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Folder Title: 10/23/2002 [H.R. 4085] [771519]

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Collection Code: **SECLOG**

Staff Name:

Document Date:

Correspondent: **TIM SAUNDERS**

Subject/Description: **OVERSIZE ATTACHMENT # 9468 NARA # 9359 BOX 4
FOLDER 9B BILL FILE RECEIVED FROM THE OFFICE OF
THE EXECUTIVE CLERK - OCT 23 02 ENROLLED BILL H.R.
4085 - VETERANS COMPENSATION COST OF LIVING
ADJUSTMENT**



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

THE DIRECTOR

October 15, 2002

THE PRESIDENT HAS SEEN

10-23-02

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Enrolled Bill H.R. 4085 – Veterans Compensation Cost of Living Adjustment
Sponsors - Rep. Smith (R) New Jersey and 23 cosponsors

Last Day for Action

October 23, 2002 - Wednesday

Purpose

Provides a cost of living increase for the beneficiaries of veterans' disability compensation, and dependency and indemnity compensation.

Agency Recommendations

Office of Management and Budget

Approval

Department of Veterans Affairs (VA)

Approval

Discussion

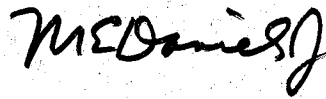
VA provides disability compensation benefits for approximately 2.3 million veterans with service-connected disabilities. VA also provides dependency and indemnity compensation (DIC) payments to over 300,000 surviving spouses and children of: (1) service members who died in military service; and (2) veterans whose deaths were otherwise service-connected. In addition, VA provides clothing allowances for veterans wearing or using prosthetic or orthopedic devices.

Effective December 1, 2002, H.R. 4085 would specify new compensation rates to be paid to recipients of disability compensation, DIC, and clothing allowances. These rates would provide a cost-of-living adjustment (COLA) equal to the COLA provided to Social Security beneficiaries and veterans' pension recipients. The July Mid-Session Review of the FY 2003 Budget estimated this COLA to be 1.6 percent; the actual rate will be determined when the Bureau of Labor Statistics releases the September Consumer Price Index on October 18, 2002.

Conclusion and Recommendations

VA strongly recommends approval of H.R. 4085. In its views letter, VA states that it "wholeheartedly support[s] this legislation, as it expresses, in a tangible way, the gratitude of this Nation for the sacrifices our service-disabled veterans and their surviving spouses and children have endured and insures that the value of their well-deserved benefits will keep pace with increases in consumer prices."

We join VA in recommending approval of H.R. 4085, which passed the House by voice vote and the Senate by unanimous consent.



Mitchell E. Daniels, Jr.
Director

Enclosures

One Hundred Seventh Congress of the United States of America

AT THE SECOND SESSION

*Begun and held at the City of Washington on Wednesday,
the twenty-third day of January, two thousand and two*

An Act

To increase, effective as of December 1, 2002, the rates of compensation for veterans with service-connected disabilities and the rates of dependency and indemnity compensation for the survivors of certain disabled veterans.

*Be it enacted by the Senate and House of Representatives of
the United States of America in Congress assembled,*

SECTION 1. SHORT TITLE.

This Act may be cited as the "Veterans' Compensation Cost-of-Living Adjustment Act of 2002".

SEC. 2. INCREASE IN RATES OF DISABILITY COMPENSATION AND DEPENDENCY AND INDEMNITY COMPENSATION.

(a) **RATE ADJUSTMENT.**—The Secretary of Veterans Affairs shall, effective on December 1, 2002, increase the dollar amounts in effect for the payment of disability compensation and dependency and indemnity compensation by the Secretary, as specified in subsection (b).

(b) **AMOUNTS TO BE INCREASED.**—The dollar amounts to be increased pursuant to subsection (a) are the following:

(1) **COMPENSATION.**—Each of the dollar amounts in effect under section 1114 of title 38, United States Code.

(2) **ADDITIONAL COMPENSATION FOR DEPENDENTS.**—Each of the dollar amounts in effect under section 1115(1) of such title.

(3) **CLOTHING ALLOWANCE.**—The dollar amount in effect under section 1162 of such title.

(4) **NEW DIC RATES.**—The dollar amounts in effect under paragraphs (1) and (2) of section 1311(a) of such title.

(5) **OLD DIC RATES.**—Each of the dollar amounts in effect under section 1311(a)(3) of such title.

(6) **ADDITIONAL DIC FOR SURVIVING SPOUSES WITH MINOR CHILDREN.**—The dollar amount in effect under section 1311(b) of such title.

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(8) **DIC FOR DEPENDENT CHILDREN.**—The dollar amounts in effect under sections 1313(a) and 1314 of such title.

(c) **DETERMINATION OF INCREASE.**—(1) The increase under subsection (a) shall be made in the dollar amounts specified in subsection (b) as in effect on November 30, 2002.

(2) Except as provided in paragraph (3), each such amount shall be increased by the same percentage as the percentage by which benefit amounts payable under title II of the Social Security Act (42 U.S.C. 401 et seq.) are increased effective December 1,

THE WHITE HOUSE
JAN 11 2002

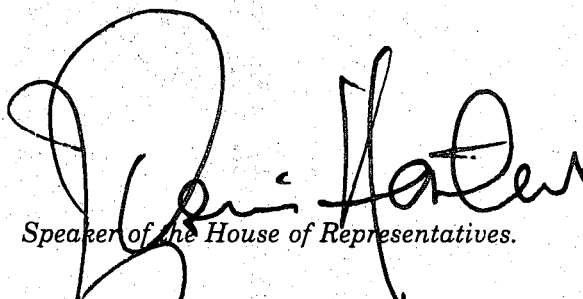
2002, as a result of a determination under section 215(i) of such Act (42 U.S.C. 415(i)).

