

**STATEMENT OF
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OF THE
DISABLED AMERICAN VETERANS
BEFORE THE
COMMITTEE ON VETERANS' AFFAIRS
SUBCOMMITTEE ON BENEFITS
UNITED STATES HOUSE OF REPRESENTATIVES
APRIL 11, 2002**

Mr. Chairman and Members of the Subcommittee:

On behalf of the Disabled American Veterans (DAV), I am pleased to appear before you to testify on H.R. 1108, a bill to provide that remarriage of a veteran's surviving spouse shall not result in termination of Dependency and Indemnity Compensation (DIC); H.R. 2095, the Reservist VA Home Loan Fairness Act of 2001; H.R. 2222, the Veterans Life Insurance Improvement Act of 2001; and H.R. 3731, a bill to increase amounts available to State Approving Agencies.

In accordance with its Constitution and Bylaws, the DAV's legislative focus is on benefits and services for service-connected disabled veterans, their dependents, and survivors. Our legislative agenda is determined by mandates in the form of resolutions adopted by our membership.

Veterans' benefits are provided to family members because they are, or were during the disabled veteran's lifetime, dependent upon the veteran for support. Entitlement to those benefits ends when the dependence ends by reason of age, marriage, or remarriage. Under section 1310 of title 38, United States Code, DIC may be paid to surviving spouses, children, and dependent parents of veterans. Section 1318 of title 38, United States Code, authorizes DIC for surviving spouses and children of veterans whose deaths were preceded by total service-connected disabilities for specified periods. Under section 101(14) of title 38, United States Code, DIC is a benefit paid to a "surviving spouse, child, or parent." Under section 101(3), "surviving spouse" is defined as, among other things, a spouse who "has not remarried," and section 101(4) conditions status as a "child" upon the child being "unmarried." Thus, by definition, DIC, as it pertains to a surviving spouse or child, is a benefit for a survivor who is unmarried. Under section 103(d) of title 38, United States Code, entitlement to DIC revives upon the termination of a disqualifying marriage of a surviving spouse. The purpose of H.R. 1108 is to authorize continuing entitlement to DIC for a surviving spouse who remarries after age 55.

The DAV has no mandate from its membership on this issue, but the purpose of this bill is one beneficial to surviving spouses of disabled veterans, and we therefore have no objection to its favorable consideration.

For most VA home loans, members of the Selected Reserve must pay higher loan fees than servicemembers and veterans subject to the fees. In recognition of the increased role of reserve forces in our national security, H.R. 2095 would extend home loans to

members of the Selected Reserve with the same loan fees charged others for home loans. This bill has an equitable purpose, and the DAV has no opposition to its favorable consideration.

Section 2 of H.R. 2222 would authorize payment of the proceeds of a National Service Life Insurance (NSLI) policy or United States Government Life Insurance (USGLI) policy to a contingent beneficiary when a primary beneficiary does not make claim for the payment within 2 years of the insured's death and would authorize payment to other than a designated beneficiary when no designated beneficiary claims payment within 4 years of the insured's death. Section 3 of the bill would amend section 1922 of title 38, United States Code, to base future premiums and cash, loan, paid-up, and extended values for Service-Disabled Veterans' Insurance (SDVI) on current mortality experience rather than the 1941 mortality table now prescribed in that section. Section 4 of the bill would increase Veterans' Mortgage Life Insurance (VMLI) coverage from \$90,000 to \$200,000. Section 5 of the bill would repeal provisions that terminate VMLI coverage at 70.

The DAV has no resolution on section 2 of H.R. 2222. Section 3 of the bill fulfills a recommendation in *The Independent Budget (IB)* to base SDVI premiums on more current mortality tables. The intent of the SDVI program was to make life insurance available to disabled veterans at rates comparable to rates offered by commercial insurers to healthy persons. Because today's premium rates are still based on life expectancy from 1941 mortality tables, SDVI is now more costly than commercial policies at standard rates. This change will again make the SDVI program achieve its intended purpose. The DAV fully supports this provision. Similarly, section 4 of the bill fulfills the *IB* recommendation that VMLI coverage be increased to reflect increases in the cost of homes. The DAV fully supports section 4 of the bill. Currently, veterans who still have unpaid mortgages at age 70 lose coverage under VMLI. Section 5 of the bill would correct that problem. Although we have no resolution on section 5, it is a logical and equitable improvement to the VMLI program, and it will benefit our members who are eligible for this insurance. This provision should be enacted. The DAV extends its thanks to Congressman Filner for inclusion of these beneficial provisions in this bill and to the Subcommittee for its consideration.

H.R. 3731 would increase the amounts available to state approving agencies to ascertain the qualifications of educational institutions for furnishing courses of education to veterans and others eligible for benefits under VA educational programs. The DAV has no opposition to this bill.

On behalf of the more than one million members of the DAV and the members of its Women's Auxiliary, I want to thank you for the opportunity to present our views on these bills. The Subcommittee's efforts to improve VA benefits signify to our Nation's veterans that their dedicated service to our country is noted and appreciated. Clearly, the DAV's mission to improve the lives of disabled veterans is shared by the Subcommittee. We appreciate your efforts and look forward to working with you in the future on issues important to disabled veterans.