

## **Summary of Major 1991 Legislation Affecting Veterans and Servicemembers**

by Rita L. DiSimone\*

In 1991, the 102d Congress enacted a number of laws affecting veterans, Armed Forces personnel, and their dependents. Some legislation resulted from Operation Desert Shield/Desert Storm (the war in the Persian Gulf). Other legislation dealt with increasing compensation and pensions, or providing financial incentives to reduce the size of the Armed Forces; improving education, employment, and training; health benefits; and miscellaneous items. Below is a brief description of the laws enacted in the first session of the 102d Congress.

### ***Desert Shield/Desert Storm***

#### ***Public Law 102-12***

Amendments to the Soldiers' and Sailors' Civil Relief Act of 1940 were enacted March 18, 1991. In general, the act relieves servicemembers called to active duty with the Armed Forces from various civil and personal obligations, but not criminal offenses. The act temporarily suspends the right of creditors to use a court to compel servicemembers to pay financial obligations and debts if their inability to pay is due to military service (where military pay may not be enough to provide for debts incurred in civilian life). The purpose of the act is to suspend, in certain cases, court proceedings against servicemembers during their tour of duty in the military service so that upon return to civilian life, they may have an opportunity to be heard and to take measures to protect their financial interests.

For purposes of staying eviction proceedings for evictions commenced after July 31, 1990, the 1991 amendments increased the maximum rental amount from \$150 to \$1,200. The amendments also provided that professional liability insurance of active duty personnel would be suspended upon written request to the insurance carrier for the period of the individual's tour, and further provided that health insurance would be automatically reinstated for persons called to active duty effective August 1, 1990.

#### ***Public Law 102-25***

Legislation enacted April 6, 1991, under Veterans' Benefits and Programs (Part C of Title III),<sup>1</sup> included provisions that:

- (1) Increased GI Bill education benefits for those enlisting during the period beginning October 1, 1991, and ending September 30, 1993:

---

\*Division of Statistics Analysis, Office of Research and Statistics, Social Security Administration.

- from \$300 to \$350 per month for those enlisting for active duty for 3-6 years;
- from \$250 to \$275 per month for those enlisting for a period of 2 years; and
- from \$140 to \$170 per month for a 6-year commitment in the National Guard or Reserves.

- (2) After September 30, 1993, allowed the Secretaries of Veterans Affairs and Defense to continue increased benefit levels and provide an additional amount to reflect cost-of-living increases.
- (3) Made veterans and eligible dependents of the Persian Gulf War<sup>2</sup> period eligible for Department of Veterans Affairs (VA) non-service-connected pension benefits.
- (4) Extended health care benefits to veterans of the Persian Gulf War to include a service-connected presumption for a psychosis that becomes manifest within 2 years after discharge from wartime service.
- (5) Authorized the VA to furnish readjustment counseling to veterans who served in an armed conflict after May 7, 1975. This counseling is to help overcome any psychological problems associated with active duty.
- (6) Increased the maximum life insurance coverage under the Servicemen's Group Life Insurance (SGLI) and Veterans' Group Life Insurance (VGLI) programs from \$50,000 to \$100,000.
- (7) Required that, under the Veterans Reemployment Rights (VRR) Act, employers take affirmative steps to provide necessary retraining for persons being reinstated to employment and to make reasonable accommodations for disabled persons being reinstated under the same law.
- (8) Provided VA guaranteed home loan eligibility after 90 days of wartime active duty service for active Armed Forces members serving in the Persian Gulf War, including the National Guard and Reserve Forces.

#### ***Public Law 102-127***

The Veterans' Educational Assistance Amendments of 1991, enacted October 10, 1991, restored the GI Bill education assistance entitlement to participants who received benefits for courses they were unable to complete because they were either called to active duty from the reserves or, as in the case of servicemembers already on active duty, assigned duties that prevented them from completing their courses.

## *Compensation and Pensions*

---

### **Public Law 102-190**

Members of the Armed Forces with 20 or more years of service are eligible for retirement benefits under the military retirement system. The National Defense Authorization Act for Fiscal Years 1992 and 1993 (Part F), enacted December 5, 1991, provides financial readjustment benefits for certain voluntarily separated members not eligible for retirement benefits. Due to changes in the world situation and decreasing defense budgets, it is estimated that by 1997 the active Armed Forces will be reduced 25 percent from 1990 levels.

The Special Separation Benefit (SSB) and the Voluntary Separation Incentive (VSI) are two options offered under the Voluntary Separation program. Both options were authorized to assist the Department of Defense (DoD) in using voluntary means to reduce the size of the Armed Forces while avoiding serious skill and grade imbalances that would degrade readiness of the future force. The separation program is intended to help DoD ensure it has the right number and mix of skilled personnel after the reduction is completed.

