bill favorably to the Senate.

SUMMARY OF THE COMMITTEE BILL AS REPORTED

The Committee bill contains freestanding provisions that would require the Secretary of Veterans Affairs to increase, effective December 1, 1999, the rates of and limitations on certain benefits paid by VA by the same percentage as the COLA provided to Social Security recipients and VA pension beneficiaries that become effective on the same date. The COLA would apply to:

1. basic compensation rates for veterans with service-connected disabilities and the rates payable for certain severe disabilities;

2. the allowances for spouses, children, and dependent parents paid to service-connected-disabled veterans rated 30 percent or more disabled;

3. the annual clothing allowance paid to veterans whose compensable disability requires the use of a prosthetic or orthopedic appliance (including a wheelchair) that tends to tear or wear out clothing, or requires the use of a medication prescribed by a physician for a service-connected skin condition if the medication causes irreparable damage to the veteran's outer garments; and

4. the DIC rates paid to:

(a) surviving spouses of veterans whose deaths were service connected;

(b) surviving spouses for dependent children;

(c) surviving spouses who are so disabled that they need aid and attendance or are permanently housebound; and (d) the children of veterans whose deaths were service connected if no surviving spouse is entitled to DIC, the child is age 18 through 22 and attending an approved educational institution, or the child is age 18 or over and became permanently incapable of self-support prior to reaching age 18.

The Congressional Budget Office (CBO) currently estimates that the COLA to be provided to Social Security recipients will be 2.7 percent.

The Committee bill also contains revisions to Title 38, United States Code, that would codify in title 38, United States Code, increases in the above-summarized benefits provided by VA effective December 1, 1998, under authority specified in Title XI of Public Law 105–368.

BACKGROUND

Disability compensation

The service-connected disability compensation program under chapter 11 of title 38, United States Code, provides monthly cash benefits to veterans who have disabilities incurred or aggravated during active duty in the Armed Forces.

The amount of compensation paid depends on the nature of the veteran's disability or combination of disabilities and the extent to which the disability impairs earning capacity. VA rates compensable disabilities according to its Schedule for Rating Disabilities on a graduated scale ranging from 0 to 100 percent, in 10-percent increments. VA pays higher monthly rates (known as "special monthly compensation") to totally disabled veterans with certain specific, very severe disabilities or combinations of disabilities. As of March 31, 1999, VA was providing disability compensation

As of March 31, 1999, VA was providing disability compensation to 2,283,425 veterans with service-connected disabilities. Among the veterans receiving such compensation were 110 World War I veterans; 559,345 World War II veterans; 176,716 Korean-conflict veterans; 732,241 Vietnam-era veterans; and 259,961 veterans of the Persian Gulf War era.

A veteran with a disability rated at 30 percent or more may receive additional compensation on behalf of the veteran's spouse, children, and dependent parents. These dependents' allowances are prorated according to the percentage of disability. As of March 31, 1999, 710,866 veterans received additional compensation on behalf of 1,077,523 dependents.

Dependency and indemnity compensation

Under chapter 13 of title 38, VA pays dependency and indemnity compensation to the survivors of service members or veterans who died on or after January 1, 1957, from a disease or injury incurred or aggravated during military service. Survivors eligible for DIC include surviving spouses, unmarried children under the age of 18, certain helpless children age 18 or older, children between the ages of 18 and 22 who are enrolled in school, and certain needy parents. Under section 5312 of title 38, parents' DIC rates are adjusted automatically at the same time and by the same percentage as Social Security and VA pension benefits. Surviving spouses, children, and parents who are receiving death compensation based on deaths before January 1, 1957, may elect to receive DIC instead of death compensation.

For deaths prior to January 1, 1993, surviving spouses received DIC at rates determined by the pay grade (service rank) of the deceased veteran. For deaths on or after January 1, 1993, surviving spouses currently receive \$861 per month and, if the deceased veteran was totally disabled for 8 years prior to death, an additional \$187 per month. Surviving spouses who had been receiving benefits under the prior DIC program are paid under whichever program will pay the higher benefit.

