

107TH CONGRESS
1ST SESSION

H. R. 801

AN ACT

To amend title 38, United States Code, to improve programs of educational assistance, to expand programs of transition assistance and outreach to departing servicemembers, veterans, and dependents, to increase burial benefits, to provide for family coverage under Servicemembers' Group Life Insurance, and for other purposes.

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1 *Be it enacted by the Senate and House of Representa-*
 2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the
 5 “Veterans Opportunities Act of 2001”.

6 (b) TABLE OF CONTENTS.—The table of contents for
 7 this Act is as follows:

- Sec. 1. Short title; table of contents.
- Sec. 2. References to title 38, United States Code.

TITLE I—EDUCATIONAL ASSISTANCE PROVISIONS

- Sec. 101. Increase in maximum allowable annual Senior ROTC educational assistance for eligibility for benefits under the Montgomery GI Bill.
- Sec. 102. Expansion of work-study opportunities.
- Sec. 103. Inclusion of certain private technology entities in the definition of educational institution.
- Sec. 104. Expansion of special restorative training benefit to certain disabled spouses or surviving spouses.
- Sec. 105. Distance education.
- Sec. 106. Technical amendments to the Montgomery GI Bill.

TITLE II—TRANSITION AND OUTREACH PROVISIONS

- Sec. 201. Authority to establish overseas veterans assistance offices to expand transition assistance.
- Sec. 202. Timing of preseparation counseling.
- Sec. 203. Improvement in education and training outreach services for separating servicemembers and veterans.
- Sec. 204. Expansion of outreach efforts to eligible dependents.
- Sec. 205. Improvement of veterans outreach programs.

TITLE III—MEMORIAL AFFAIRS, INSURANCE, AND OTHER PROVISIONS

- Sec. 301. Increase in burial benefits.
- Sec. 302. Family coverage under Servicemembers’ Group Life Insurance.
- Sec. 303. Retroactive applicability of increase in maximum SGLI benefit for members dying in performance of duty on or after October 1, 2000.
- Sec. 304. Increase in amount of assistance for automobile and adaptive equipment for certain disabled veterans.
- Sec. 305. Increase in assistance amount for specially adapted housing.
- Sec. 306. Revision of rules with respect to net worth limitation for eligibility for pensions for veterans who are permanently and totally disabled from a non-service-connected disability.
- Sec. 307. Technical amendments.

1 **SEC. 2. REFERENCES TO TITLE 38, UNITED STATES CODE.**

2 Except as otherwise expressly provided, whenever in
 3 this Act an amendment or repeal is expressed in terms
 4 of an amendment to, or repeal of, a section or other provi-
 5 sion, the reference shall be considered to be made to a
 6 section or other provision of title 38, United States Code.

7 **TITLE I—EDUCATIONAL**
 8 **ASSISTANCE PROVISIONS**

9 **SEC. 101. INCREASE IN MAXIMUM ALLOWABLE ANNUAL**
 10 **SENIOR ROTC EDUCATIONAL ASSISTANCE**
 11 **FOR ELIGIBILITY FOR BENEFITS UNDER THE**
 12 **MONTGOMERY GI BILL.**

13 (a) **IN GENERAL.**—Sections 3011(c)(3)(B) and
 14 3012(d)(3)(B) are each amended by striking “\$2,000”
 15 and inserting “\$3,400”.

16 (b) **EFFECTIVE DATE.**—The amendments made by
 17 subsection (a) shall take effect on the date of the enact-
 18 ment of this Act and shall apply with respect to edu-
 19 cational assistance allowances paid under chapter 30 of
 20 title 38, United States Code, for months beginning after
 21 such date.

22 **SEC. 102. EXPANSION OF WORK-STUDY OPPORTUNITIES.**

23 (a) **ASSISTING IN OUTREACH SERVICES.**—The sec-
 24 ond sentence of section 3485(a)(1) is amended in clause
 25 (A) by inserting before the comma the following: “or out-

1 reach services to servicemembers and veterans furnished
2 by employees of State approving agencies”.

3 (b) WORKING IN MAJOR ACADEMIC DISCIPLINE.—

4 Such sentence is further amended—

5 (1) by striking “or (E)” and inserting “(E)”;

6 and

7 (2) by inserting before the period the following:

8 “, or (F) in the case of an individual who has de-
9 clared a major academic discipline, activities within
10 the department of that academic discipline approved
11 by the Secretary that complement and reinforce the
12 program of education pursued by that individual”.

13 (c) WORKING IN STATE VETERANS HOME.—Such
14 sentence is amended in clause (C) by inserting after the
15 comma “including the provision of such care to veterans
16 in a State home for which payment is made under section
17 1741 of this title,”.

