

HR 2068

No subject in the vast and complex body of laws that are called veterans' affairs commands more attention today than the pension program. Over the past several years, many potential solutions have been offered. Some have advocated a separate pension program for World War I veterans. Others have suggested that Social Security benefits not be counted as income for pension purposes. Some have recommended that earned income be excluded as income for pension purposes when veterans reach the age of 72 years. Still others have requested a substantial increase in the income limitations of existing law.

Unfortunately, the major veterans organizations have each supported a different solution to the pension question. No matter how many different ideas are advanced--no matter which solution contains the most merit, one indisputable fact is crystal clear--A pension increase for World War I veterans is long overdue.

From all indicators, it appears that this overdue increase is about to become a reality. The bill that finally reaches the President's desk for his approval may not contain all of the features that you have recommended or that I have sought, but it will represent a giant step forward. I think you will be interested in hearing some of the details of the pension story.

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It began last year when the Committee on Veterans' Affairs in the House of Representatives agreed to hold hearings on more than 180 bills, all designed to liberalize the pension program for living war veterans and the widows and orphans of deceased war veterans. Spokesmen for the major veterans organizations, though differing in their approach, all testified in favor of a more generous pension program. Many members of Congress felt strongly enough about their own bills to testify personally before the Committee.

It was my privilege to appear before the Committee, urging immediate action on proposals to increase by 20% the income limitations of existing law; to eliminate income limitations in the case of 72 year old veterans and to permit the continuing right of election between the old pension law and the new law. The so-called fly in the ointment, however, was the spokesman for the Administration who testified in opposition to all of the 180 pension bills. Despite this opposition, the Committee on Veterans' Affairs reported a pension bill. The House of Representatives then passed it and sent it to the Senate where it died of inaction. The Administration's opposition had finally taken its toll.

This year apparently the Administration has seen the light. On January 31st of this year, the President transmitted a message on veterans to Congress. In the message, he asked for increased pension benefits for war veterans. I don't know what happened between October and January to make him change his mind. Perhaps it was an election. The most important thing as far as pensioners are concerned, however, is that the green light was finally given to pension legislation by the Administration.

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The day the message of the President was delivered to Congress, the Senate Finance Committee reported a bill extending pension and other benefits to Viet Nam veterans. This bill, S.16, was quickly approved by the Senate and sent to the House of Representatives. In the House, the Committee on Veterans' Affairs was holding hearings on legislation embodying the President's recommendations, plus about 90 additional pension bills that were then pending.

Again, the story of last year was reenacted. Members of Congress, including Bob Dole; representatives of veterans organizations and spokesmen for the Administration, all testified. This time the story was slightly different. The Administration spokesman was in favor of something and, strangely enough, all of the major veterans organizations testified in support of the same bill. You will be interested to know that the National Commander of the Veterans of World War I of the U.S.A., Mr. William Walker, and Colonel Bates Gerald, the Legislative Director, testified in support of H.R. 2068, which increases pension benefits for veterans of all wars.

The Committee quickly acted favorably upon H.R. 2068. The House of Representatives passed this bill and then substituted its provisions for the original language of the Senate passed S.16. The bill now returns to the Senate for their action on the House amendments. We have high hopes that the bill will be enacted into law this spring.

Now what does the bill contain. Well, first let me tell you that it goes further than the President had recommended. The

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President's recommendation, as it related to veterans of past wars, called for a 5.4% increase in the pensions of 1.4 million veterans, widows and dependents. This bill will benefit approximately 2 million veterans, widows and children. Increases in basic rates average about 5.7%.

Specifically, the bill provides a cost of living increase for veterans, widows and children who are in receipt of pension under the new pension law, Public Law 86-211. It authorizes an increase for Spanish-American and prior war widows. A special pension of \$100 monthly is authorized for old law pensioners who are "housebound" because of disabilities.

A special allowance of \$50 per month for widows who are so seriously disabled as to require the aid and attendance of another person is payable under the terms of the bill, in addition to the basic rate of pension.

Under other provisions of the new bill, war veterans are presumed to be permanently and totally disabled for pension purposes upon reaching age 65, and widows will be permitted to exclude as income an amount equal to the amount paid for a veteran's last illness or the last illness and burial of a veteran's child.

These are the major features of the new bill. Now let's speak for a moment about the provisions that are not included. The principal item of interest, of course, is the income limitations. This bill does not increase the income limitations established under existing law.

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You will recall that the President recently asked the Congress to grant a 20% increase in monthly Social Security payments. The pensions of thousands of veterans and widows who are also in receipt of monthly Social Security benefits could be reduced or terminated should the Social Security increase be enacted into law. The President has suggested that this potential adverse affect be avoided by not counting the Social Security increase as income for pension purposes.

The Committee on Veterans' Affairs, in reporting the pension bill, did not heed the President's recommendation. I understand that it was the Committee's opinion that such a solution would not be equitable in that it would provide relief only for those drawing Social Security or other Federal retirement benefits. It would offer no relief to the veteran whose income came from a private or state retirement program.

The Committee did recognize officially the need for corrective action in this area. In the report that accompanied H.R. 2068, the Committee said, "It is in the best interest of the veterans and sound administration as well to delay any corrective action in the non-service connected pension income limitation field until after the enactment of any Social Security legislation in the 90th Congress."

Although I share your disappointment at the failure to do anything about the income limitations at this time, I am convinced that the Committee will act expeditiously to increase the income

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limitations following the enactment of Social Security legislation. A favorable side effect of this delayed consideration is that we will again have an opportunity to press for realistic income limitations for both old law and new law pensioners as well as the elimination of income limits after age 72.

This, gentlemen, has been a relatively brief discussion of the pension picture. I can assure you that, however modest or however generous the pension bill that finally reaches the President's desk, I will never falter in my continuing effort to obtain fair treatment and a more liberal pension program for veterans of World War I.