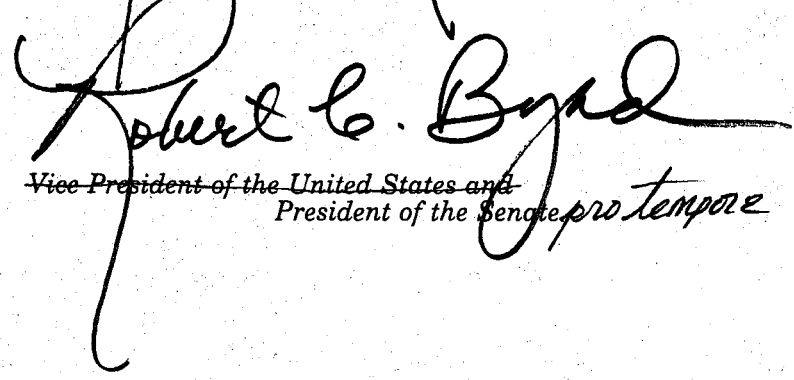
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(d) SPECIAL RULE.—The Secretary may adjust administratively, consistent with the increases made under subsection (a), the rates of disability compensation payable to persons within the purview of section 10 of Public Law 85-857 (72 Stat. 1263) who are not in receipt of compensation payable pursuant to chapter 11 of title 38, United States Code.

SEC. 3. PUBLICATION OF ADJUSTED RATES.

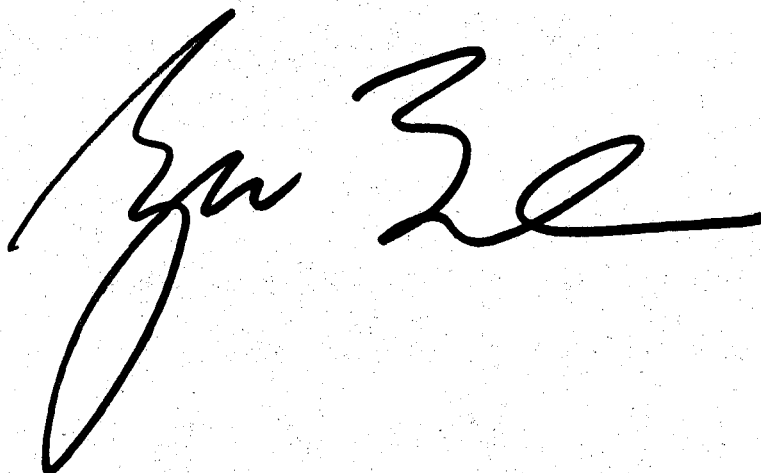
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Speaker of the House of Representatives.

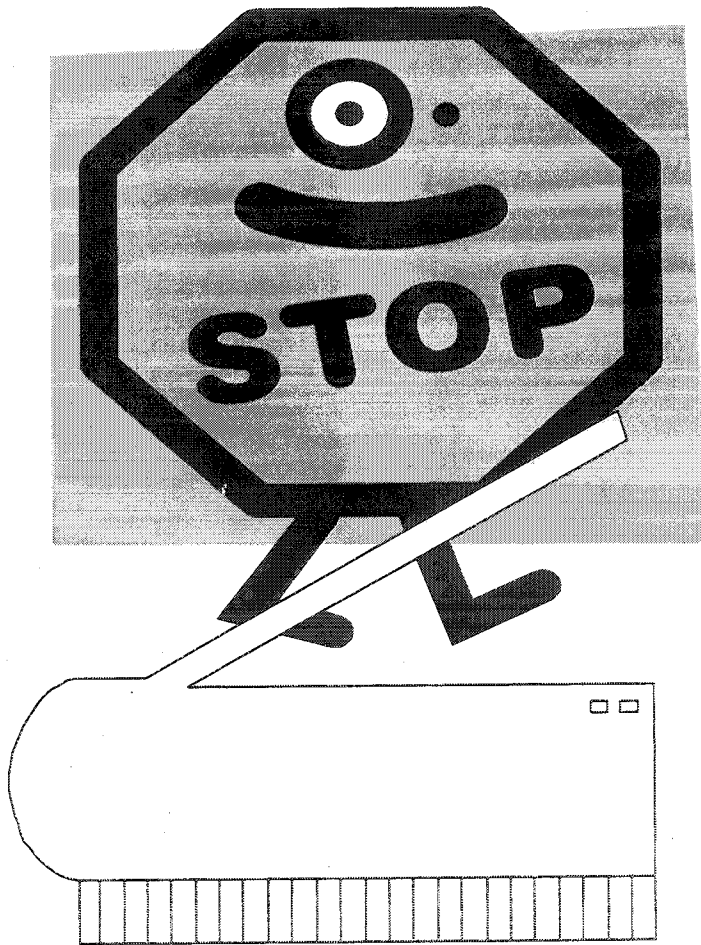

~~Vice President of the United States and~~
President of the Senate *pro tempore*

APPROVED

OCT 23 2002



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Scanning insert sheet



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WHITE HOUSE STAFFING MEMORANDUM

Date: 10-15-02 10:45 PM ACTION / CONCURRENCE / COMMENT DUE BY: 10-17-02 5:00 PM

ENROLLED BILL H.R. 4085 -- VETERANS COMPENSATION COST OF LIVING

Subject: ADJUSTMENT

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	☒	☐	HUBBARD	☒	☐
CARD	☒	☐	IRASTORZA	☐	☐
BARTLETT	☒	☐	JOHNSON	☐	☐
BLAKEMAN	☐	☐	LINDSEY	☒	☐
BOLTEN	☒	☐	MARBURGER	☐	☐
BRIDGELAND	☐	☐	MIERS	☐	☐
CALIO	☒	☐	RICE	☒	☐
CONNAUGHTON	☐	☐	RIDGE	☐	☐
DANIELS	☐	☒	ROVE	☒	☐
FLEISCHER	☒	☒	SPELLINGS	☒	☐
GERSON	☐	☐	CLERK	☐	☒
GONZALES	☒	☐	_____	☐	☐
HAGIN	☐	☐	_____	☐	☐
HAWKINS	☒	☐	_____	☐	☐

REMARKS:

PLEASE FORWARD COMMENTS TO JIM JUKES, 53458, OR FAX 56148, BY 5:00 P.M., THURSDAY, OCTOBER 17, 2002, WITH A COPY TO THE STAFF SECRETARY'S OFFICE. THANK YOU.