A surviving spouse who is so disabled as to be housebound or in need of regular aid and attendance is eligible to receive an additional amount. A surviving spouse also may receive additional allowances on behalf of the veteran's surviving children.

Children are entitled to DIC if there is no surviving spouse, if they are 18 years or older and became permanently incapable of self-support before reaching age 18, or if they are 18 to 22 years old and pursuing an approved course of education. As of March 31, 1999, VA was paying DIC benefits to, or on be-

As of March 31, 1999, VA was paying DIC benefits to, or on behalf of, 282,706 surviving spouses, 33,293 children, and 12,210 needy surviving parents.

Under section 1318(b) of title 38, VA pays benefits at DIC rates to the surviving spouses and children of veterans whose deaths are not service connected if the veteran, immediately prior to his or her death, had been receiving (or had been entitled to receive) compensation at the 100-percent rate continuously for 10 or more years or for at least 5 years from the date of discharge or release from active duty.

History of cost-of-living increases

The Committee periodically reviews the service-connected disability compensation and DIC programs to ensure that the benefits provide reasonable and adequate compensation for disabled veterans and their families. Based on this review, the Congress acts periodically to provide a cost-of-living adjustment in compensation and DIC benefits. In fact, the Congress has provided annual increases in these rates for every fiscal year since 1976. The following table shows the percentage increases since 1975.

HISTORY OF SERVICE-CONNECTED DISABILITY COMPENSATION INCREASES, 1975 TO PRESENT

Fiscal year	Effective date	Increase (percent)	Cumulative (1969=\$100)
1976	August 1975	11.8	158.55
1977	October 1976	8.0	171.23
1978	October 1977	6.6	182.53
1979	October 1978	7.3	195.86
1980	October 1979	9.9	215.25
1981	October 1980	14.3	246.03
1982	October 1981	11.2	273.58
1983	October 1982	7.4	293.82
1984	April 1983	3.5	304.11
1985	December 1984	3.2	313.84
1986	December 1985	3.1	323.57
1987	December 1986	1.5	328.42
1988	December 1987	4.2	342.22

HISTORY OF SERVICE-CONNECTED DISABILITY COMPENSATION INCREASES, 1975 TO PRESENT— Continued

	Fiscal year	Effective date	Increase (percent)	Cumulative (1969=\$100)
1989 .		December 1988	4.1	356.25
1990.		December 1989	4.7	372.99
1991 .		December 1990 ¹	5.4	393.13
1992 .		December 1991	3.7	407.68
1993 .		December 1992	3.0	419.91
1994 .		December 1993	2.6	430.83
1995 .		December 1994 ²	2.8	442.89
1996 .		December 1995 ²	2.6	454.41
1997 .		December 1996	2.9	467.59
1998 .		December 1997 ²	2.1	477.41
1999 .		December 1998 ²	1.3	483.62
2000 .		December 1999 ²	2.7 ³	496.68 ³

¹Payment of the December 1990 increase was delayed until January 1992 by section 8005(b) of Public Law 101-508. ²December 1994, 1995, 1997, 1998, and 1999 increases are rounded to the next lower dollar amount pursuant to sections 2(c)(2) of Public Law 103-418 and Public Law 104-57, and section 8031 of Public Law 105-33.

³Estimate.

COMMITTEE BILL

The Committee bill would direct VA to compute and provide increases in the monthly rates of compensation and DIC, effective December 1, 1999. The rates would be increased by the same percentage as the Social Security and VA pension COLA that will take effect on that date. In accordance with section 8031 of the Balanced Budget Act of 1997 (Public Law 105–33), amounts of compensation so computed that are not even multiples of \$1 will be rounded down to the next lower whole dollar amount. The increases in DIC automatically would result in identical per-

The increases in DIC automatically would result in identical percentage increases in benefits paid at DIC rates under section 1318 of title 38 to the surviving spouses and children of veterans who had a service-connected disability at the time of death for which they continuously were rated totally disabled for at least either (1) 10 years, or (2) 5 years from the date of discharge from active duty.

