

VETERANS BENEFITS ACT OF 2000

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JULY 24, 2000.—Committed to the Committee of the Whole House on the State of
the Union and ordered to be printed
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Mr. STUMP, from the Committee on Veterans' Affairs,
submitted the following

R E P O R T

[To accompany H.R. 4850]

[Including cost estimate of the Congressional Budget Office]

The Committee on Veterans' Affairs, to whom was referred the bill (H.R. 4850) to provide a cost-of-living adjustment in rates of compensation paid to veterans with service-connected disabilities, to enhance programs providing compensation and life insurance benefits for veterans, and for other purposes, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

INTRODUCTION

The reported bill reflects the Committee's consideration of several bills introduced during the 106th Congress, to include H.R. 3816, H.R. 3998, H.R. 4131, and H.R. 4376.

On April 13, 2000, the Subcommittee on Benefits held a hearing and considered, among other matters, H.R. 3816, H.R. 3998, and H.R. 4131.

On July 13, 2000, the Chairman and Ranking Member, the Honorable Bob Stump and the Honorable Lane Evans, along with the Chairman and Ranking Member of the Subcommittee on Benefits, the Honorable Jack Quinn and the Honorable Bob Filner, introduced H.R. 4850, which contains provisions from H.R. 3816, H.R. 3998, H.R. 4131, and H.R. 4376.

On July 18, 2000, the Subcommittee on Benefits ordered H.R. 4850 reported favorably to the full Committee.

On July 20, 2000, H.R. 4850 was ordered reported favorably by the full Committee to the House.

SUMMARY OF THE REPORTED BILL

H.R. 4850 would:

TITLE I: ANNUAL COMPENSATION INCREASE

1. Increase the rates, effective December 1, 2000, of disability compensation for veterans with service-connected disabilities and the rates of dependency and indemnity compensation for survivors of certain disabled veterans.

TITLE II: BENEFITS IMPROVEMENTS

1. Provide that a stroke or heart attack that is incurred or aggravated by a member of a reserve component in the performance of duty while performing inactive duty training shall be considered to be service-connected for purposes of benefits under laws administered by the Secretary of Veterans Affairs.

2. Provide an additional special monthly compensation for the service-connected loss of one or both breasts due to a radical mastectomy shall be the same as the rate for the service-connected loss or loss of use of one or more creative organs.

TITLE III: VETERANS LIFE INSURANCE

1. Permit certain members of the Individual Ready Reserve to participate in the Servicemembers' Group Life Insurance program.

BACKGROUND AND DISCUSSION

There were 2.6 million veterans receiving disability compensation as of May 2000. The Department of Veterans Affairs expects expenditures for disability compensation to be \$15 billion for fiscal year 2000. The basic purpose of the disability compensation program is to provide a measure of relief from the impaired earning capacity of veterans disabled as the result of their military service. The amount of compensation payable varies according to the degree of disability, which, in turn, is required by law to represent, to the extent practicable, the average loss of earning capacity resulting from such disability or combination of disabilities in civil occupations.

To be eligible to receive disability compensation, a veteran must have contracted a disease, suffered an injury which is not the result of willful misconduct, or aggravated an existing disease or injury in the line of duty during active duty service, and have been discharged under other than dishonorable conditions.

The responsibility for determining a veteran's entitlement to service connection for a disability rests solely with the Department of Veterans Affairs.

DEPENDENCY AND INDEMNITY COMPENSATION FOR SURVIVORS OF
VETERANS WHO HAVE DIED OF SERVICE-CONNECTED CAUSES

As of May 2000, there were 286,302 surviving spouses and 32,416 children receiving dependency and indemnity compensation (DIC). VA expects DIC expenditures of \$3.5 billion in fiscal year 2000. Widows and children of veterans who died of causes determined to be service-connected are entitled to receive monthly DIC.

The purpose of this benefit, authorized under chapter 13 of title 38, is to provide partial compensation to the appropriate survivors for the loss in financial support due to the service-connected death. Income and need are not factors in determining a surviving spouse's or child's entitlement since the Nation assumes, in part, the legal and moral obligation of the veteran to support the spouse and children.