RESPONSE:

Harriet E. Miers
 Assistant to the President
 and Staff Secretary
 Ext. 62702



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

THE DIRECTOR

October 15, 2002

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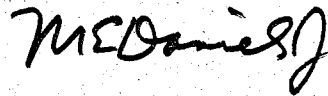
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Mitchell E. Daniels, Jr.
Director

Enclosures



THE SECRETARY OF VETERANS AFFAIRS

WASHINGTON

October 9, 2002

The Honorable Mitchell E. Daniels, Jr.
Director, Office of
Management and Budget
Attention: Assistant Director
for Legislative Reference
Washington, D.C. 20503

Dear Mr. Daniels:

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H.R. 4085 would require the Secretary of Veterans Affairs to increase, effective December 1, 2002, the rates of disability compensation for service-disabled veterans and dependency and indemnity compensation (DIC) for survivors of veterans. Consistent with the President's FY 2003 budget request, it would increase these rates by the same percentage as the percentage by which Social Security benefits are increased effective December 1, 2002.

We wholeheartedly support this legislation, as it expresses, in a tangible way, the gratitude of this Nation for the sacrifices our service-disabled veterans and their surviving spouses and children have endured and insures that the value of their well-deserved benefits will keep pace with increases in consumer prices.

Sincerely yours,

A handwritten signature in dark ink, reading "Anthony J. Principi".

Anthony J. Principi

One Hundred Seventh Congress
of the
United States of America

AT THE SECOND SESSION

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H. R. 4085—2

2002, as a result of a determination under section 215(i) of such Act (42 U.S.C. 415(i)).

(3) Each dollar amount increased pursuant to paragraph (2) shall, if not a whole dollar amount, be rounded down to the next lower whole dollar amount.

(d) SPECIAL RULE.—The Secretary may adjust administratively, consistent with the increases made under subsection (a), the rates of disability compensation payable to persons within the purview of section 10 of Public Law 85-857 (72 Stat. 1263) who are not in receipt of compensation payable pursuant to chapter 11 of title 38, United States Code.

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At the same time as the matters specified in section 215(i)(2)(D) of the Social Security Act (42 U.S.C. 415(i)(2)(D)) are required to be published by reason of a determination made under section 215(i) of such Act during fiscal year 2003, the Secretary of Veterans Affairs shall publish in the Federal Register the amounts specified in subsection (b) of section 2, as increased pursuant to that section.

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ADJUSTMENT

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FLEISCHER	☒	☒	SPELLINGS <i>fu</i>	☒	☐
GERSON	☐	☐	CLERK	☐	☒
GONZALES <i>NC</i>	☒	☐	_____	☐	☐
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HAWKINS	☒	☐	_____	☐	☐

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RESPONSE:

Harriet E. Miers
Assistant to the President
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Ext. 62702



THE SECRETARY OF VETERANS AFFAIRS

WASHINGTON

October 9, 2002

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Director, Office of
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Attention: Assistant Director
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Washington, D.C. 20503

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H.R. 4085 would require the Secretary of Veterans Affairs to increase, effective December 1, 2002, the rates of disability compensation for service-disabled veterans and dependency and indemnity compensation (DIC) for survivors of veterans. Consistent with the President's FY 2003 budget request, it would increase these rates by the same percentage as the percentage by which Social Security benefits are increased effective December 1, 2002.

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H. R. 4085—2

2002, as a result of a determination under section 215(i) of such Act (42 U.S.C. 415(i)).

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522252



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OFFICE OF MANAGEMENT AND BUDGET
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10/15/02 15:40:00

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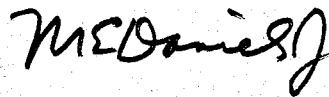
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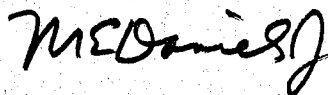
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Conclusion and Recommendations

VA strongly recommends approval of H.R. 4085. In its views letter, VA states that it "wholeheartedly support[s] this legislation, as it expresses, in a tangible way, the gratitude of this Nation for the sacrifices our service-disabled veterans and their surviving spouses and children have endured and insures that the value of their well-deserved benefits will keep pace with increases in consumer prices."

We join VA in recommending approval of H.R. 4085, which passed the House by voice vote and the Senate by unanimous consent.

A handwritten signature in black ink, appearing to read "M E Daniels Jr", written in a cursive style.

Mitchell E. Daniels, Jr.
Director

Enclosures



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

THE DIRECTOR

October 15, 2002

02 OCT 15 PM 10:00

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Enrolled Bill H.R. 4085 – Veterans Compensation Cost of Living Adjustment
Sponsors - Rep. Smith (R) New Jersey and 23 cosponsors

Last Day for Action

October 23, 2002 - Wednesday

Purpose

Provides a cost of living increase for the beneficiaries of veterans' disability compensation, and dependency and indemnity compensation.