Under section 156(e)(1)(A) of Public Law 97-377, the DIC increases also automatically would result in the same percentage increases in Social Security benefits that were terminated by section 2205 of the Omnibus Budget Reconciliation Act of 1981 (OBRA 1981) (Public Law 97-35). Prior to OBRA 1981, those benefits had been paid to certain surviving spouses of those who died on active duty or from a service-connected disability on behalf of their children under 18 and children over age 19 who were secondary-school students; OBRA 1981 reduced the eligibility cutoff age from 18 to 16 years old.

Section 314 of Public Law 100–322 amended section 156(a)(1) of Public Law 97–377 to restore the benefits eliminated by the OBRA 1981. The DIC increase also would apply to these restored benefits, effective December 1, 1999.

CBO, in its most recent baseline, estimated that the fiscal year 2000 Social Security COLA, and thus the COLA provided for by the Committee bill, will be 2.7 percent. The actual Social Security COLA could differ from this estimate. Rather than selecting any particular percentage adjustment at the time the Committee ordered the bill reported, the Committee followed its prior practice of

setting the COLA by reference to the Social Security increase. The Committee believes this is the most equitable means of providing increases in these important service-connected benefits.

COST ESTIMATE

In compliance with paragraph 11(a) of rule XXVI of the Standing Rules of the Senate, the Committee, based on information supplied by CBO, estimates that, compared to the CBO baseline, there would be no costs or savings resulting from enactment of the Committee bill.

The cost estimate provided by CBO follows:

U.S. CONGRESS, CONGRESSIONAL BUDGET OFFICE, Washington, DC, June 30, 1999.

Hon. ARLEN SPECTER,

Chairman, Committee on Veterans' Affairs, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office (CBO) has prepared the enclosed cost estimate for the Veterans Benefits Act of 1999.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Charles Riemann. Sincerely.

DAN L. CRIPPEN, *Director*.

Enclosure.

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

Veterans Compensation Cost-of-Living Adjustment Act of 1999

The bill would increase the amounts paid to veterans for disability compensation and to their survivors for dependency and indemnity compensation by the same cost-of-living adjustment (COLA) payable to Social Security recipients. The increase would take effect on December 1, 1999, and the results of the adjustment would be rounded to the next lower dollar. However, the COLA is assumed in the budget resolution baseline, pursuant to section 257 of the Balanced Budget and Emergency Deficit Control Act, and savings from rounding it down were achieved by the Balanced Budget Act of 1997 (Public Law 105–33). As a result, the bill would have no budgetary effect relative to the baseline. Relative to current law, enacting this bill would increase spending for these programs by about \$360 million in 2000 and about \$360 million in 2000 and about \$480 million a year thereafter.

The bill contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would not affect the budgets of state, local or tribal governments. The estimate was prepared by Charles Riemann. This estimate

The estimate was prepared by Charles Riemann. This estimate was approved by Robert A. Sunshine, Deputy Assistant Director for Budget Analysis.

REGULATORY IMPACT STATEMENT

In compliance with paragraph 11(b) of rule XXVI of the Standing Rules of the Senate, the Committee on Veterans' Affairs has made an evaluation of the regulatory impact that would be incurred in carrying out the Committee bill. The Committee finds that the Committee bill would not entail any regulation of individuals or businesses or result in any impact on the personal privacy of any individuals and that the paperwork resulting from enactment would be minimal.

TABULATION OF VOTES CAST IN COMMITTEE

In compliance with paragraph 7 of rule XXVI of the Standing Rules of the Senate, the following is a tabulation of votes cast in person or by proxy by members of the Committee on Veterans' Affairs at its June 23, 1999, meeting. On that date, the Committee, by unanimous voice vote, ordered S. 1393, an original bill to provide a cost-of-living adjustment in rates of compensation paid to veterans with service-connected disabilities, to amend title 38, United States Code, to codify the previous cost-of-living adjustment in such rates, and for other purposes, reported favorably to the Senate.