18 (d) EFFECTIVE DATE.—The amendments made by
19 this section shall apply with respect to agreements entered
20 into under section 3485 of title 38, United States Code,
21 on or after the date of the enactment of this Act.

1 **SEC. 103. INCLUSION OF CERTAIN PRIVATE TECHNOLOGY**
2 **ENTITIES IN THE DEFINITION OF EDU-**
3 **CATIONAL INSTITUTION.**

4 (a) IN GENERAL.—Sections 3452(e) and 3501(a)(6)
5 are each amended by adding at the end the following new
6 sentence: “Such term also includes any private entity (that
7 meets such requirements as the Secretary may establish)
8 that offers, either directly or under an agreement with an-
9 other entity (that meets such requirements), a course or
10 courses to fulfill requirements for the attainment of a li-
11 cense or certificate generally recognized as necessary to
12 obtain, maintain, or advance in employment in a profes-
13 sion or vocation in a technological occupation (as deter-
14 mined by the Secretary).”.

15 (b) EFFECTIVE DATE.—The amendments made by
16 subsection (a) shall apply to enrollments in courses occur-
17 ring on or after the date of the enactment of this Act.

18 **SEC. 104. EXPANSION OF SPECIAL RESTORATIVE TRAINING**
19 **BENEFIT TO CERTAIN DISABLED SPOUSES OR**
20 **SURVIVING SPOUSES.**

21 (a) IN GENERAL.—Section 3540 is amended by strik-
22 ing “section 3501(a)(1)(A) of this title” and inserting
23 “subparagraphs (A), (B), and (D) of section 3501(a)(1)
24 of this title”.

1 (b) CONFORMING AMENDMENTS.—(1) Section
2 3541(a) is amended in the matter preceding paragraph
3 (1) by striking “of the parent or guardian”.

4 (2) Section 3542(a) is amended—

5 (A) by striking “the parent or guardian shall be
6 entitled to receive on behalf of such person” and in-
7 serting “the eligible person shall be entitled to re-
8 ceive”; and

9 (B) by striking “upon election by the parent or
10 guardian of the eligible person” and inserting “upon
11 election by the eligible person”.

12 (3) Section 3543(a) is amended by striking “the par-
13 ent or guardian for the training provided to an eligible
14 person” and inserting “for the training provided to the
15 eligible person”.

16 (4) Section 3543 is amended by adding at the end
17 the following new subsection:

18 “(c) In a case in which the Secretary determines re-
19 quires a parent or guardian to make a request under sec-
20 tion 3541(a) of this title on behalf of an eligible person,
21 the parent or guardian shall be entitled—

22 “(1) to receive on behalf of the eligible person
23 the special training allowance provided for under
24 section 3542(a) of this title;

1 “(2) to elect an increase in the basic monthly
2 allowance provided for under such section; and

3 “(3) to agree with the Secretary on the fair and
4 reasonable amounts which may be charged under
5 subsection (a).”.

6 **SEC. 105. DISTANCE EDUCATION.**

7 (a) **IN GENERAL.**—Subsection (a)(4) of section
8 3680A is amended—

9 (1) by inserting “(A)” after “leading”; and

10 (2) by inserting before the period the following:

11 “, or (B) to a certificate that reflects educational at-
12 tainment offered by an institution of higher learn-
13 ing”.

14 (b) **EFFECTIVE DATE.**—The amendments made by
15 subsection (a) shall apply to enrollments in independent
16 study courses beginning on or after the date of the enact-
17 ment of this Act.

18 **SEC. 106. TECHNICAL AMENDMENTS TO THE MONTGOMERY**

19 **GI BILL.**

20 (a) **CLARIFICATION OF ELIGIBILITY REQUIREMENT**
21 **FOR MGIB BENEFITS.**—

22 (1) **IN GENERAL.**—Clause (i) of section
23 3011(a)(1)(A) is amended to read as follows:

24 “(i) who (I) in the case of an indi-
25 vidual whose obligated period of active

1 duty is three years or more, serves at least
2 three years of continuous active duty in
3 the Armed Forces, or (II) in the case of an
4 individual whose obligated period of active
5 duty is less than three years, serves at
6 least two years of continuous active duty in
7 the Armed Forces; or”.

8 (2) EFFECTIVE DATE.—The amendment made
9 by paragraph (1) shall take effect as if included in
10 the enactment of the Veterans Benefits and Health
11 Care Improvement Act of 2000 (Public Law 106–
12 419).