Agency Recommendations

Office of Management and Budget

Approval

Department of Veterans Affairs (VA)

Approval

Discussion

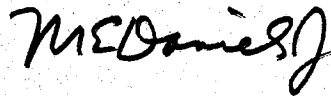
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Mitchell E. Daniels, Jr.
Director

Enclosures



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

October 15, 2002

THE DIRECTOR

02 OCT 15 PM 10:40

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Enrolled Bill H.R. 4085 – Veterans Compensation Cost of Living Adjustment
Sponsors - Rep. Smith (R) New Jersey and 23 cosponsors

Last Day for Action

October 23, 2002 - Wednesday

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Agency Recommendations

Office of Management and Budget

Approval

Department of Veterans Affairs (VA)

Approval

Discussion

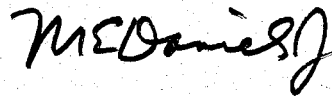
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Mitchell E. Daniels, Jr.
Director

Enclosures

 *** TX REPORT ***

TRANSMISSION OK

TX/RX NO 0731
 CONNECTION TEL 66212
 CONNECTION ID
 ST. TIME 10/15 18:36
 USAGE T 02'14
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 RESULT OK

SS/ RM NO. _____

WHITE HOUSE STAFFING MEMORANDUM

Date: 10-15-02 10:45 PM ACTION / CONCURRENCE / COMMENT DUE BY: 10-17-02 5:00 PM

ENROLLED BILL H.R. 4085 -- VETERANS COMPENSATION COST OF LIVING
 Subject: ADJUSTMENT

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT →	☒	☐	HUBBARD	☒	☐
CARD	☒	☐	IRASTORZA	☐	☐
BARTLETT	☒	☐	JOHNSON	☐	☐
BLAKEMAN	☐	☐	LINDSEY	☒	☐
BOLTEN	☒	☐	MARBURGER	☐	☐
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CALIO	☒	☐	RICE	☒	☐
CONNAUGHTON	☐	☐	RIDGE	☐	☐
DANIELS	☐	☒	ROVE	☒	☐
FLEISCHER	☒	☒	SPELLINGS	☒	☐
GERSON	☐	☐	CLERK	☐	☒
GONZALES	☒	☐	_____	☐	☐
HAGIN	☐	☐	_____	☐	☐
HAWKINS	☒	☐	_____	☐	☐

REMARKS:

PLEASE FORWARD COMMENTS TO JIM JUKES. 53458. OR FAX 56148. BY 5:00 P.M..

WHITE HOUSE STAFFING MEMORANDUMDate: 10-15-02 10:45 PM ACTION / CONCURRENCE / COMMENT DUE BY: 10-17-02 5:00 PMSubject: ENROLLED BILL H.R. 4085 -- VETERANS COMPENSATION COST OF LIVING
ADJUSTMENT

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REMARKS:

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THURSDAY, OCTOBER 17, 2002, WITH A COPY TO THE STAFF SECRETARY'S OFFICE.
THANK YOU.

RESPONSE:

Harriet E. Miers
Assistant to the President
and Staff Secretary
Ext. 62702

 *** TX REPORT ***

TRANSMISSION OK

TX/RX NO	0732	
CONNECTION TEL		51005
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WHITE HOUSE STAFFING MEMORANDUM

Date: 10-15-02 10:45 PM ACTION / CONCURRENCE / COMMENT DUE BY: 10-17-02 5:00 PM

ENROLLED BILL H.R. 4085 -- VETERANS COMPENSATION COST OF LIVING

Subject: ADJUSTMENT

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RESPONSE:

Harriet E. Miers
Assistant to the President
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Ext. 62702

 *** TX REPORT ***

TRANSMISSION OK

TX/RX NO 0733
 CONNECTION TEL 56958
 CONNECTION ID
 ST. TIME 10/15 18:43
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 PGS. SENT 6
 RESULT OK

SS/ RM NO. _____

WHITE HOUSE STAFFING MEMORANDUM

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ENROLLED BILL H.R. 4085 -- VETERANS COMPENSATION COST OF LIVING
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 THANK YOU.

RESPONSE:

Harriet E. Miers
 Assistant to the President
 and Staff Secretary
 Ext. 62702



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

THE DIRECTOR

October 15, 2002

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Enrolled Bill H.R. 4085 – Veterans Compensation Cost of Living Adjustment
Sponsors - Rep. Smith (R) New Jersey and 23 cosponsors

Last Day for Action

October 23, 2002 - Wednesday

Purpose

Provides a cost of living increase for the beneficiaries of veterans' disability compensation, and dependency and indemnity compensation.

Agency Recommendations

Office of Management and Budget

Approval

Department of Veterans Affairs (VA)

Approval

Discussion

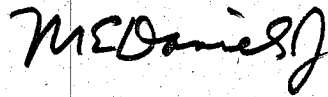
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We join VA in recommending approval of H.R. 4085, which passed the House by voice vote and the Senate by unanimous consent.

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Mitchell E. Daniels, Jr.
Director

Enclosures



THE SECRETARY OF VETERANS AFFAIRS

WASHINGTON

October 9, 2002

The Honorable Mitchell E. Daniels, Jr.
Director, Office of
Management and Budget
Attention: Assistant Director
for Legislative Reference
Washington, D.C. 20503

Dear Mr. Daniels:

As requested, I am writing to express the views of the Department of Veterans Affairs (VA) on the enrolled bill, H.R. 4085, 107th Cong., the "Veterans' Compensation Cost-of-Living Adjustment Act of 2002." VA strongly recommends the President's approval.

H.R. 4085 would require the Secretary of Veterans Affairs to increase, effective December 1, 2002, the rates of disability compensation for service-disabled veterans and dependency and indemnity compensation (DIC) for survivors of veterans. Consistent with the President's FY 2003 budget request, it would increase these rates by the same percentage as the percentage by which Social Security benefits are increased effective December 1, 2002.

We wholeheartedly support this legislation, as it expresses, in a tangible way, the gratitude of this Nation for the sacrifices our service-disabled veterans and their surviving spouses and children have endured and insures that the value of their well-deserved benefits will keep pace with increases in consumer prices.

Sincerely yours,

A handwritten signature in cursive script, reading "Anthony J. Principi".

Anthony J. Principi

One Hundred Seventh Congress
of the
United States of America

AT THE SECOND SESSION

*Begun and held at the City of Washington on Wednesday,
the twenty-third day of January, two thousand and two*

An Act

To increase, effective as of December 1, 2002, the rates of compensation for veterans with service-connected disabilities and the rates of dependency and indemnity compensation for the survivors of certain disabled veterans.