**Eligibility for SSB or VSI.**—Only Armed Forces personnel with more than 6 years of active duty service (as of December 5, 1991)—5 years of which were spent on continuous duty immediately preceding separation—and with less than 20 years of service are potentially eligible. The Secretary of Defense may prescribe other requirements. Not all potentially eligible members will be offered the incentives. Each Service will review its future manpower needs and determine overstrength grades and skill areas. They will then offer the separation incentives only to those selected categories. If the Service invites servicemembers to apply for the voluntary separation program, the member may then apply for separation and choose an incentive option. However, servicemembers who voluntarily separate before 20 years of service without an invitation will not be eligible for SSB or VSI payments.

**Special separation benefit.**—A servicemember who selects SSB will receive a single, lump-sum payment, equal to 15 percent of his or her final monthly basic pay multiplied by 12, and multiplied again by the number of years of active duty service. A member selecting this option is required to serve in the Ready Reserves for a minimum of 3 years.

**Voluntary separation incentive.**—A servicemember who elects the VSI option will receive an annuity equal to 2.5 percent of his or her final monthly basic pay multiplied by 12, and multiplied again by the number of years of active duty service. These payments are paid in annual installments for a period equal to twice the number of years of service. In addition, service in the Ready Reserves is required for the number of years for which the annuity is payable.

Public law 102-190 requires DoD to implement the voluntary separation benefits program not later than February 5, 1992. Each Service will meet this requirement in phases. The offers differ by Service according to long-term requirements, skill areas, years of active service, or other criteria permitted by law. In all cases, a short period of time is available for those

servicemembers in the designated groups to make their decision. After that, servicemembers offered the options who have not volunteered may be subject to the normal involuntary separation processes. Authority to offer the incentives expires on September 30, 1995.

### **Public Law 102-3**

Effective January 1, 1991, the Veterans' Compensation Amendments of 1991 (enacted February 6, 1991) provided a 5.4-percent cost-of-living increase to veterans with service-connected disabilities. The rates of dependency and indemnity compensation (DIC) paid to surviving spouses and children of veterans who died of service-connected causes were also increased by the same proportion. This corresponded to the Social Security benefit increase effective December 1990.

### **Public Law 102-152**

The Veterans' Compensation Rate Amendments of 1991 were enacted November 12, 1991, and became effective December 1, 1991. Public Law 102-152 provided a 3.7-percent cost-of-living adjustment (equal to the Social Security benefit increase) in the rates of disability compensation and dependency and indemnity compensation (DIC).

The amount of monthly compensation depends on the degree of disability, rated as the percentage of normal function lost. Payments range from \$83 a month for a 10-percent disability up to \$1,680 a month for total (100 percent) disability. In addition, specific rates of up to \$4,799 a month are paid when eligible veterans suffer certain specific severe disabilities. Such cases are decided on an individual basis.

Veterans who have a service-connected disability of at least 30 percent are entitled to an allowance for their dependents. The amount is based on the number of dependents and the degree of disability.

Under the DIC program, the monthly benefit amount payable to a spouse depends on the last pay rate of the deceased servicemember or veteran. For example, the spouse of a deceased veteran whose last pay grade was an E-1 (private) would receive \$616 a month. The spouse of a deceased officer, at pay grade O-6 (full colonel), would receive \$1,134. In each case, additional amounts are payable for dependent children.

**Pensions for non-service-connected disabilities.**—Monthly benefits are paid to wartime veterans with limited income and resources who are totally and permanently disabled because of a condition not attributable to their military service. Their surviving spouse and dependent children with limited income and resources are eligible for pensions. Increases in pensions for non-service-connected disabilities are linked to cost-of-living increases in Social Security benefits. Effective December 1, 1991, maximum benefit amounts for non-service-connected disabilities ranged from \$616 per month for a veteran without a dependent spouse or child (\$807 per month for a veteran with a spouse), to \$1,177 per month for a veteran in need of regular aid and attendance and who has one dependent. For each additional dependent child, the pension is raised by \$104 per month. For non-service-connected deaths, pensions range from

\$413 a month for a surviving spouse without dependent children to \$788 a month for a surviving spouse who is in need of regular aid and attendance and who has a dependent child. The pension is raised by \$104 a month for each additional dependent child.