13 (b) ENTITLEMENT CHARGE FOR OFF-DUTY TRAIN-
14 ING AND EDUCATION.—

15 (1) IN GENERAL.—Section 3014(b)(2) is
16 amended—

17 (A) in subparagraph (A), by striking
18 “(without regard to” and all that follows
19 through “subsection”; and

20 (B) by adding at the end the following new
21 subparagraph:

22 “(C) The number of months of entitlement charged
23 under this chapter in the case of an individual who has
24 been paid a basic educational assistance allowance under
25 this subsection shall be equal to the number (including any

1 fraction) determined by dividing the total amount of such
2 educational assistance allowance paid the individual by the
3 full-time monthly institutional rate of educational assist-
4 ance which such individual would otherwise be paid under
5 subsection (a)(1), (b)(1), (c)(1), or (e)(1) of section 3015
6 of this title, as the case may be.”.

7 (2) CONFORMING AMENDMENTS.—(A) Section
8 3015 is amended—

9 (i) in subsections (a)(1) and (b)(1), by in-
10 sserting “subsection (g)” after “from time to
11 time under”;

12 (ii) by striking the first subsection (g), as
13 inserted by section 1602(b)(3)(C) of the Floyd
14 D. Spence National Defense Authorization Act
15 for Fiscal Year 2001 (enacted by Public Law
16 106–398; 114 Stat. 1654A–359); and

17 (iii) by redesignating subsection (h) as
18 subsection (g).

19 (B) Section 3032(b) is amended by inserting
20 before the period at the end the following: “, or (3)
21 the amount of the charges of the educational institu-
22 tion elected by the individual under section
23 3014(b)(1) of this title”.

1 (3) EFFECTIVE DATE.—The amendments made
2 by this subsection shall take effect as if enacted on
3 November 1, 2000.

4 (c) INCREMENTAL MGIB INCREASES FOR CONTRIB-
5 UTING ACTIVE DUTY MEMBERS.—

6 (1) IN GENERAL.—Section 3011(e), as added
7 by section 105(a)(1) of the Veterans Benefits and
8 Health Care Improvement Act of 2000 (Public Law
9 106–419; 114 Stat. 1828), is amended—

10 (A) in paragraph (2), by inserting “, but
11 not more frequently than monthly” before the
12 period;

13 (B) in paragraph (3), by striking “\$4” and
14 inserting “\$20”; and

15 (C) in paragraph (4)—

16 (i) by striking “Secretary. The” and
17 inserting “Secretary of the military depart-
18 ment concerned. That”; and

19 (ii) by striking “by the Secretary”.

20 (2) CONFORMING AMENDMENTS.—(A) Section
21 3012(f), as added by section 105(a)(2) of such Act,
22 is amended—

23 (i) in paragraph (2), by inserting “, but
24 not more frequently than monthly” before the
25 period;

1 (ii) in paragraph (3), by striking “\$4” and
2 inserting “\$20”; and

3 (iii) in paragraph (4)—

4 (I) by striking “Secretary. The” and
5 inserting “Secretary of the military depart-
6 ment concerned. That”; and

7 (II) by striking “by the Secretary”.

8 (B) Section 3015(g), as added by section
9 105(b)(3) of such Act, is amended—

10 (i) in the matter preceding paragraph (1),
11 by inserting “effective as of the first day of the
12 enrollment period following receipt of such con-
13 tribution by the Secretary concerned,” after “by
14 section 3011(e) or 3012(f) of this title,”; and

15 (ii) in paragraph (1)—

16 (I) by striking “\$1” and inserting
17 “\$5”;

18 (II) by striking “\$4” and inserting
19 “\$20”; and

20 (III) by inserting “of this title” after
21 “section 3011(e) or 3012(f)”.

22 (3) EFFECTIVE DATE.—The amendments made
23 by this subsection shall take effect as if included in
24 the enactment of section 105 of the Veterans Bene-

1 fits and Health Care Improvement Act of 2000
2 (Public Law 106–419; 114 Stat. 1828).

3 (d) CONFORMING AMENDMENT FOR DEATH BEN-
4 EFIT.—

5 (1) IN GENERAL.—Paragraph (1) of section
6 3017(b) is amended to read as follows:

7 “(1) the sum of (A) the total amount reduced
8 from the individual’s basic pay under section
9 3011(b), 3012(c), or 3018(c) of this title, and (B)
10 the total amount of any contributions made by the
11 individual under section 3011(e) or 3012(f) of this
12 title, less”.

13 (2) EFFECTIVE DATE.—The amendment made
14 by paragraph (1) shall take effect on May 1, 2001.

15 (e) CLARIFICATION OF TIME PERIOD FOR ELECTION
16 OF BEGINNING OF CHAPTER 35 ELIGIBILITY FOR DE-
17 PENDENTS.—

18 (1) IN GENERAL.—(A) Section 3512(a)(3)(B),
19 as amended by section 112 of the Veterans Benefits
20 and Health Care Improvement Act of 2000 (Public
21 Law 106–419; 114 Stat. 1831), is amended to read
22 as follows:

23 “(B) the eligible person elects that begin-
24 ning date by not later than the end of the 60-
25 day period beginning on the date on which the

1 Secretary provides written notice to that person
2 of that person's opportunity to make such elec-
3 tion, such notice including a statement of the
4 deadline for the election imposed under this
5 subparagraph; and”.