*Be it enacted by the Senate and House of Representatives of
the United States of America in Congress assembled,*

SECTION 1. SHORT TITLE.

This Act may be cited as the "Veterans' Compensation Cost-of-Living Adjustment Act of 2002".

SEC. 2. INCREASE IN RATES OF DISABILITY COMPENSATION AND
DEPENDENCY AND INDEMNITY COMPENSATION.

(a) RATE ADJUSTMENT.—The Secretary of Veterans Affairs shall, effective on December 1, 2002, increase the dollar amounts in effect for the payment of disability compensation and dependency and indemnity compensation by the Secretary, as specified in subsection (b).

(b) AMOUNTS TO BE INCREASED.—The dollar amounts to be increased pursuant to subsection (a) are the following:

(1) COMPENSATION.—Each of the dollar amounts in effect under section 1114 of title 38, United States Code.

(2) ADDITIONAL COMPENSATION FOR DEPENDENTS.—Each of the dollar amounts in effect under section 1115(1) of such title.

(3) CLOTHING ALLOWANCE.—The dollar amount in effect under section 1162 of such title.

(4) NEW DIC RATES.—The dollar amounts in effect under paragraphs (1) and (2) of section 1311(a) of such title.

(5) OLD DIC RATES.—Each of the dollar amounts in effect under section 1311(a)(3) of such title.

(6) ADDITIONAL DIC FOR SURVIVING SPOUSES WITH MINOR CHILDREN.—The dollar amount in effect under section 1311(b) of such title.

(7) ADDITIONAL DIC FOR DISABILITY.—The dollar amounts in effect under sections 1311(c) and 1311(d) of such title.

(8) DIC FOR DEPENDENT CHILDREN.—The dollar amounts in effect under sections 1313(a) and 1314 of such title.

(c) DETERMINATION OF INCREASE.—(1) The increase under subsection (a) shall be made in the dollar amounts specified in subsection (b) as in effect on November 30, 2002.

(2) Except as provided in paragraph (3), each such amount shall be increased by the same percentage as the percentage by which benefit amounts payable under title II of the Social Security Act (42 U.S.C. 401 et seq.) are increased effective December 1,

H. R. 4085—2

2002, as a result of a determination under section 215(i) of such Act (42 U.S.C. 415(i)).

(3) Each dollar amount increased pursuant to paragraph (2) shall, if not a whole dollar amount, be rounded down to the next lower whole dollar amount.

(d) SPECIAL RULE.—The Secretary may adjust administratively, consistent with the increases made under subsection (a), the rates of disability compensation payable to persons within the purview of section 10 of Public Law 85-857 (72 Stat. 1263) who are not in receipt of compensation payable pursuant to chapter 11 of title 38, United States Code.

SEC. 3. PUBLICATION OF ADJUSTED RATES.

At the same time as the matters specified in section 215(i)(2)(D) of the Social Security Act (42 U.S.C. 415(i)(2)(D)) are required to be published by reason of a determination made under section 215(i) of such Act during fiscal year 2003, the Secretary of Veterans Affairs shall publish in the Federal Register the amounts specified in subsection (b) of section 2, as increased pursuant to that section.

Speaker of the House of Representatives.

*Vice President of the United States and
President of the Senate.*

SS/ RM NO. _____

WHITE HOUSE STAFFING MEMORANDUM

Date: 10-15-02 10:45 PM ACTION / CONCURRENCE / COMMENT DUE BY: 10-17-02 5:00 PMSubject: ENROLLED BILL H.R. 4085 -- VETERANS COMPENSATION COST OF LIVING
ADJUSTMENT

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HAGIN	☐	☐	_____	☐	☐
HAWKINS	☒	☐	_____	☐	☐

REMARKS:

PLEASE FORWARD COMMENTS TO JIM JUKES, 53458, OR FAX 56148, BY 5:00 P.M.,
THURSDAY, OCTOBER 17, 2002, WITH A COPY TO THE STAFF SECRETARY'S OFFICE.
THANK YOU.

RESPONSE:

CEA has
no comment.
JMS

Harriet E. Miers
Assistant to the President
and Staff Secretary
Ext. 62702

SS/ RM NO.

10/16/02 15:48:26

WHITE HOUSE STAFFING MEMORANDUM

Date: 10-15-02 10:45 PM ACTION / CONCURRENCE / COMMENT DUE BY: 10-17-02 5:00 PM

ENROLLED BILL H.R. 4085 -- VETERANS COMPENSATION COST OF LIVING

Subject: ADJUSTMENT

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NO COMMENT

RESPONSE:

05:09 PM 9/1/02

SERIALIZED 10/16/02
INDEXED 10/16/02

Harriet E. Miers
Assistant to the President
and Staff Secretary
Ext. 62702

WHITE HOUSE STAFFING MEMORANDUM

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THANK YOU.

RESPONSE:

Legislative Affairs (Howard) - ok

Harriet E. Miers
Assistant to the President
and Staff Secretary
Ext. 62702



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

October 15, 2002

THE DIRECTOR

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Enrolled Bill H.R. 4085 – Veterans Compensation Cost of Living Adjustment
Sponsors - Rep. Smith (R) New Jersey and 23 cosponsors

Last Day for Action

October 23, 2002 - Wednesday

Purpose

Provides a cost of living increase for the beneficiaries of veterans' disability compensation, and dependency and indemnity compensation.

Agency Recommendations

Office of Management and Budget

Approval

Department of Veterans Affairs (VA)

Approval

Discussion

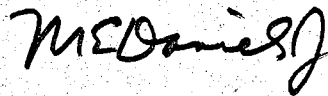
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Effective December 1, 2002, H.R. 4085 would specify new compensation rates to be paid to recipients of disability compensation, DIC, and clothing allowances. These rates would provide a cost-of-living adjustment (COLA) equal to the COLA provided to Social Security beneficiaries and veterans' pension recipients. The July Mid-Session Review of the FY 2003 Budget estimated this COLA to be 1.6 percent; the actual rate will be determined when the Bureau of Labor Statistics releases the September Consumer Price Index on October 18, 2002.