In 1992, Congress reformed the manner in which payments of DIC are made. Under current law, for death occurring on and after January 1, 1993, a base rate of \$881 per month is payable to a surviving spouse. Such amount is increased by \$191 if the veteran suffered from a service-connected disability which was rated 100 percent for a period of eight years immediately preceding death and if the veteran and surviving spouse were continuously married during that period. For service-connected deaths occurring prior to January 1, 1993, payment of DIC is made on the basis of the veteran's military pay grade if the result would be a higher benefit level than under the new payment structure. Rates for these "grandfathered" surviving spouses range from \$881 for the spouse of an E-6 to \$1,878 for the surviving spouse of an O-10. Surviving spouses are currently entitled to an additional \$222 per month for each child.

There is an additional allowance, currently \$222 monthly, which is payable to eligible surviving spouses who are patients in a nursing home or who are in need of the regular aid and attendance of another person.

If there is no surviving spouse receiving dependency and indemnity compensation benefits but there is a surviving child, the child is currently entitled to \$373 monthly with additional benefits for other children with certain limits due to age, disability, and status as a student.

TITLE I: ANNUAL COMPENSATION INCREASE

This section would direct VA to compute and provide increases in the monthly rates of compensation and DIC, effective December 1, 2000. The rates would be increased by the same percentage as the Social Security cost-of-living adjustment (COLA) that will take effect on that date. If the increase does not result in a whole dollar amount, it shall be rounded down to the next lower dollar amount. This section would provide a full COLA for both old- and new-law DIC recipients. The Committee is following its recent practice of setting the COLA by reference to the yet-to-be determined Social Security increase.

The Committee annually 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 annually to provide a cost-of-living adjustment (COLA) in compensation and DIC benefits. The Congress has provided annual increases in these rates for every fiscal year since 1976.

TITLE II: BENEFITS IMPROVEMENTS

Presumption of Service Connection For Heart Attack or Stroke Suffered by a Member of a Reserve Component in the Performance of Duty While Performing Inactive Duty Training

This section would require the Department of Veterans Affairs to treat claims for strokes or heart attacks that occur in the line of duty during inactive duty training as service-connected. Reservists or guardsmen who suffer one of these conditions would become eligible for veterans benefits and services. Their survivors would also become eligible for benefits. Inactive duty training generally means the training reservists and guardsmen perform on weekends.

Under current law, guardsmen and reservists who sustain an injury during inactive duty training are eligible for certain veterans' benefits. They are not eligible to receive disability compensation for a disease condition that is incurred or aggravated during such training. The U.S. Court of Appeals for the Federal Circuit has upheld VA General Counsel precedent that a heart attack is the result of disease, not injury.

This provision does not change the distinction between injury and disease. Rather, it recognizes that certain non-traumatic physiological events or episodes during required periods of Inactive Duty for Training, such as the strain of unaccustomed exertion, may result in disability or death through heart attack or stroke.

Special Monthly Compensation For Service-Connected Loss of One or Both Breasts Due to Mastectomy

This section would authorize special monthly compensation under title 38, United States Code, section 1114(k), for the service-connected loss of one or both breasts due to a radical mastectomy or modified radical mastectomy. Section 1114(k) authorizes a special rate of compensation if a 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 loss of the ability to speak, or deafness of both ears. The current monthly award is \$76 for each such loss or loss of use. The special monthly compensation is payable in addition to the compensation payable by reason of ratings assigned under the rating schedule.

From a review of past changes to this subsection, it appears that Congress has singled out specific disabilities for this additional benefit because they 1) generally involve visible damage which may be thought to stigmatize the disabled veteran; 2) may limit social opportunities or interactions in a way that were not considered to be adequately compensated; or 3) involve personal or social impairments of an extreme nature. A recommendation to provide this additional compensation for the loss of a breast was included in the VA Advisory Committee on Women Veterans 1998 Report to Congress. It recognizes that a radical or modified mastectomy frequently results in severe physical disfigurement that necessitates major reconstructive surgery, the use of prosthetics, or both. Additionally, temporary or permanent limitation of the use of the arm and shoulder may follow the surgery. In addition to the loss of

physical integrity, the loss of a breast to a woman—the fastest growing population of VA eligible veterans in America—is the loss of an identifying feature, a secondary sex characteristic and a part of her persona as a female.