6 (B) Section 3512(a)(3)(C), as so amended by
7 such section, is amended by striking “between the
8 dates described in” and inserting “the date deter-
9 mined pursuant to”.

10 (2) EFFECTIVE DATE.—The amendments made
11 by paragraph (1) shall take effect as if enacted on
12 November 1, 2000.

13 **TITLE II—TRANSITION AND** 14 **OUTREACH PROVISIONS**

15 **SEC. 201. AUTHORITY TO ESTABLISH OVERSEAS VETERANS** 16 **ASSISTANCE OFFICES TO EXPAND TRANSI-** 17 **TION ASSISTANCE.**

18 Section 7723(a) is amended by inserting after the
19 first sentence the following new sentence: “The Secretary
20 may maintain such offices on such military installations
21 located elsewhere as the Secretary, after consultation with
22 the Secretary of Defense, determines to be necessary to
23 carry out such purposes.”.

1 **SEC. 202. TIMING OF PRESEPARATION COUNSELING.**

2 (a) IN GENERAL.—(1) The first sentence of section
3 1142(a)(1) of title 10, United States Code, is amended
4 to read as follows: “Within the time periods specified in
5 paragraph (3), the Secretary concerned shall (except as
6 provided in paragraph (4)) provide for individual
7 preseparation counseling of each member of the armed
8 forces whose discharge or release from active duty is an-
9 ticipated as of a specific date.”.

10 (2) Such section is further amended by adding at the
11 end the following new paragraphs:

12 “(3)(A) In the case of an anticipated retirement,
13 preseparation counseling shall commence as soon as pos-
14 sible during the 24-month period preceding the anticipated
15 retirement date. In the case of a separation other than
16 a retirement, preseparation counseling shall commence as
17 soon as possible during the 12-month period preceding the
18 anticipated date. Except as provided in subparagraph (B),
19 in no event shall preseparation counseling commence later
20 than 90 days before the date of discharge or release.

21 “(B) In the event that a retirement or other separa-
22 tion is unanticipated until there are 90 or fewer days be-
23 fore the anticipated retirement or separation date,
24 preseparation counseling shall begin as soon as possible
25 within the remaining period of service.

1 “(4)(A) Subject to subparagraph (B), the Secretary
2 concerned shall not provide preseparation counseling to a
3 member who is being discharged or released before the
4 completion of that member’s first 180 days of active duty.

5 “(B) Subparagraph (A) shall not apply in the case
6 of a member who is being retired or separated for dis-
7 ability.”.

8 (b) CONFORMING AMENDMENT.—The second sen-
9 tence of section 1144(a)(1) of title 10, United States
10 Code, is amended by striking “during the 180-day period”
11 and all that follows and inserting “within the time periods
12 provided under paragraph (3) of section 1142(a) of this
13 title, except that the Secretary concerned shall not provide
14 preseparation counseling to a member described in para-
15 graph (4)(A) of such section.”.

16 **SEC. 203. IMPROVEMENT IN EDUCATION AND TRAINING**
17 **OUTREACH SERVICES FOR SEPARATING**
18 **SERVICEMEMBERS AND VETERANS.**

19 (a) PROVIDING OUTREACH THROUGH STATE AP-
20 PROVING AGENCIES.—Section 3672(d) is amended by in-
21 serting “and State approving agencies” before “shall ac-
22 tively promote the development of programs of training
23 on the job”.

24 (b) ADDITIONAL DUTY.—Such section is further
25 amended—

1 (1) by inserting “(1)” after “(d)”; and

2 (2) by adding at the end the following new
3 paragraph:

4 “(2) In conjunction with outreach services furnished
5 by the Secretary for education and training benefits under
6 chapter 77 of this title, each State approving agency shall
7 conduct outreach programs and provide outreach services
8 to eligible persons and veterans about education and train-
9 ing benefits available under applicable Federal and State
10 law.”.

11 **SEC. 204. EXPANSION OF OUTREACH EFFORTS TO ELIGIBLE**
12 **DEPENDENTS.**

13 (a) AVAILABILITY OF OUTREACH SERVICES FOR
14 CHILDREN, SPOUSES, SURVIVING SPOUSES, AND DE-
15 PENDENT PARENTS.—Paragraph (2) of section 7721(b)
16 is amended to read as follows:

17 “(2) the term ‘eligible dependent’ means a
18 spouse, surviving spouse, child, or dependent parent
19 of a person who served in the active military, naval,
20 or air service.”.