Conclusion and Recommendations

VA strongly recommends approval of H.R. 4085. In its views letter, VA states that it "wholeheartedly support[s] this legislation, as it expresses, in a tangible way, the gratitude of this Nation for the sacrifices our service-disabled veterans and their surviving spouses and children have endured and insures that the value of their well-deserved benefits will keep pace with increases in consumer prices."

We join VA in recommending approval of H.R. 4085, which passed the House by voice vote and the Senate by unanimous consent.



Mitchell E. Daniels, Jr.
Director

Enclosures



THE SECRETARY OF VETERANS AFFAIRS

WASHINGTON

October 9, 2002

The Honorable Mitchell E. Daniels, Jr.
Director, Office of
Management and Budget
Attention: Assistant Director
for Legislative Reference
Washington, D.C. 20503

Dear Mr. Daniels:

As requested, I am writing to express the views of the Department of Veterans Affairs (VA) on the enrolled bill, H.R. 4085, 107th Cong., the "Veterans' Compensation Cost-of-Living Adjustment Act of 2002." VA strongly recommends the President's approval.

H.R. 4085 would require the Secretary of Veterans Affairs to increase, effective December 1, 2002, the rates of disability compensation for service-disabled veterans and dependency and indemnity compensation (DIC) for survivors of veterans. Consistent with the President's FY 2003 budget request, it would increase these rates by the same percentage as the percentage by which Social Security benefits are increased effective December 1, 2002.

We wholeheartedly support this legislation, as it expresses, in a tangible way, the gratitude of this Nation for the sacrifices our service-disabled veterans and their surviving spouses and children have endured and insures that the value of their well-deserved benefits will keep pace with increases in consumer prices.

Sincerely yours,

A handwritten signature in black ink, reading "Anthony J. Principi".

Anthony J. Principi

One Hundred Seventh Congress
of the
United States of America

AT THE SECOND SESSION

*Begun and held at the City of Washington on Wednesday,
the twenty-third day of January, two thousand and two*

An Act

To increase, effective as of December 1, 2002, the rates of compensation for veterans with service-connected disabilities and the rates of dependency and indemnity compensation for the survivors of certain disabled veterans.

*Be it enacted by the Senate and House of Representatives of
the United States of America in Congress assembled,*

SECTION 1. SHORT TITLE.

This Act may be cited as the "Veterans' Compensation Cost-of-Living Adjustment Act of 2002".

SEC. 2. INCREASE IN RATES OF DISABILITY COMPENSATION AND
DEPENDENCY AND INDEMNITY COMPENSATION.

(a) RATE ADJUSTMENT.—The Secretary of Veterans Affairs shall, effective on December 1, 2002, increase the dollar amounts in effect for the payment of disability compensation and dependency and indemnity compensation by the Secretary, as specified in subsection (b).

(b) AMOUNTS TO BE INCREASED.—The dollar amounts to be increased pursuant to subsection (a) are the following:

(1) COMPENSATION.—Each of the dollar amounts in effect under section 1114 of title 38, United States Code.

(2) ADDITIONAL COMPENSATION FOR DEPENDENTS.—Each of the dollar amounts in effect under section 1115(1) of such title.

(3) CLOTHING ALLOWANCE.—The dollar amount in effect under section 1162 of such title.

(4) NEW DIC RATES.—The dollar amounts in effect under paragraphs (1) and (2) of section 1311(a) of such title.

(5) OLD DIC RATES.—Each of the dollar amounts in effect under section 1311(a)(3) of such title.

(6) ADDITIONAL DIC FOR SURVIVING SPOUSES WITH MINOR CHILDREN.—The dollar amount in effect under section 1311(b) of such title.

(7) ADDITIONAL DIC FOR DISABILITY.—The dollar amounts in effect under sections 1311(c) and 1311(d) of such title.

(8) DIC FOR DEPENDENT CHILDREN.—The dollar amounts in effect under sections 1313(a) and 1314 of such title.

(c) DETERMINATION OF INCREASE.—(1) The increase under subsection (a) shall be made in the dollar amounts specified in subsection (b) as in effect on November 30, 2002.

(2) Except as provided in paragraph (3), each such amount shall be increased by the same percentage as the percentage by which benefit amounts payable under title II of the Social Security Act (42 U.S.C. 401 et seq.) are increased effective December 1,

H. R. 4085—2

2002, as a result of a determination under section 215(i) of such Act (42 U.S.C. 415(i)).

(3) Each dollar amount increased pursuant to paragraph (2) shall, if not a whole dollar amount, be rounded down to the next lower whole dollar amount.

(d) SPECIAL RULE.—The Secretary may adjust administratively, consistent with the increases made under subsection (a), the rates of disability compensation payable to persons within the purview of section 10 of Public Law 85-857 (72 Stat. 1263) who are not in receipt of compensation payable pursuant to chapter 11 of title 38, United States Code.

SEC. 3. PUBLICATION OF ADJUSTED RATES.

At the same time as the matters specified in section 215(i)(2)(D) of the Social Security Act (42 U.S.C. 415(i)(2)(D)) are required to be published by reason of a determination made under section 215(i) of such Act during fiscal year 2003, the Secretary of Veterans Affairs shall publish in the Federal Register the amounts specified in subsection (b) of section 2, as increased pursuant to that section.

Speaker of the House of Representatives.