TITLE III: VETERANS LIFE INSURANCE

The Servicemembers' Group Life Insurance (SGLI) program began in 1965 for Vietnam-era servicemembers and continues today. SGLI, while supervised by VA, is administered in large part by the Department of Defense and, for claims purposes, by Prudential's Office of Servicemembers' Group Life Insurance (OSGLI). It provides up to \$200,000 of life insurance coverage to members of the uniformed services (active duty, reservists, commissioned members of the Public Health Service and National Oceanic & Atmospheric Administration, and the four military service academies). There are approximately 2.4 million members covered under the SGLI program.

At the time each member enters the uniformed services, they are automatically covered by the maximum SGLI but can opt out, or lower coverage, only in writing. The uniformed services are responsible for premiums payments and get reimbursed by the individual members.

Eligibility of Certain Members of the Individual Ready Reserve for Servicemembers' Group Life Insurance

Section 301 would provide those members of the Individual Ready Reserve (IRR) who are subject to involuntary call-up authority to enroll in the Servicemembers' Group Life Insurance (SGLI) program. These IRR members have been identified as such critical manpower assets in the Services' mobilization planning systems that their involuntary call to active duty under a Presidential Reserve Call-up may occur prior to many Selected Reserve members being involuntarily called to active duty. Eligibility for SGLI is one of the few benefits that can be offered under the current statutes to these servicemembers, who are critical in the event of a national emergency or war. Expanding the pool of eligible members will also provide for a greater participation in the current SGLI program.

This provision is consistent with section 511 of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105-85) that established this new category within the IRR with the requirement in section 511, which states: "(4) A member in such mobilization category shall be eligible for benefits (other than pay and training) as are normally available to members of the Selected Reserve, as determined by the Secretary of the Defense."

SECTION-BY-SECTION ANALYSIS

Section 1 would be cited as the "Veterans Benefits Act of 2000".

Section 101(a) would authorize the Secretary of Veterans Affairs to increase, effective December 1, 2000, the dollar amounts in effect for the payment of disability compensation and dependency and indemnity compensation.

Section 101(b) would specify the programs to receive increased dollar amounts: compensation, additional compensation for dependents, clothing allowance, new DIC rates, old DIC rates, additional

DIC for surviving spouses with minor children, additional DIC for disability, and DIC for dependent children.

Section 101(c)(1) would increase the dollar amounts for those specified in subsection (b) based on the amount in effect on November 30, 2000. Each amount shall be increased by the same percentage by which benefits are increased under title II of the Social Security Act (42 U.S.C. 401 et seq.).

Section 101(c)(2) would round down to the next lower dollar amount all compensation and DIC benefits, when the amount is not a whole dollar amount.

Section 101(d) would provide a special rule authorizing the Secretary of Veterans Affairs to adjust administratively, consistent with the increases made under subsection (a), the rates of disability compensation payable to persons within the purview of section 10 of Public Law 85–857, who are not in receipt of compensation payable pursuant to chapter 11 of title 38, United States Code.

Section 102 would require the Secretary of Veterans Affairs to publish in the Federal Register the amounts specified in subsection (b), as increased pursuant to that section.

Section 201(a) would amend section 101(24) of title 38, United States Code, to include an acute myocardial infarction, a cardiac arrest, or a cerebrovascular accident resulting in disability or death and occurring during any period of inactive duty training for the purposes of benefits administered by VA.

Section 202 would amend section 1114(k) of title 38, United States Code, by making eligible for special monthly compensation the service-connected loss of one or both breasts due to a radical mastectomy or modified radical mastectomy.

Section 301(a) would amend section 1965(5) of title 38, United States Code, by extending eligibility for the Servicemembers' Group Life Insurance program to a person who volunteers for assignment to a mobilization category in the Individual Ready Reserve, as defined in section 12304(i)(1) of title 10, United States Code.

Section 301(b) makes conforming amendments to sections 1967(a), 1968(a), and 1969(a)(2)(A) of title 38, United States Code.

Section 301(c) would provide an effective date of October 1, 2000, for section 301.

OVERSIGHT FINDINGS

No oversight findings have been submitted to the Committee by the Committee on Government Reform and Oversight.

