

# **TESTIMONY**

**of**

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AMVETS NATIONAL LEGISLATIVE DIRECTOR**

**before the**

**COMMITTEE ON VETERANS' AFFAIRS  
SUBCOMMITTEE ON BENEFITS  
U.S. HOUSE OF REPRESENTATIVES**

**on**

**VETERANS' BENEFITS LEGISLATION**

Thursday April 11, 2002,  
9:00 am, Room 334  
Cannon House Office Building

MR. CHAIRMAN AND MEMBERS OF THE SUBCOMMITTEE:

Thank you for the opportunity to testify before the Benefits Subcommittee on the four bills subject to this legislative hearing. AMVETS is pleased to present our views regarding H.R. 1108, a bill to reinstate the eligibility of a veteran's surviving spouse lost under current law on remarriage; H.R. 2095, a bill to establish the home loan funding fee paid by Guard and Reserves at the same level as that paid by active duty veterans; H.R. 2222, a bill to adjust VA insurance programs; and H.R. 3731, a bill to increase funding for State Approving Agencies.

Mr. Chairman, AMVETS has been a leader since 1944 in helping to preserve the freedoms secured by America's Armed Forces. Today, our organization continues its proud tradition, providing, not only support for veterans and the active military in procuring their earned entitlements, but also an array of community services that enhance the quality of life for this nation's citizens.

**H.R. 1108, to amend title 38, United States Code, to provide that remarriage of the surviving spouse of a veteran after age 55 shall not result in termination of dependency and indemnity compensation.**

Rep. Michael Bilirakis introduced H.R. 1108 to resolve an inequity and reinstate the eligibility of certain veteran's surviving spouses to DIC benefits. Under current law, surviving spouses are barred from receiving dependency and indemnity compensation if they remarry after the age of 55. The DIC exception stands alone, separate from Social

Security, civil service, Central Intelligence, and others. No other survivor program treats surviving spouses as unhappily as to terminate these benefits on remarriage.

As members of this subcommittee know, losing DIC compensation because of remarriage is an emotional issue. By authorizing reinstatement of DIC for these survivors, Congress would bring solace and comfort to those who desire to remarry after age 55.

AMVETS supports H.R. 1108 and agrees that the current bar against receipt of these DIC benefits by surviving spouses should be lifted.

**H.R. 2095, to amend title 38, United States Code, to provide for uniformity in fees charged qualifying members of the Selected Reserve and active duty veterans for home loans guaranteed by the Secretary of Veterans Affairs.**

Representative Evans introduced H.R. 2095 to reduce the VA home loan-funding fee paid by members of the Reserve component to the same level as that paid by active duty veterans in application for a home loan guarantee. Under current law, reservists pay a fee three-quarters of one percent higher than the rate paid by active duty veterans.

AMVETS fully recognizes that the role of our Reserves and National Guard has changed dramatically since the end of the Cold War. As a result, we have significantly downsized our active duty military force and asked our Reserves and National Guard to accept a more prominent role in the Total Force. Today, more than 50,000 Army and Air Guardsmen

have been called to federal and state duty, supporting operations overseas while providing security on the home front, from Capitol Hill to our airports and borders.

This legislation would help send an important signal to the dedicated men and women who are part of the Guard and Reserve service. With its consideration, you have the chance to enhance the VA guarantee program and recognize it as an important part of a veteran's benefits package. With its approval, you tell those currently in the Guard and Reserve that their hard work is not forgotten. And with its enactment, you assist the National Guard and Reserve with their recruitment efforts by allowing housing loans to be offered as an incentive to service.

AMVETS supports H.R. 2095 and urges support from both sides on this issue.

**H.R. 2222, to amend title 38, United States Code, to make certain improvements to the Servicemembers' Group Life Insurance life insurance program for members of the Armed Forces, and for other purposes.**

Rep. Filner introduced H.R. 2222, the Veterans Life Insurance Improvement Act of 2001, to provide improvements in the VA insurance policies held by our nation's veterans. The bill would amend four separate areas of coverage.

Mr. Chairman, Section 2 of H.R. 2222 would have a positive impact on the way VA is able to handle a veteran's life insurance policy. Under current law, VA retains a veteran's insurance policy if it is unable to locate the primary beneficiary following the death of a

veteran. In these cases, the veteran's lifetime payment for insurance becomes nothing more than a bookkeeping entry on which no payout is made. In these circumstances, AMVETS believes that Section 2 takes the appropriate step in authorizing VA to "fund" or "allocate" the policy to secondary beneficiaries or an appropriate relative.

Section 3 of the bill would lower premium payments paid under the VA administered Service-Disabled Veterans Insurance (SDVI) program (chapter 19 of title 38, United States Code). AMVETS has no position on this section of the bill. While we generally support enhancements in veterans' benefits as legitimate compensation to the men and women who were injured in service to their country, we are unfamiliar with the actuarial tables that form the basis of this group life insurance program.

Section 4 of this bill would update the coverage provided severely disabled veterans with mortgage life insurance. Clearly, the proposed increase of maximum coverage to \$200,000 from \$90,000 is appropriate. Since 1992, when this coverage was last adjusted, the benefits of this program have significantly eroded. Today, VMLI covers only a fraction of what was covered 20 years ago. Increasing the amount to \$200,000 is sufficient to bring it back up to meet years of rising costs and inflation.

Finally, Section 5 of the bill will ensure that veterans would not see their VMLI coverage terminated when they reach age 70. This is a simple thing but very important because it brings our VMLI in line with comparable policies in the private sector. AMVETS supports this section to allow veterans to keep their insurance after age 70.

**H.R. 3731, to amend title 38, United States Code, to increase amounts available to State approving agencies to ascertain the qualifications of educational institutions for furnishing courses of education to veterans and eligible persons under the Montgomery GI Bill and under other programs of education administered by the Department of Veterans Affairs.**

H.R. 3731 is introduced to increase funding for State Approving Agencies. The bill is straightforward. It increases SAA annual funding to \$18 million from \$14 million. As the Subcommittee knows, State Approving Agencies serve an important role in evaluating and supervising GI Bill programs. Their work helps safeguard the programs veterans choose to pursue. In sum, SAAs help ensure GI Bill resources are used for purposes intended—to provide quality education and training programs for veterans. Without congressional approval, SAA funding would return to fiscal year 2000 levels and likely reduce the potential contribution of these agencies. AMVETS supports the bill.

AMVETS sincerely appreciates the opportunity to appear before you today, and we, again, thank you for your vigilance in improving benefits and services to veterans and their families.