AGENCY REPORT

On May 20, 1999, the Honorable Togo D. West, Jr., Secretary of Veterans Affairs, appeared before the Committee and submitted testimony on, among other things, certain provisions of S. 1076. Excerpts from these statements are reprinted below:

STATEMENT OF TOGO D. WEST, JR., SECRETARY OF VETERANS AFFAIRS

Good afternoon, Mr. Chairman and Members of the Committee: It is a pleasure for me to appear before you to provide our Department's views on the various proposals that comprise today's agenda. These include S. 555 and S. 695, which deal with education and burial benefits, respectively, and S. 940, an Administration bill you introduced on our behalf which we view as critical to our having an organizational structure needed to accomplish VA's mission as we enter the next millennium. You also asked that we testify on the provisions of a draft omnibus Committee bill you plan to introduce.

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OMNIBUS DRAFT BILL

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Turning now to the draft Committee bill, I want to provide the following comments on selected provisions that I will identify by their associated section numbers and headings as they appear in the draft summary we were furnished.

TITLE I—COMPENSATION COST-OF-LIVING ADJUSTMENT

Subtitle A—Compensation Cost-of-Living Adjustment (Secs. 102 and 103)

Sections 102 and 103 of the draft bill would direct the Secretary of Veterans Affairs to increase administratively the rates of compensation for service-disabled veterans and of dependency and indemnity compensation (DIC) for the survivors of veterans whose deaths are service related, effective December 1, 1999. The President's fiscal year 2000 budget submission proposes a cost of living adjustment (COLA) for compensation and DIC recipients at the same rate of increase as the COLA that will be provided under current law to veterans' pension and Social Security recipients, which is currently estimated to be 2.4 percent. Pursuant to sections 1104(a) and 1303(a) of title 38, United States Code, in determining the new rates, we would be required to round any fractional dollar amounts to the next lower whole dollar. We believe this proposed COLA is necessary and appropriate in order to protect the affected benefits from the eroding effects of inflation. Therefore, we strongly support its enactment.

We estimate enactment would cost \$293.3 million during FY 2000 and \$4.97 billion over the period FY's 2000–2004.

Subtitle B—Compensation Rate Amendments (Secs. 111 through 116)

Sections 111 through 116 of the draft bill would amend appropriate sections of title 38, United States Code, to codify the rates of disability compensation and DIC that were increased, effective December 1, 1998, pursuant to section 1101 of Public Law 105–368. We support the enactment of this provision.

* * * * * * *

CHANGES IN EXISTING LAW MADE BY THE COMMITTEE BILL, AS REPORTED

In compliance with paragraph 12 of Rule XXVI of the Standing Rules of the Senate, changes in existing law made by the Committee bill, as reported, 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):

TITLE 38, UNITED STATES CODE

* * * * * * *

PART II—GENERAL BENEFITS

CHAPTER 11—COMPENSATION FOR SERVICE-CONNECTED DISABILITY OR DEATH

* * * * * *

Subchapter II—Wartime Disability Compensation

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§1114. Rates of wartime disability compensation

For the purposes of section 1110 of this title—

*

(a) if and while the disability is rated 10 percent the monthly compensation shall be [\$95] \$96;

(b) if and while the disability is rated 20 percent the monthly compensation shall be [\$182] \$184;

(c) if and while the disability is rated 30 percent the monthly compensation shall be [\$279] *\$282;*

(d) if and while the disability is rated 40 percent the monthly compensation shall be [\$399] \$404;

(e) if and while the disability is rated 50 percent the monthly compensation shall be [\$569] \$576;

(f) if and while the disability is rated 60 percent the monthly compensation shall be [\$717] *\$726;*

(g) if and while the disability is rated 70 percent the monthly compensation shall be [\$905] *\$916;*

(h) if and while the disability is rated 80 percent the monthly compensation shall be [\$1,049] \$1,062;

(i) if and while the disability is rated 90 percent the monthly compensation shall be [\$1,181] \$1,196;

(j) if and while the disability is rated as total the monthly compensation shall be [\$1,964] \$1,989;