STATEMENT OF ADMINISTRATION'S VIEWS

The Administration's proposed fiscal year 2000 budget request, submitted in February, 2000, recommended an increase based on the change in the Consumer Price Index (CPI) be given to all compensation beneficiaries, including DIC spouses and children, effective December 1, 2000. The estimated increase in the CPI at that time was 2.5 percent.

At a Subcommittee on Benefits hearing on April 13, 2000, the Administration testified in support of a cerebrovascular accident or an acute myocardial infarction occurring during inactive duty training as a disability incurred in the line of duty, and for pro-

viding special monthly compensation for the service-connected loss of one or both breasts due to radical mastectomy.

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

The following letter was received from the Congressional Budget Office concerning the cost of the reported bill:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, July 21, 2000.

Hon. BOB STUMP,
*Chairman, Committee on Veterans' Affairs,
House of Representatives, Washington, DC.*

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for H.R. 4850, the Veterans Benefits Act of 2000.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contacts are Evan Christman and Michelle Patterson.

Sincerely,

DAN L. CRIPPEN, *Director.*

Enclosure.

H.R. 4850—Veterans Benefits Act of 2000

Summary: H.R. 4850 contains provisions that would affect a range of veterans' programs, including life insurance, disability compensation, and dependency and indemnity compensation. CBO estimates that enacting the bill would increase direct spending by about \$1 million in 2001, \$6 million over the 2001–2005 period, and \$17 million over the 2001–2010 period.

The bill also 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. Because the COLA authorized by the bill is assumed in the budget resolution baseline, the bill have no budgetary effect relative to the baseline. Relative to current law, CBO estimates that enacting this bill would increase spending for these programs by about \$349 million in 2001 and \$465 million a year thereafter.

Because H.R. 4850 would affect direct spending, pay-as-you-go procedures would apply. H.R. 4850 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would impose no costs on state, local, or tribal governments.

Estimated cost to the Federal Government: The estimated budgetary impact of H.R. 4850 is shown in the following table. The costs of the bill fall within budget function 700 (veterans benefits and services).

	By fiscal year, in millions of dollars—					
	2000	2001	2002	2003	2004	2005
DIRECT SPENDING						
Spending under current law for disability compensation:						
Estimated budget authority	18,893	19,801	20,577	21,279	21,960	24,447

	By fiscal year, in millions of dollars—					
	2000	2001	2002	2003	2004	2005
Estimated outlays	18,816	19,719	20,505	21,215	21,898	24,377
Proposed changes:						
Estimated budget authority	0	1	1	1	1	2
Estimated outlays	0	1	1	1	1	2
Spending Under H.R. 4850 for disability compensation						
Estimated budget authority	18,893	19,802	20,578	21,280	21,961	24,449
Estimated outlays	18,816	19,720	20,506	21,216	21,899	24,379

Direct spending

The bill has four provisions that would affect direct spending.

Cost of Living Adjustment.—Section 101 would increase the amounts paid to veterans for disability compensation and to their survivors for dependency and indemnity compensation by the same COLA payable to Social Security recipients. The increase would take effect on December 1, 2000, and the results of the adjustment would be rounded to the next lower dollar.

The COLA that would be authorized by this bill 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, CBO estimates that enacting this bill would increase spending for these programs by about \$349 million in 2001 and \$465 million a year thereafter. This estimate assumes that the COLA effective on December 1, 2000, would be 2.4 percent.

Disability Benefits for Certain Members of the Reserves.—Section 201 would extend eligibility for certain veterans' benefits to members of the National Guard and the other reserve components if they suffer a stroke or heart attack during inactive-duty training. (Inactive-duty training generally means the training reservists and guardsmen do on weekends.) Under current law, guardsmen and reservists who sustain an injury during inactive-duty training are eligible for certain veterans' benefits. They are not eligible, however, to receive disability compensation for a disease condition that is incurred or aggravated during such training. H.R. 4850 would require the Department of Veterans Affairs (VA) to treat claims for strokes or heart attacks that occur during inactive-duty training, or during travel to and from training duty, as it would an injury. Reservists or guardsmen who suffer one of those conditions would become eligible for various veterans' benefits and services. Their survivors would also become eligible for benefits. CBO estimates that added annual costs for veterans' entitlements, mainly disability compensation, would be less than \$500,000 initially and would gradually grow to about \$2 million by 2010.