21 (b) IMPROVED OUTREACH PROGRAM.—(1) Sub-
22 chapter II of chapter 77 is amended by adding at the end
23 the following new section:

1 **“§ 7727. Outreach for eligible dependents**

2 “(a) In carrying out this subchapter, the Secretary
3 shall ensure that the needs of eligible dependents are fully
4 addressed.

5 “(b) The Secretary shall ensure that the availability
6 of outreach services and assistance for eligible dependents
7 under this subchapter is made known through a variety
8 of means, including the Internet, announcements in vet-
9 erans publications, and announcements to the media.”.

10 (2) The table of sections at the beginning of such
11 chapter is amended by inserting after the item relating
12 to section 7726 the following new item:

“7727. Outreach for eligible dependents.”.

13 **SEC. 205. IMPROVEMENT OF VETERANS OUTREACH PRO-**
14 **GRAMS.**

15 Section 7722(c) is amended—

16 (1) by inserting “(1)” after “(c)”; and

17 (2) by adding at the end the following:

18 “(2) Whenever a veteran or dependent first applies
19 for any benefit under laws administered by the Secretary
20 (including a request for burial or related benefits or an
21 application for life insurance proceeds), the Secretary shall
22 provide to the veteran or dependent information con-
23 cerning benefits and health care services under programs
24 administered by the Secretary.”.

1 **TITLE III—MEMORIAL AFFAIRS,**
2 **INSURANCE, AND OTHER**
3 **PROVISIONS**

4 **SEC. 301. INCREASE IN BURIAL BENEFITS.**

5 (a) BURIAL AND FUNERAL EXPENSES.—(1) Section
6 2307 is amended by striking “\$1,500” and inserting
7 “\$2,000 (as increased from time to time under section
8 5312 of this title)”.

9 (2) Section 2302(a) is amended by striking “\$300”
10 and inserting “\$500 (as increased from time to time under
11 section 5312 of this title)”.

12 (3) Section 2303(a)(1)(A) is amended by striking
13 “\$300” and inserting “\$500 (as increased from time to
14 time under section 5312 of this title)”.

15 (b) PLOT ALLOWANCE.—Section 2303(b) is amended
16 by striking “\$150” each place it appears and inserting
17 “\$300 (as increased from time to time under section 5312
18 of this title)”.

19 (c) INDEXING PAYMENT AMOUNTS.—Section
20 5312(a) is amended—

21 (1) by striking “and each rate of monthly allow-
22 ance” and inserting “each rate of monthly allow-
23 ance”; and

1 “(a)(1) Subject to an election under paragraph (2),
2 any policy of insurance purchased by the Secretary under
3 section 1966 of this title shall automatically insure the fol-
4 lowing persons against death:

5 “(A) In the case of any member of a uniformed
6 service on active duty (other than active duty for
7 training)—

8 “(i) the member; and

9 “(ii) each insurable dependent of the mem-
10 ber.

11 “(B) Any member of a uniformed service on ac-
12 tive duty for training or inactive duty training
13 scheduled in advance by competent authority.

14 “(C) In the case of any member of the Ready
15 Reserve of a uniformed service who meets the quali-
16 fications set forth in section 1965(5)(B) of this
17 title—

18 “(i) the member; and

19 “(ii) each insurable dependent of the mem-
20 ber.

21 “(2)(A) A member may elect in writing not to be in-
22 sured under this subchapter.

23 “(B) A member may elect in writing not to insure
24 the member’s spouse under this subchapter.

1 “(3)(A) Subject to subparagraphs (B) and (C), the
2 amount for which a person is insured under this sub-
3 chapter is as follows:

4 “(i) In the case of a member, \$250,000.

5 “(ii) In the case of a member’s spouse,
6 \$100,000.

7 “(iii) In the case of a member’s child, \$10,000.

8 “(B) A member may elect in writing to be insured
9 or to insure the member’s spouse in an amount less than
10 the amount provided for under subparagraph (A). The
11 member may not elect to insure the member’s child in an
12 amount less than \$10,000. The amount of insurance so
13 elected shall, in the case of a member or spouse, be evenly
14 divisible by \$10,000.

15 “(C) In no case may the amount of insurance cov-
16 erage under this subsection of a member’s spouse exceed
17 the amount of insurance coverage of the member.

18 “(4)(A) An insurable dependent of a member is not
19 insured under this chapter unless the member is insured
20 under this subchapter.

21 “(B) An insurable dependent who is a child may not
22 be insured at any time by the insurance coverage under
23 this chapter of more than one member. If an insurable
24 dependent who is a child is otherwise eligible to be insured
25 by the coverage of more than one member under this chap-

1 ter, the child shall be insured by the coverage of the mem-
2 ber whose eligibility for insurance under this subchapter
3 occurred first, except that if that member does not have
4 legal custody of the child, the child shall be insured by
5 the coverage of the member who has legal custody of the
6 child.