(k) if the veteran, as the result of service-connected disability, has suffered the anatomical loss or loss of use of one or more creative organs, or one foot, or one hand, or both buttocks, or blindness of one eye, having only light perception, or has suffered complete organic aphonia with constant inability to communicate by speech, or deafness of both ears, having absence of air and bone conduction, the rate of compensation therefor shall be \$75 per month for each such loss or loss of use independent of any other compensation provided in subsections (a) through (j) or subsection (s) of this section but in no event to exceed [\$2,443] \$2,474 per month; and in the event the veteran has suffered one or more of the disabilities heretofore specified in this subsection, in addition to the requirement for any of the rates specified in subsections (l) through (n) of this section, the rate of compensation shall be increased by \$75 per month for each such loss or loss of use, but in no event to exceed [\$3,426] \$3,470 per month;

(1) if the veteran, as the result of service-connected disability, has suffered the anatomical loss or loss of use of both feet, or of one hand and one foot, or is blind in both eyes, with 5/200 visual acuity or less, or is permanently bedridden or so helpless as to be in need of regular aid and attendance, the monthly compensation shall be [\$2,443] \$2,474;

(m) if the veteran, as the result of service-connected disability, has suffered the anatomical loss or loss of use of both hands, or of both legs at a level, or with complications, preventing natural knee action with prostheses in place, or of one arm and one leg at levels, or with complications, preventing natural elbow and knee action with prostheses in place, or has suffered blindness in both eyes having only light perception, or has suffered blindness in both eyes, rendering such veteran so helpless as to be in need of regular aid and attendance, the monthly compensation shall be [\$2,694] \$2,729;

(n) if the veteran, as the result of service-connected disability, has suffered the anatomical loss or loss of use of both arms at levels, or with complications, preventing natural elbow action with prostheses in place, has suffered the anatomical loss of both legs so near the hip as to prevent the use of prosthetic appliances, or has suffered the anatomical loss of one arm and one leg so near the shoulder and hip as to prevent the use of prosthetic appliances, or has suffered the anatomical loss of both eyes, or has suffered blindness without light perception in both eyes, the monthly compensation shall be [\$3,066] \$3,105;

(o) if the veteran, as the result of service-connected disability, has suffered disability under conditions which would entitle such veteran to two or more of the rates provided in one or more subsections (l) through (n) of this section, no condition being considered twice in the determination, or if the veteran has suffered bilateral deafness (and the hearing impairment in either one or both ears is service connected) rated at 60 percent or more disabling and the veteran has also suffered service-connected total blindness with 5/200 visual acuity or less, or if the veteran has suffered service-connected total deafness in one ear or bilateral deafness (and the hearing impairment in either one or both ears is service connected) rated at 40 percent or more disabling and the veteran has also suffered service-connected blindness having only light perception or less, or if the veteran has suffered the anatomical loss of both arms so near the shoulder as to prevent the use of prosthetic appli-ances, the monthly compensation shall be [\$3,426] \$3,470;

(p) in the event the veteran's service-connected disabilities exceed the requirements for any of the rates prescribed in this section, the Secretary may allow the next higher rate or an intermediate rate, but in no event in excess of [\$3,426] \$3,470. In the event the veteran has suffered service-connected blindness with 5/200 visual acuity or less and (1) has also suffered bilateral deafness (and the hearing impairment in either one or both ears is service connected) rated at no less than 30 percent disabling, the Secretary shall allow the next higher rate, or (2) has also suffered service-connected total deafness in one ear or service-connected anatomical loss or loss of use of one hand or one foot, the Secretary shall allow the next intermediate rate, but in no event in excess of [\$3,426] \$3,470. In the event the veteran has suffered service-connected blindness, having only light perception or less, and has also suffered bilateral deafness (and the hearing impairment in either one or both ears is service connected) rated at 10 or 20 percent disabling, the Secretary shall allow the next intermediate rate, but in no event in excess of [\$3,426] \$3,470. In the event the veteran has suffered the anatomical loss or loss of use, or a combination of anatomical loss and loss of use, of three extremities, the Secretary shall allow the next higher rate or intermediate rate, but in no event in excess of [\$3,426] \$3,470. Any intermediate rate under this subsection shall be established at the arithmetic mean, rounded down to the nearest dollar, between the two rates concerned;

(q) * * *

(r) subject to section 5503(e) of this title, if any veteran, otherwise entitled to compensation authorized under subsection (o) of this section, at the maximum rate authorized under subsection (p) of this section, or at the intermediate rate authorized between the rates authorized under subsections (n) and (o) of this section and at the rate authorized under subsection (k) of this section, is in need of regular aid and attendance, then, in addition to such compensation—