Information about the incidence of heart attack or stroke during inactive-duty training is limited. Based on data from the Department of Defense (DoD), CBO estimates that each year about 10 members of the reserve components would meet the requirements for benefits under the bill and that about 200 individuals would be eligible at the start of 2000. CBO assumes that one-fourth of the initial 200 potential beneficiaries would apply and receive benefits. We expect that participation would be limited for that group for

two reasons. First, many of those veterans would not apply because they would not become aware of any change in benefits. (Participation among newly eligible beneficiaries in the future would be nearly 100 percent.) Second, CBO believes that about 30 percent of the individuals covered by the bill already receive disability benefits from DoD and would be precluded under current law from receiving the VA benefit concurrently. Because CBO expects that their annuity from DoD would exceed the benefit from VA, CBO does not estimate an additional cost for those people.

CBO estimates that 23 to 43 survivors would receive a benefit each year over the 2001–2010 period, assuming participation rates are similar to those for veterans. Survivors at the time of enactment would participate at a lower rate than survivors in later years.

Based on data from VA, CBO estimates that the average disability payment under the bill for a veteran would be about \$8,000 a year and that the average benefit for a survivor would be about \$12,000. Both benefits are assumed to increase by an annual cost-of-living adjustment.

Compensation Related to Radical Mastectomy.—Section 202 would provide additional disability compensation to veterans who suffer a service-connected loss of one or both breasts due to a mastectomy. Under current law, veterans who lose certain body parts or sensory or vocal capabilities because of a service-connected condition are entitled to special monthly compensation of \$76 a month in 2000 for each eligible impairment. (Current law does not provide an automatic annual cost-of-living adjustment. However, one is usually provided in legislation each year, and current law calls for CBO to assume an adjustment to the baseline. Consequently, CBO assumes an annual adjustment for purposes of this estimate.) H.R. 4850 would authorize these special payments for veterans who have lost one or both breasts due to a radical or modified radical mastectomy that is related to a service-connected condition.

CBO estimates that about 350 veterans are currently receiving disability payments for these type of mastectomies, and based on data from VA, about 35 new beneficiaries are added every year. Over the 2001–2004 period, the new payments would cost less than \$500,000 annually. From 2005 through 2010, annual spending would be over \$500,000 but less than \$1 million.

Servicemembers' Group Life Insurance.—All individuals on active duty and members of the National Guard and Selected Reserve are currently eligible for Servicemembers' Group Life Insurance (SGLI). Enrolled service members pay a monthly premium and can opt for coverage up to \$200,000. Once servicemembers leave the service, they may continue coverage under the Veterans' Group Life Insurance program. Section 301 would extend eligibility for SGLI to certain members of the Individual Ready Reserve (IRR).

Under current law, the Department of Defense may offer members of the IRR the option to be placed in a mobilization category that makes them eligible to be called to active duty. Veterans can remain in this category for up to two years from the date they left the service. According to information from DoD, about 200 people are in this mobilization category at any one time. H.R. 4850 would make the veterans in this mobilization category eligible for life insurance under the SGLI program. Based on expected mortality

among individuals in this group and the current size of the program, CBO estimates that the cost of this provision would be less than \$500,000 a year.

Spending subject to appropriation

Veterans who have service-connected disabilities are also eligible to enroll with a relatively high priority for medical care from VA. Section 201 would increase the number of veterans eligible for such a priority. Because the number of veterans affected by section 201 is small, and not all of them would seek medical care from VA, CBO estimates that the costs to VA for the added medical care would be insignificant.

Pay-as-you-go considerations: The Balance Budget and Emergency Deficit Control Act sets up pay-as-you-go procedures for legislation affecting direct spending or receipts. The net changes in outlays that are subject to pay-as-you-go procedures are shown in the following table. For the purposes of enforcing pay-as-you-go procedures, only the effects in the current year, the budget year, and the succeeding four years are counted.

	By fiscal year, in millions of dollars—									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Changes in outlays	1	1	1	1	2	2	2	2	2	2
Changes in receipts					Not applicable					

Intergovernmental and private-sector impact: H.R. 4850 contains no intergovernmental or private-sector mandates as defined in UMRA and would impose no costs on state, local, or tribal governments.