7 “(5) The insurance shall be effective with respect to
8 a member and the insurable dependents of the member
9 on the latest of the following dates:

10 “(A) The first day of active duty or active duty
11 for training.

12 “(B) The beginning of a period of inactive duty
13 training scheduled in advance by competent author-
14 ity.

15 “(C) The first day a member of the Ready Re-
16 serve meets the qualifications set forth in section
17 1965(5)(B) of this title.

18 “(D) The date certified by the Secretary to the
19 Secretary concerned as the date Servicemembers’
20 Group Life Insurance under this subchapter for the
21 class or group concerned takes effect.

22 “(E) In the case of an insurable dependent who
23 is a spouse, the date of marriage of the spouse to
24 the member.

1 “(F) In the case of an insurable dependent who
2 is a child, the date of birth of such child or, if the
3 child is not the natural child of the member, the
4 date on which the child acquires status as an insur-
5 able dependent of the member.”.

6 (2) Subsection (c) of such section is amended by
7 striking the first sentence and inserting the following: “If
8 a person eligible for insurance under this subchapter is
9 not so insured, or is insured for less than the maximum
10 amount provided for the person under subparagraph (A)
11 of subsection (a)(3), by reason of an election made by a
12 member under subparagraph (B) of that subsection, the
13 person may thereafter be insured under this subchapter
14 in the maximum amount or any lesser amount elected as
15 provided in such subparagraph (B) upon written applica-
16 tion by the member, proof of good health of each person
17 (other than a child) to be so insured, and compliance with
18 such other terms and conditions as may be prescribed by
19 the Secretary.”.

20 (c) TERMINATION OF COVERAGE.—(1) Subsection
21 (a) of section 1968 is amended—

22 (A) in the matter preceding paragraph (1), by
23 inserting “and any insurance thereunder on any in-
24 surable dependent of such a member,” after “any in-

1 surance thereunder on any member of the uniformed
2 services,”; and

3 (B) by adding at the end the following new
4 paragraph:

5 “(5) With respect to an insurable dependent of
6 the member, insurance under this subchapter shall
7 cease—

8 “(A) 120 days after the date of an election
9 made in writing by the member to terminate
10 the coverage; or

11 “(B) on the earliest of—

12 “(i) 120 days after the date of the
13 member’s death;

14 “(ii) 120 days after the date of termi-
15 nation of the insurance on the member’s
16 life under this subchapter; or

17 “(iii) 120 days after the termination
18 of the dependent’s status as an insurable
19 dependent of the member.”.

20 (2) Such subsection is further amended—

21 (A) in the matter preceding paragraph (1), by
22 striking “, and such insurance shall cease—” and
23 inserting “and such insurance shall cease as fol-
24 lows:”;

1 (B) by striking “with” after the paragraph des-
2 ignation in each of paragraphs (1), (2), (3), and (4)
3 and inserting “With”;

4 (C) in paragraph (1)—

5 (i) in the matter preceding subparagraph
6 (A), by striking “thirty-one days—” and insert-
7 ing “31 days, insurance under this subchapter
8 shall cease—”;

9 (ii) in subparagraph (A)—

10 (I) by striking “one hundred and
11 twenty days” after “(A)” and inserting
12 “120 days”; and

13 (II) by striking “prior to the expira-
14 tion of one hundred and twenty days” and
15 inserting “before the end of 120 days”;
16 and

17 (iii) by striking the semicolon at the end of
18 subparagraph (B) and inserting a period;

19 (D) in paragraph (2)—

20 (i) by striking “thirty-one days” and in-
21 sserting “31 days,”;

22 (ii) by striking “one hundred and twenty
23 days” both places it appears and inserting “120
24 days”; and

1 (iii) by striking the semicolon at the end
2 and inserting a period;

3 (E) in paragraph (3)—

4 (i) by inserting a comma after “competent
5 authority”;

6 (ii) by striking “one hundred and twenty
7 days” both places it appears and inserting “120
8 days”; and

9 (iii) by striking “; and” at the end and in-
10 sserting a period; and

11 (F) in paragraph (4), by inserting “insurance
12 under this subchapter shall cease” before “120 days
13 after ” the first place it appears.

14 (3) Subsection (b)(1)(A) of such section is amended
15 by inserting “(to insure against death of the member
16 only)” after “converted to Veterans’ Group Life Insur-
17 ance”.

18 (d) PREMIUMS.—Section 1969 is amended by adding
19 at the end the following new subsections:

20 “(g)(1)(A) During any period in which a spouse of
21 a member is insured under this subchapter and the mem-
22 ber is on active duty, there shall be deducted each month
23 from the member’s basic or other pay until separation or
24 release from active duty an amount determined by the Sec-
25 retary as the premium allocable to the pay period for pro-

1 viding that insurance coverage. No premium may be
2 charged for providing insurance coverage for a child.