(1) the veteran shall be paid a monthly aid and attendance allowance at the rate of [\$1,471] \$1,490; or

(2) if the veteran, in addition to such need for regular aid and attendance, is in need of a higher level of care, such veteran shall be paid a monthly aid and attendance allowance at the rate of [\$2,190] \$2,218, in lieu of the allowance authorized in clause (1) of this subsection, if the Secretary finds that the veteran, in the absence of the provision of such care, would require hospitalization, nursing home care, or other residential institutional care. For the purposes of clause (2) of this subsection, need for a higher level of care shall be considered to be need for personal health-care services provided on a daily basis in the veteran's home by a person who is licensed to provide such services or who provides such services under the regular supervision of a licensed health-care professional. The existence of the need for such care shall be determined by a physician employed by the Department or, in areas where no such physician is available, by a physician carrying out such function under contract or fee arrangement based on an examination by such physician. For the purposes of section 1134 of this title, such allowance shall be considered as additional compensation payable for disability.

(s) if the veteran has a service-connected disability rated as total, and (1) has additional service-connected disability or disabilities independently ratable at 60 percent or more, or, (2) by reason of such veteran's service-connected disability or disabilities, is permanently housebound, then the monthly compensation shall be [\$2,199] \$2,227. For the purposes of this subsection, the requirement of "permanently housebound" will be considered to have been met when the veteran is substantially confined to such veteran's house (ward or clinical areas, if institutionalized) or immediate premises due to a service-connected disability or disabilities which it is reasonably certain will remain throughout such veteran's lifetime.

§1115. Additional compensation for dependents

Any veteran entitled to compensation at the rates provided in section 1114 of this title, and whose disability is rated not less than 30 percent, shall be entitled to additional compensation for dependents in the following monthly amounts:

(1) If and while rated totally disabled and—

(A) has a spouse but no child, [\$114] \$115;

(B) has a spouse and one or more children, [\$195] \$197 plus \$60 for each child in excess of one;

(C) has no spouse but one or more children, [\$78] \$79 plus \$60 for each child in excess of one;

(D) has a parent dependent upon such veteran for support, then, in addition to the above amounts, [\$92] \$93 for each parent so dependent;

(E) notwithstanding the other provisions of this paragraph, the monthly payable amount on account of a spouse who is (i) a patient in a nursing home or (ii) helpless or blind, or so nearly helpless or blind as to need or require the regular aid and attendance of another person, shall be [\$215] \$217 for a totally disabled veteran and proportionate amounts for partially disabled veterans in accordance with paragraph (2) of this section; and

(F) notwithstanding the other provisions of this paragraph, the monthly amount payable on account of each child who has attained the age of eighteen years and who is pursuing a course of instruction at an approved educational institution shall be [\$180] \$182 for a totally disabled veteran and proportionate amounts for partially disabled veterans in accordance with paragraph (2) of this section.

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§1162. Clothing allowance

The Secretary under regulations which the Secretary shall prescribe, shall pay a clothing allowance of [\$528] \$534 per year to each veteran who—

(1) * *

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CHAPTER 13—DEPENDENCY AND INDEMNITY COMPENSATION FOR SERVICE-CONNECTED DEATHS

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Subchapter II—Dependency and Indemnity Compensations

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§1311. Dependency and indemnity compensation to a surviving spouse

(a)(1) Dependency and indemnity compensation shall be paid to a surviving spouse at the monthly rate of [\$850] \$861.

(2) The rate under paragraph (1) shall be increased by [\$185] \$187 in the case of the death of a veteran who at the time of death was in receipt of or was entitled to receive (or but for the receipt of retired pay or retirement pay was entitled to receive) compensa-tion for a service-connected disability that was rated totally disabling for a continuous period of at least eight years immediately preceding death. In determining the period of a veteran's disability for purposes of the preceding sentence, only periods in which the veteran was married to the surviving spouse shall be considered.