Previous CBO estimate: CBO prepared estimates for three bills that contain provisions that are similar or identical to provisions in H.R. 4850. On June 23, 2000, CBO prepared a cost estimate for H.R. 4131, which contained a provision on COLAs comparable to section 101. On April 27, 2000, CBO prepared a cost estimate for H.R. 3816, which contained a provision on benefits for reservists who suffer a stroke or heart attack during inactive-duty training comparable to section 201 of H.R. 4850. On April 3, 2000, CBO prepared a cost estimate for H.R. 3998, which contained a provision for compensation for a service-connected loss for one or both breasts comparable to section 202 of H.R. 4850. The estimated cost of those three bills and the corresponding sections of H.R. 4850 are the same.

Estimate prepared by: Federal costs: Evan Christman and Michelle Patterson; impact on State, local, and tribal governments: Susan Sieg Tompkins; impact on the private sector: Rachel Schmidt.

Estimate approved by: Robert A. Sunshine, Assistant Director for Budget Analysis.

INFLATIONARY IMPACT STATEMENT

The enactment of the reported bill would have no inflationary impact.

APPLICABILITY TO LEGISLATIVE BRANCH

The reported bill would not be applicable to the legislative branch under the Congressional Accountability Act, Public Law 104-1, because the bill would only affect certain Department of Veterans Affairs benefits recipients.

STATEMENT OF FEDERAL MANDATES

The reported bill would not establish a federal mandate under the Unfunded Mandates Reform Act, Public Law 104-4.

STATEMENT OF CONSTITUTIONAL AUTHORITY

Pursuant to Article I, section 8 of the U.S. Constitution, the reported bill would be authorized by Congress' power "[T]o provide for the common Defense and general Welfare of the United States."

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3(e) of rule XIII of the Rules of the House of Representatives, changes in existing law made by the 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

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PART I—GENERAL PROVISIONS

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CHAPTER 1—GENERAL

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§ 101. Definitions

For the purposes of this title—

(1) * * *

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[(24) The term “active military, naval, or air service” includes active duty, any period of active duty for training during which the individual concerned was disabled or died from a disease or injury incurred or aggravated in line of duty, and any period of inactive duty training during which the individual concerned was disabled or died from an injury incurred or aggravated in line of duty.]

(24) *The term “active military, naval, or air service” includes—*

(A) *active duty;*

(B) *any period of active duty for training during which the individual concerned was disabled or died from a disease or injury incurred or aggravated in line of duty; and*

(C) *any period of inactive duty training during which the individual concerned was disabled or died—*

(i) *from an injury incurred or aggravated in line of duty;*

or

(ii) from an acute myocardial infarction, a cardiac arrest, or a cerebrovascular accident occurring during such training.

* * * * *

§ 106. Certain service deemed to be active service

(a) * * *

* * * * *

(d)(1) For the purposes of this title, any individual—

[(1)] (A) who, when authorized or required by competent authority, assumes an obligation to perform active duty for training or inactive duty training; and

[(2)] (B) who is disabled or dies from an injury or covered disease incurred while proceeding directly to or returning directly from such active duty for training or inactive duty training, as the case may be;

shall be deemed to have been on active duty for training or inactive duty training, as the case may be, at the time such injury or covered disease was incurred.

(2) In determining whether or not such individual was so authorized or required to perform such duty, and whether or not such individual was disabled or died from injury or covered disease so incurred, the Secretary shall take into account the hour on which such individual began so to proceed or to return; the hour on which such individual was scheduled to arrive for, or on which such individual ceased to perform, such duty; the method of travel employed; the itinerary; the manner in which the travel was performed; and the immediate cause of disability or death.

(3) Whenever any claim is filed alleging that the claimant is entitled to benefits by reason of this subsection, the burden of proof shall be on the claimant.

(4) For purposes of this subsection, the term “covered disease” means any of the following:

(A) Acute myocardial infarction.

(B) A cardiac arrest.

(C) A cerebrovascular accident.