3 “(B) During any month in which a member is as-
4 signed to the Ready Reserve of a uniformed service under
5 conditions which meet the qualifications set forth in sec-
6 tion 1965(5)(B) of this title and the spouse of the member
7 is insured under a policy of insurance purchased by the
8 Secretary under section 1966 of this title, there shall be
9 contributed from the appropriation made for active duty
10 pay of the uniformed service concerned an amount deter-
11 mined by the Secretary (which shall be the same for all
12 such members) as the share of the cost attributable to in-
13 suring the spouse of such member under this policy, less
14 any costs traceable to the extra hazards of such duty in
15 the uniformed services. Any amounts so contributed on be-
16 half of any individual shall be collected by the Secretary
17 concerned from such individual (by deduction from pay or
18 otherwise) and shall be credited to the appropriation from
19 which such contribution was made.

20 “(2)(A) The Secretary shall determine the premium
21 amounts to be charged for life insurance coverage for
22 spouses of members under this subchapter.

23 “(B) The premium amounts shall be determined on
24 the basis of sound actuarial principles and shall include

1 an amount necessary to cover the administrative costs to
2 the insurer or insurers providing such insurance.

3 “(C) Each premium rate for the first policy year shall
4 be continued for subsequent policy years, except that the
5 rate may be adjusted for any such subsequent policy year
6 on the basis of the experience under the policy, as deter-
7 mined by the Secretary in advance of that policy year.

8 “(h) Any overpayment of a premium for insurance
9 coverage for an insurable dependent of a member that is
10 terminated under section 1968(a)(5) of this title shall be
11 refunded to the member.”.

12 (e) PAYMENTS OF INSURANCE PROCEEDS.—Section
13 1970 is amended by adding at the end the following new
14 subsection:

15 “(i) Any amount of insurance in force on an insurable
16 dependent of a member under this subchapter on the date
17 of the dependent’s death shall be paid, upon the establish-
18 ment of a valid claim therefor, to the member or, in the
19 event of the member’s death before payment to the mem-
20 ber can be made, then to the person or persons entitled
21 to receive payment of the proceeds of insurance on the
22 member’s life under this subchapter.”.

23 (f) CONVERSION OF SGLI TO PRIVATE LIFE INSUR-
24 ANCE.—Section 1968(b) is amended by adding at the end
25 the following new paragraph:

1 “(3)(A) In the case of a policy purchased under this
2 subchapter for an insurable dependent who is a spouse,
3 upon election of the spouse, the policy may be converted
4 to an individual policy of insurance under the same condi-
5 tions as described in section 1977(e) of this title (with re-
6 spect to conversion of a Veterans’ Group Life Insurance
7 policy to such an individual policy) upon written applica-
8 tion for conversion made to the participating company se-
9 lected by the spouse and payment of the required pre-
10 miums. Conversion of such policy to Veterans’ Group Life
11 Insurance is prohibited.

12 “(B) In the case of a policy purchased under this sub-
13 chapter for an insurable dependent who is a child, such
14 policy may not be converted under this subsection.”.

15 (g) EFFECTIVE DATE AND INITIAL IMPLEMENTA-
16 TION.—(1) The amendments made by this section shall
17 take effect on the first day of the first month that begins
18 more than 120 days after the date of the enactment of
19 this Act.

20 (2) Each Secretary concerned, acting in consultation
21 with the Secretary of Veterans Affairs, shall take such ac-
22 tion as is necessary to ensure that during the period be-
23 tween the date of the enactment of this Act and the effec-
24 tive date determined under paragraph (1) each eligible
25 member—

1 (A) is furnished an explanation of the insurance
2 benefits available for dependents under the amend-
3 ments made by this section; and

4 (B) is afforded an opportunity before such ef-
5 fective date to make elections that are authorized
6 under those amendments to be made with respect to
7 dependents.

8 (3) For purposes of paragraph (2):

9 (A) The term “Secretary concerned” has the
10 meaning given that term in section 101 of title 38,
11 United States Code.

12 (B) The term “eligible member” means a mem-
13 ber of the uniformed services described in subpara-
14 graph (A) or (C) of section 1967(a)(1) of title 38,
15 United States Code, as amended by subsection
16 (b)(1).