(3) In the case of dependency and indemnity compensation paid to a surviving spouse that is predicated on the death of a veteran before January 1, 1993, the monthly rate of such compensation shall be the amount based on the pay grade of such veteran, as set forth in the following table, if the amount is greater than the total amount determined with respect to that veteran under paragraphs (1) and (2):

[Pay grade	Monthly rate	Pay grade	Monthly rate
E–1	\$850	W-4	\$1,017
E–2	850	0–1	898
E–3	850	0–2	928
E-4	850	0–3	992
E–5	850	0–4	1,049
Е—6	850	0–5	1,155
E–7	879	0–6	1,302
E-8	928	0–7	1,406
E–9	1 968	0–8	1,541
W-1	898	0–9	1,651
W-2	934	0–10	² 1,811
W–3	962		

¹ If 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 402 of this title, the surviving spouse's rate shall be \$1,044.
² If the veteran served as Chairman or Vice-Chairman of the Joint Chiefs of Staff, 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 402 of this title, the surviving spouse's rate shall be \$1,941.]

Pay grade	Monthly rate	Pay grade	Monthly rate
E-1	\$861	W-4	\$1,030
E–2	861	0–1	909
Е—3	861	0–2	940
E4	861	0–3	1,004
E—5	861	0–4	1,062
Е—6	861	0–5	1,170
Е—7	890	0–6	1,318
Е—8	940	0–7	1,424
Е—9	1 980	0–8	1.561
W-1	909	0–9	1.672
W-2	946	0–10	² 1,834
W-3	974		

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 \$1,057. 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 \$1,966.

(b) If there is a surviving spouse with one or more children below the age of eighteen of a deceased veteran, the dependency and indemnity compensation paid monthly to the surviving spouse shall be increased by [\$215] \$217 for each such child.

(c) The monthly rate of dependency and indemnity compensation payable to a surviving spouse shall be increased by [\$215] \$217 if the spouse is (1) a patient in a nursing home or (2) helpless or blind, or so nearly helpless or blind as to need or require the regular aid and attendance of another person.

(d) The monthly rate of dependency and indemnity compensation payable to a surviving spouse shall be increased by [\$104] \$105 if the surviving spouse is, by reason of disability, permanently housebound but does not qualify for the aid and attendance allowance under subsection (c) of this section. For the purposes of this subsection, the requirement of "permanently housebound" will be considered to have been met when the surviving spouse is substantially confined to such surviving spouse's home (ward or clinical areas, if institutionalized) or immediate premises by reason of a disability or disabilities which it is reasonably certain will remain throughout such surviving spouse's lifetime.

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§1313. Dependency and indemnity compensation to children

(a) Whenever there is no surviving spouse of a deceased veteran entitled to dependency and indemnity compensation, dependency and indemnity compensation shall be paid in equal shares to the children of the deceased veteran at the following monthly rates:

(1) one child, [\$361] *\$365;* (2) two children, [\$520] *\$526;*

(3) three children, [\$675] \$683; and

(4) more than three children, [\$675] \$683, plus [\$132] \$133 for each child in excess of three.

(b) *

§1314. Supplemental dependency and indemnity compensation to children

(a) In the case of a child entitled to dependency and indemnity compensation who has attained the age of eighteen and who, while under such age, became permanently incapable of self-support, the dependency and indemnity compensation paid monthly to such child shall be increased by [\$215] \$217.

(b) If dependency and indemnity compensation is payable monthly to a person as a surviving spouse and there is a child (of such person's deceased spouse) who has attained the age of eighteen and who, while under such age, became permanently incapable of selfsupport, dependency and indemnity compensation shall be paid monthly to each such child, concurrently with the payment of de-pendency and indemnity compensation to the surviving spouse, in the amount of [\$361] \$365.

(c) If dependency and indemnity compensation is payable monthly to a person as a surviving spouse and there is a child (of such person's deceased spouse), who has attained the age of eighteen and who, while under the age of twenty-three, is pursuing a course of instruction at an educational institution approved under section 104 of this title, dependency and indemnity compensation shall be paid monthly to each such child, concurrently with the payment of dependency and indemnity compensation to the surviving spouse, in the amount of [\$182] \$184.

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