#### ***Public Law 102-86***

The Veterans' Benefits Programs Improvements Act of 1991 (enacted August 14, 1991), makes a number of improvements in veterans' compensation, pension, life insurance, health care, and facilities management programs. These include:

- (1) Protecting veterans' current disability ratings from reduction because of changes in the schedule for rating disabilities;
- (2) expanding eligibility for certain presumptions applicable in cases of exposure to ionizing radiation to include members of the Reserve and National Guard who may have participated in atomic weapons testing;
- (3) restoring eligibility for burial and dependency and indemnity compensation benefits in the case of certain remarried spouses and dependent children who were eligible for such benefits on October 31, 1990, and whose marital or dependent status has remained unchanged, but who had not filed claims prior to the effective date of Section 8004 of Public Law 101-508, the Omnibus Budget Reconciliation Act of 1990;
- (4) extending the time period for applying for Service-Disabled Life Insurance from 1 to 2 years after granting of service-connected disability benefits;
- (5) extending from September 30, 1991, to December 31, 1994, VA authority to contract for care, treatment, and rehabilitative services in halfway houses, therapeutic communities, psychiatric residential treatment centers, and other community-based treatment facilities for eligible veterans suffering from alcoholism, drug abuse, or other dependence disabilities.

#### ***Health Care***

##### ***Public Law 102-4***

The Agent Orange Act of 1991, enacted February 6, 1991, deals with the effects on veterans of exposure to herbicides—such as Agent Orange—used during the Vietnam era. Provisions of the act codify actions of the Secretary of Veterans Affairs in providing service-connected compensation related to the Vietnam experience and herbicide exposure, and establishes a new procedure for determining whether particular diseases are related to exposure to Agent Orange and other herbicides used in Vietnam. The law authorizes the National Academy of Sciences to study the scientific evidence and to report its findings to the Secretary of Veterans Affairs. The Secretary has 60 days following receipt of each recommendation to make a decision as to whether or not additional presumptions are warranted; the Secretary is also required to justify any decision contrary to the Academy's recommendations.

#### ***Public Law 102-40***

Enacted on May 7, 1991, the law, "To Increase Special Pay for Physicians and Dentists, and Authorize Collective Bargaining for Health Care Employees of the Department of Veterans Affairs" (Public Law 102-40), revises the pay structure for VA physicians and dentists in order to make the Department more competitive in recruitment and retention of needed medical professionals. It also revises the way grievance procedures and collective bargaining issues for health care employees are handled within the Department.

#### ***Housing***

##### ***Public Law 102-54***

The Veterans' Programs for Housing and Memorial Affairs, enacted on June 13, 1991, authorizes, through a 4-year demonstration project, transitional housing for homeless veterans in the VA's compensated work therapy program; it authorizes the VA to lend up to \$4,500 per single residential unit to assist nonprofit organizations in leasing housing units for use as transitional group residences for homeless substance abusers; and it makes permanent VA requirements for notification, information, and counseling to veterans who default on VA-guaranteed home loans on the effects of, and alternatives to, foreclosure.

#### ***Education, Employment, and Training***

##### ***Public Law 102-16***

Enacted March 22, 1991, the Veterans' Education, Employment, and Training Amendments of 1991 (Public Law 102-16) provides the following:

- (1) extends eligibility for educational and vocational counseling, guidance, testing, and other assistance from the VA, to include active duty servicemembers within 180 days of discharge and veterans for 1 year following their discharge even if they are not entitled to benefits under the VA educational assistance programs;
- (2) extends eligibility for a program of vocational rehabilitation services to disabled servicemembers pending discharge who are receiving treatment in VA hospitals, outpatient facilities, or specialized or private facilities under VA authority;
- (3) extends the definition of the Vietnam Era veterans for the purpose of extending the Disabled Veterans Outreach Program (DVOP) and the Veterans' Federal Contractor Job Listing programs through December 31, 1994, thus giving Vietnam veterans an additional 3 years to take advantage of employment assistance; and
- (4) makes permanent the Veterans Readjustment Appointment (VRA) program, which provides opportunities for Federal employment for veterans, extends preference in hiring to disabled veterans, and opens the program to a higher Federal grade level.

### *Public Law 102-164, as Amended*

The Emergency Unemployment Compensation Act of 1991 was enacted on November 15, 1991, and amended by Public Law 102-182 (enacted on December 4, 1991). Regular State unemployment insurance programs provide 26 weeks of unemployment benefits. To assist workers who had exhausted their benefits and were still unemployed, Public Law 102-164, as amended, provided for 13 or 20 additional weeks of emergency benefits (based on a formula), effective from November 17, 1991, through June 13, 1992. A permanent change in the unemployment compensation program was made to provide benefits to unemployed ex-servicemembers on the same basis as benefits provided to unemployed civilians. In addition, reserve members who had been called to active duty may receive benefits after serving a continuous period of 90 days (instead of meeting the previous 180-day requirement).

### *Notes*

---

<sup>1</sup> A veteran is a person who served in the active military service and who was discharged or released under conditions other than dishonorable.

<sup>2</sup> "Persian Gulf War" is the period beginning August 2, 1990, and ending on the date prescribed by Presidential proclamation or by law. As of the end of October 1992, the Persian Gulf War has not been terminated.