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PART II—GENERAL BENEFITS

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CHAPTER 11—COMPENSATION FOR SERVICE-CONNECTED DISABILITY OR DEATH

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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) * * *

* * * * *

(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 or both breasts due to a radical mastectomy or modified radical mastectomy, 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 \$76 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 \$2,533 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 \$76 per month for each such loss or loss of use, but in no event to exceed \$3,553 per month;

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CHAPTER 19—INSURANCE

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SUBCHAPTER III—SERVICEMEMBERS' GROUP LIFE INSURANCE

§ 1965. Definitions

For the purpose of this subchapter—

(1) * * *

* * * * *

(5) The term “member” means—

(A) * * *

(B) a person who volunteers for assignment to the Ready Reserve of a uniformed service and is assigned to a unit or position in which such person may be required to perform active duty, or active duty for training, and each year will be scheduled to perform at least twelve periods of inactive duty training that is creditable for retirement purposes under chapter 1223 of title 10 (or under chapter 67 of that title as in effect before the effective date of the Reserve Officer Personnel Management Act); **[and]**

(C) a person who volunteers for assignment to a mobilization category in the Individual Ready Reserve, as defined in section 12304(i)(1) of title 10; and

[(C)] *(D) a member, cadet, or midshipman of the Reserve Officers Training Corps while attending field training or practice cruises.*

* * * * *

§ 1967. Persons insured; amount

(a) Any policy of insurance purchased by the Secretary under section 1966 of this title shall automatically insure against death—

(1) * * *

(2) any member of the Ready Reserve of a uniformed service who meets the qualifications set forth in [section 1965(5)(B) of this title] *subparagraphs (B) or (C) of section 1965(5) of this title*;

in the amount of \$200,000, unless such member elects in writing (A) not to be insured under this subchapter, or (B) to be insured in an amount less than \$200,000 that is evenly divisible by \$10,000. The insurance shall be effective the first day of active duty or active duty for training, or the beginning of a period of inactive duty training scheduled in advance by competent authority, or the first day a member of the Ready Reserve meets the qualifications set forth in [section 1965(5)(B) of this title] *subparagraphs (B) or (C) of section 1965(5) of this title*, or the date certified by the Secretary to the Secretary concerned as the date Servicemembers' Group Life Insurance under this subchapter for the class or group concerned takes effect, whichever is the later date.

* * * * *

§ 1968. Duration and termination of coverage; conversion

(a) Each policy purchased under this subchapter shall contain a provision, in terms approved by the Secretary, to the effect that any insurance thereunder on any member of the uniformed services, unless discontinued or reduced upon the written request of the insured (or discontinued pursuant to section 1969(a)(2)(B) of this title), shall continue in effect while the member is on active duty, active duty for training, or inactive duty training scheduled in advance by competent authority during the period thereof, or while the member meets the qualifications set forth in [section 1965(5)(B) of this title] *subparagraphs (B) or (C) of section 1965(5) of this title*, and such insurance shall cease—

(1) * * *

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(4) with respect to a member of the Ready Reserve of a uniformed service who meets the qualifications set forth in [section 1965(5)(B) of this title] *subparagraphs (B) or (C) of section 1965(5) of this title*, 120 days after separation or release from such assignment, unless on the date of such separation or release the member is totally disabled, under criteria established by the Secretary, in which event the insurance shall cease one year after the date of separation or release from such assignment, or on the date the insured ceases to be totally disabled, whichever is the earlier date, but in no event before the end of 120 days after separation or release from such assignment.

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§ 1969. Deductions; payment; investment; expenses

(a)(1) * * *

(2)(A) During any month in which a member is assigned to the Ready Reserve of a uniformed service under conditions which meet the qualifications of [section 1965(5)(B) of this title] *subparagraphs (B) or (C) of section 1965(5) of this title*, or is assigned to the Retired Reserve and meets the qualifications of section 1965(5)(D) of this title, and is insured under a policy of insurance purchased by the Secretary, under section 1966 of this title, there shall be contributed from the appropriation made for active duty pay of the uniformed service concerned an amount determined by the Secretary (which shall be the same for all such members) as the share of the cost attributable to insuring such member under this policy, less any costs traceable to the extra hazards of such duty in the uniformed services. Any amounts so contributed on behalf of any individual shall be collected by the Secretary concerned from such individual (by deduction from pay or otherwise) and shall be credited to the appropriation from which such contribution was made.

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