*Vice President of the United States and
President of the Senate.*

WHITE HOUSE STAFFING MEMORANDUM

Date: 10-15-02 10:45 PM ACTION / CONCURRENCE / COMMENT DUE BY: 10-17-02 5:00 PM

ENROLLED BILL H.R. 4085 -- VETERANS COMPENSATION COST OF LIVING

Subject: ADJUSTMENT

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	☒	☐	HUBBARD	☒	☐
CARD →	☒	☐	IRASTORZA	☐	☐
BARTLETT	☒	☐	JOHNSON	☐	☐
BLAKEMAN	☐	☐	LINDSEY	☒	☐
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FLEISCHER	☒	☒	SPELLINGS	☒	☐
GERSON	☐	☐	CLERK	☐	☒
GONZALES	☒	☐	_____	☐	☐
HAGIN	☐	☐	_____	☐	☐
HAWKINS	☒	☐	_____	☐	☐

REMARKS:

PLEASE FORWARD COMMENTS TO JIM JUKES, 53458, OR FAX 56148, BY 5:00 P.M., THURSDAY, OCTOBER 17, 2002, WITH A COPY TO THE STAFF SECRETARY'S OFFICE. THANK YOU.

RESPONSE:

Handwritten: 10/16 3:00 PM

Harriet E. Miers
Assistant to the President
and Staff Secretary
Ext. 62702



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

October 15, 2002

THE DIRECTOR

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Enrolled Bill H.R. 4085 – Veterans Compensation Cost of Living Adjustment
Sponsors - Rep. Smith (R) New Jersey and 23 cosponsors

Last Day for Action

October 23, 2002 - Wednesday

Purpose

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Agency Recommendations

Office of Management and Budget

Approval

Department of Veterans Affairs (VA)

Approval

Discussion

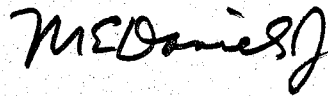
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Conclusion and Recommendations

VA strongly recommends approval of H.R. 4085. In its views letter, VA states that it "wholeheartedly support[s] this legislation, as it expresses, in a tangible way, the gratitude of this Nation for the sacrifices our service-disabled veterans and their surviving spouses and children have endured and insures that the value of their well-deserved benefits will keep pace with increases in consumer prices."

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Mitchell E. Daniels, Jr.
Director

Enclosures



THE SECRETARY OF VETERANS AFFAIRS

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October 9, 2002

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Attention: Assistant Director
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Washington, D.C. 20503

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Anthony J. Principi

One Hundred Seventh Congress
of the
United States of America

AT THE SECOND SESSION

*Begun and held at the City of Washington on Wednesday,
the twenty-third day of January, two thousand and two*

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To increase, effective as of December 1, 2002, the rates of compensation for veterans with service-connected disabilities and the rates of dependency and indemnity compensation for the survivors of certain disabled veterans.

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H. R. 4085—2

2002, as a result of a determination under section 215(i) of such Act (42 U.S.C. 415(i)).

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WHITE HOUSE STAFFING MEMORANDUM

Date: 10-15-02 10:45 PM ACTION / CONCURRENCE / COMMENT DUE BY: 10-17-02 5:00 PM

ENROLLED BILL H.R. 4085 -- VETERANS COMPENSATION COST OF LIVING

Subject: ADJUSTMENT

10-15-02 OCT 15 PM 5:03

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	☒	☐	HUBBARD	☒	☐
CARD	☒	☐	IRASTORZA	☐	☐
BARTLETT	☒	☐	JOHNSON	☐	☐
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HAGIN	☐	☐	_____	☐	☐
HAWKINS	☒	☐	_____	☐	☐

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No comment

RESPONSE:

Harriet E. Miers
Assistant to the President
and Staff Secretary
Ext. 62702



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

October 15, 2002

THE DIRECTOR

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Enrolled Bill H.R. 4085 – Veterans Compensation Cost of Living Adjustment
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Last Day for Action

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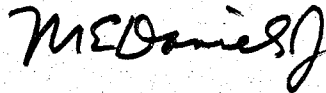
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Mitchell E. Daniels, Jr.
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Enclosures



THE SECRETARY OF VETERANS AFFAIRS

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October 9, 2002

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H. R. 4085—2

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Speaker of the House of Representatives.

*Vice President of the United States and
President of the Senate.*



OFFICE OF THE VICE PRESIDENT
WASHINGTON

October 16, 2002

02 OCT 16 PM 5:31

MEMORANDUM FOR JIM JUKES

ASSISTANT DIRECTOR, OMB

FROM:

JONATHAN BURKS

DEPUTY STAFF SECRETARY TO THE VICE PRESIDENT

SUBJECT:

**Enrolled Bill H.R. 4085 – Veterans Compensation
Cost of Living Adjustment**

The Office of the Vice President has reviewed the above-referenced draft and has no objection to the President signing the enrolled bill.

**cc: Harriet Miers
Staff Secretary**

SS/ RM NO.

WHITE HOUSE STAFFING MEMORANDUM

BRETT

Date: 10-15-02 10:45 PM ACTION / CONCURRENCE / COMMENT DUE BY: 10-17-02 5:00 PM

Subject: ENROLLED BILL H.R. 4085 -- VETERANS COMPENSATION COST OF LIVING
ADJUSTMENT

02 OCT 16 PM 5:31

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	☒	☐	HUBBARD	☒	☐
CARD	☒	☐	IRASTORZA	☐	☐
BARTLETT	☒	☐	JOHNSON	☐	☐
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Assistant to the President
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Ext. 62702

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cc Jay
Aguilar
Tevi

Harriet E. Miers
Assistant to the President
and Staff Secretary
Ext. 62702



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

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Discussion

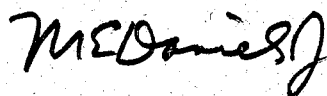
VA provides disability compensation benefits for approximately 2.3 million veterans with service-connected disabilities. VA also provides dependency and indemnity compensation (DIC) payments to over 300,000 surviving spouses and children of: (1) service members who died in military service; and (2) veterans whose deaths were otherwise service-connected. In addition, VA provides clothing allowances for veterans wearing or using prosthetic or orthopedic devices.