17 **SEC. 303. RETROACTIVE APPLICABILITY OF INCREASE IN**
18 **MAXIMUM SGLI BENEFIT FOR MEMBERS**
19 **DYING IN PERFORMANCE OF DUTY ON OR**
20 **AFTER OCTOBER 1, 2000.**

21 (a) **APPLICABILITY OF INCREASE IN BENEFIT.**—Not-
22 withstanding subsection (c) of section 312 of the Veterans
23 Benefits and Health Care Improvement Act of 2000 (Pub-
24 lic Law 106–419; 114 Stat. 1854), the amendments made
25 by subsection (a) of that section shall take effect on Octo-

ber 1, 2000, with respect to any member of the Armed Forces who died in the performance of duty (as determined by the Secretary concerned) during the period beginning on October 1, 2000, and ending at the close of March 31, 2001, and who on the date of death was insured under the Servicemembers' Group Life Insurance program under subchapter III of chapter 19 of title 38, United States Code, for the maximum coverage available under that program.

(b) DEFINITION.—For purposes of this section, the term “Secretary concerned” has the meaning given that term in section 101(25) of title 38, United States Code.

**SEC. 304. INCREASE IN AMOUNT OF ASSISTANCE FOR
AUTOMOBILE AND ADAPTIVE EQUIPMENT
FOR CERTAIN DISABLED VETERANS.**

Section 3902(a) is amended by striking “\$8,000” and inserting “\$9,000”.

SEC. 305. INCREASE IN ASSISTANCE AMOUNT FOR SPECIALLY ADAPTED HOUSING.

Section 2102 is amended—

(1) in the matter preceding paragraph (1) of subsection (a), by striking “\$43,000” and inserting “\$48,000”; and

(2) in subsection (b)(2), by striking “\$8,250” and inserting “\$9,250”.

1 **SEC. 306. REVISION OF RULES WITH RESPECT TO NET**
2 **WORTH LIMITATION FOR ELIGIBILITY FOR**
3 **PENSIONS FOR VETERANS WHO ARE PERMA-**
4 **NENTLY AND TOTALLY DISABLED FROM A**
5 **NON-SERVICE-CONNECTED DISABILITY.**

6 (a) **IN GENERAL.**—Section 1522(a) is amended by
7 adding at the end the following new sentence: “In deter-
8 mining the corpus of the estates of the veteran and the
9 veteran’s spouse, if any, the value of the real property of
10 the veteran and the veteran’s spouse and children shall
11 be excluded if such property is used for farming, ranching,
12 or similar agricultural purposes.”.

13 (b) **EFFECTIVE DATE.**—The amendment made by
14 subsection (a) shall apply to payment of pensions for
15 months beginning on or after the date of the enactment
16 of this Act.

17 **SEC. 307. TECHNICAL AMENDMENTS.**

18 (a) **TITLE 38, UNITED STATES CODE.**—Title 38,
19 United States Code, is amended as follows:

20 (1) Effective as of November 1, 2000, section
21 107 is amended—

22 (A) in the second sentence of subsection
23 (a), by inserting “or (d)” after “subsection
24 (c)”;

25 (B) by redesignating the second subsection
26 (c) (added by section 332(a)(2) of the Veterans

1 Benefits and Health Care Improvement Act of
2 2000 (Public Law 106–419)) as subsection (d);
3 and

4 (C) in subsection (d), as so redesignated,
5 by striking “In” in paragraph (1) and inserting
6 “With respect to benefits under chapter 23 of
7 this title, in”.

8 (2) Section 3512 is amended—

9 (A) in subsection (a)(5), by striking
10 “clause (4) of this subsection” and inserting
11 “paragraph (4)”; and

12 (B) in subsection (b)(2), by striking
13 “willfull” and inserting “willful”.

14 (3) Section 4303(13) is amended by striking
15 the second period at the end.

16 (b) PUBLIC LAW 106–419.—Effective as of Novem-
17 ber 1, 2000, and as if included therein as originally en-
18 acted, the Veterans Benefits and Health Care Improve-
19 ment Act of 2000 (Public Law 106–419) is amended as
20 follows:

21 (1) Section 111(f)(3) (114 Stat. 1831) is
22 amended by striking “3654” and inserting “3564”.

23 (2) Section 323(a)(1) (114 Stat. 1855) is
24 amended by inserting a comma in the second quoted
25 matter therein after “duty”.

1 (3) Section 401(e)(1) (114 Stat. 1860) is
2 amended by striking “this” both places it appears in
3 quoted matter and inserting “This”.

4 (4) Section 402(b) (114 Stat. 1861) is amended
5 by striking the close quotation marks and period at
6 the end of the table in paragraph (2) of the matter
7 inserted by the amendment made that section.

8 (c) PUBLIC LAW 102–590.—Section 3(a)(1) of the
9 Homeless Veterans Comprehensive Service Programs Act
10 of 1992 (38 U.S.C. 7721 note) is amended by striking
11 “, during,”.

Passed the House of Representatives March 27,
2001.

Attest:

Clerk.