Effective December 1, 2002, H.R. 4085 would specify new compensation rates to be paid to recipients of disability compensation, DIC, and clothing allowances. These rates would provide a cost-of-living adjustment (COLA) equal to the COLA provided to Social Security beneficiaries and veterans' pension recipients. The July Mid-Session Review of the FY 2003 Budget estimated this COLA to be 1.6 percent; the actual rate will be determined when the Bureau of Labor Statistics releases the September Consumer Price Index on October 18, 2002.

Conclusion and Recommendations

VA strongly recommends approval of H.R. 4085. In its views letter, VA states that it "wholeheartedly support[s] this legislation, as it expresses, in a tangible way, the gratitude of this Nation for the sacrifices our service-disabled veterans and their surviving spouses and children have endured and insures that the value of their well-deserved benefits will keep pace with increases in consumer prices."

We join VA in recommending approval of H.R. 4085, which passed the House by voice vote and the Senate by unanimous consent.

A handwritten signature in black ink, appearing to read "MEDanielsJr", is positioned above the printed name.

Mitchell E. Daniels, Jr.
Director

Enclosures



THE SECRETARY OF VETERANS AFFAIRS

WASHINGTON

October 9, 2002

The Honorable Mitchell E. Daniels, Jr.
Director, Office of
Management and Budget
Attention: Assistant Director
for Legislative Reference
Washington, D.C. 20503

Dear Mr. Daniels:

As requested, I am writing to express the views of the Department of Veterans Affairs (VA) on the enrolled bill, H.R. 4085, 107th Cong., the "Veterans' Compensation Cost-of-Living Adjustment Act of 2002." VA strongly recommends the President's approval.

H.R. 4085 would require the Secretary of Veterans Affairs to increase, effective December 1, 2002, the rates of disability compensation for service-disabled veterans and dependency and indemnity compensation (DIC) for survivors of veterans. Consistent with the President's FY 2003 budget request, it would increase these rates by the same percentage as the percentage by which Social Security benefits are increased effective December 1, 2002.

We wholeheartedly support this legislation, as it expresses, in a tangible way, the gratitude of this Nation for the sacrifices our service-disabled veterans and their surviving spouses and children have endured and insures that the value of their well-deserved benefits will keep pace with increases in consumer prices.

Sincerely yours,

A handwritten signature in black ink, reading "Anthony J. Principi", is positioned above the printed name.

Anthony J. Principi

One Hundred Seventh Congress of the United States of America

AT THE SECOND SESSION

*Begun and held at the City of Washington on Wednesday,
the twenty-third day of January, two thousand and two*

An Act

To increase, effective as of December 1, 2002, the rates of compensation for veterans with service-connected disabilities and the rates of dependency and indemnity compensation for the survivors of certain disabled veterans.

*Be it enacted by the Senate and House of Representatives of
the United States of America in Congress assembled,*

SECTION 1. SHORT TITLE.

This Act may be cited as the "Veterans' Compensation Cost-of-Living Adjustment Act of 2002".

SEC. 2. INCREASE IN RATES OF DISABILITY COMPENSATION AND DEPENDENCY AND INDEMNITY COMPENSATION.

(a) RATE ADJUSTMENT.—The Secretary of Veterans Affairs shall, effective on December 1, 2002, increase the dollar amounts in effect for the payment of disability compensation and dependency and indemnity compensation by the Secretary, as specified in subsection (b).

(b) AMOUNTS TO BE INCREASED.—The dollar amounts to be increased pursuant to subsection (a) are the following:

(1) COMPENSATION.—Each of the dollar amounts in effect under section 1114 of title 38, United States Code.

(2) ADDITIONAL COMPENSATION FOR DEPENDENTS.—Each of the dollar amounts in effect under section 1115(1) of such title.

(3) CLOTHING ALLOWANCE.—The dollar amount in effect under section 1162 of such title.

(4) NEW DIC RATES.—The dollar amounts in effect under paragraphs (1) and (2) of section 1311(a) of such title.

(5) OLD DIC RATES.—Each of the dollar amounts in effect under section 1311(a)(3) of such title.

(6) ADDITIONAL DIC FOR SURVIVING SPOUSES WITH MINOR CHILDREN.—The dollar amount in effect under section 1311(b) of such title.

(7) ADDITIONAL DIC FOR DISABILITY.—The dollar amounts in effect under sections 1311(c) and 1311(d) of such title.

(8) DIC FOR DEPENDENT CHILDREN.—The dollar amounts in effect under sections 1313(a) and 1314 of such title.

(c) DETERMINATION OF INCREASE.—(1) The increase under subsection (a) shall be made in the dollar amounts specified in subsection (b) as in effect on November 30, 2002.

(2) Except as provided in paragraph (3), each such amount shall be increased by the same percentage as the percentage by which benefit amounts payable under title II of the Social Security Act (42 U.S.C. 401 et seq.) are increased effective December 1,

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2002, as a result of a determination under section 215(i) of such Act (42 U.S.C. 415(i)).

(3) Each dollar amount increased pursuant to paragraph (2) shall, if not a whole dollar amount, be rounded down to the next lower whole dollar amount.

(d) SPECIAL RULE.—The Secretary may adjust administratively, consistent with the increases made under subsection (a), the rates of disability compensation payable to persons within the purview of section 10 of Public Law 85-857 (72 Stat. 1263) who are not in receipt of compensation payable pursuant to chapter 11 of title 38, United States Code.

SEC. 3. PUBLICATION OF ADJUSTED RATES.

At the same time as the matters specified in section 215(i)(2)(D) of the Social Security Act (42 U.S.C. 415(i)(2)(D)) are required to be published by reason of a determination made under section 215(i) of such Act during fiscal year 2003, the Secretary of Veterans Affairs shall publish in the Federal Register the amounts specified in subsection (b) of section 2, as increased pursuant to that section.

Speaker of the House of Representatives.

*Vice President of the United States and
President of the Senate.*