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

01 DEC 17 PM 10:41

THE DIRECTOR

December 17, 2001

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Enrolled Bill H.R. 2540 - Veterans' Compensation Rate Amendments of 2001
Sponsors - Rep. Chris Smith (R) NJ and 32 cosponsors

Last Day for Action

December 25, 2001 - Tuesday

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

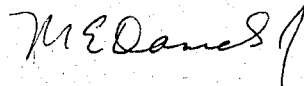
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Conclusion and Recommendations

VA strongly recommends approval of H.R. 2540. 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." VA advises informally that, in anticipation of the enactment of H.R. 2540, it has reprogrammed its computers so that the December compensation payments (to be made at the end of December) will include the authorized COLA.

We join VA in recommending approval of H.R. 2540, which passed the House by a vote of 422-0 and the Senate by unanimous consent.



Mitchell E. Daniels, Jr.
Director

Enclosures

WHITE HOUSE STAFFING MEMORANDUMDate: 12-17-01 ACTION / CONCURRENCE / COMMENT DUE BY: 12-18-01, 6:00 PMSubject: H.R. 2540 -- VETERANS' COMPENSATION RATE AMENDMENTS OF 2001

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

REMARKS:

PLEASE SEND COMMENTS TO THE STAFF SECRETARY, EXT. 62702, NO LATER THAN 6:00 PM TUESDAY, 12-18-01. THANK YOU.

RESPONSE:

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



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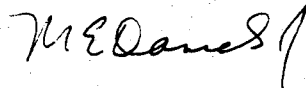
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THE SECRETARY OF VETERANS AFFAIRS
WASHINGTON
December 14, 2001

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Attention: Assistant Director
for Legislative Reference
Washington, D.C. 20503

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Sincerely yours,

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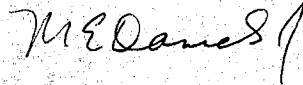
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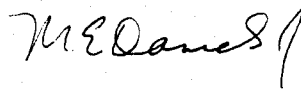
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One Hundred Seventh Congress
of the
United States of America

AT THE FIRST SESSION

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

An Act

To amend title 38, United States Code, to provide a cost-of-living adjustment in the rates of disability compensation for veterans with service-connected disabilities and the rates of dependency and indemnity compensation for survivors of such veterans.

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

SECTION 1. SHORT TITLE; REFERENCES TO TITLE 38, UNITED STATES CODE.

(a) **SHORT TITLE.**—This Act may be cited as the “Veterans’ Compensation Rate Amendments of 2001”.

(b) **REFERENCES TO TITLE 38, UNITED STATES CODE.**—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of title 38, United States Code.

SEC. 2. DISABILITY COMPENSATION.

(a) **INCREASE IN RATES.**—Section 1114 is amended—

- (1) by striking “\$98” in subsection (a) and inserting “\$103”;
- (2) by striking “\$188” in subsection (b) and inserting “\$199”;
- (3) by striking “\$288” in subsection (c) and inserting “\$306”;
- (4) by striking “\$413” in subsection (d) and inserting “\$439”;
- (5) by striking “\$589” in subsection (e) and inserting “\$625”;
- (6) by striking “\$743” in subsection (f) and inserting “\$790”;
- (7) by striking “\$937” in subsection (g) and inserting “\$995”;
- (8) by striking “\$1,087” in subsection (h) and inserting “\$1,155”;
- (9) by striking “\$1,224” in subsection (i) and inserting “\$1,299”;
- (10) by striking “\$2,036” in subsection (j) and inserting “\$2,163”;
- (11) in subsection (k)—
 - (A) by striking “\$76” both places it appears and inserting “\$80”; and
 - (B) by striking “\$2,533” and “\$3,553” and inserting “\$2,691” and “\$3,775”, respectively;
- (12) by striking “\$2,533” in subsection (l) and inserting “\$2,691”;
- (13) by striking “\$2,794” in subsection (m) and inserting “\$2,969”;
- (14) by striking “\$3,179” in subsection (n) and inserting “\$3,378”;

(15) by striking "\$3,553" each place it appears in subsections (o) and (p) and inserting "\$3,775";

(16) by striking "\$1,525" and "\$2,271" in subsection (r) and inserting "\$1,621" and "\$2,413", respectively; and

(17) by striking "\$2,280" in subsection (s) and inserting "\$2,422".

(b) SPECIAL RULE.—The Secretary of Veterans Affairs may authorize administratively, consistent with the increases authorized by this section, the rates of disability compensation payable to persons within the purview of section 10 of Public Law 85-857 who are not in receipt of compensation payable pursuant to chapter 11 of title 38, United States Code.

SEC. 3. ADDITIONAL COMPENSATION FOR DEPENDENTS.

Section 1115(1) is amended—

(1) by striking "\$117" in clause (A) and inserting "\$124";

(2) by striking "\$201" and "\$61" in clause (B) and inserting "\$213" and "\$64", respectively;

(3) by striking "\$80" and "\$61" in clause (C) and inserting "\$84" and "\$64", respectively;

(4) by striking "\$95" in clause (D) and inserting "\$100";

(5) by striking "\$222" in clause (E) and inserting "\$234";

and

(6) by striking "\$186" in clause (F) and inserting "\$196".

SEC. 4. CLOTHING ALLOWANCE FOR CERTAIN DISABLED VETERANS.

Section 1162 is amended by striking "\$546" and inserting "\$580".

SEC. 5. DEPENDENCY AND INDEMNITY COMPENSATION FOR SURVIVING SPOUSES.

(a) NEW LAW RATES.—Section 1311(a) is amended—

(1) by striking "\$881" in paragraph (1) and inserting "\$935";

and

(2) by striking "\$191" in paragraph (2) and inserting "\$202".

(b) OLD LAW RATES.—The table in section 1311(a)(3) is amended to read as follows:

"Pay grade	Monthly rate	Pay grade	Monthly rate
E-1	\$935	W-4	\$1,119
E-2	935	O-1	988
E-3	935	O-2	1,021
E-4	935	O-3	1,092
E-5	935	O-4	1,155
E-6	935	O-5	1,272
E-7	967	O-6	1,433
E-8	1,021	O-7	1,549
E-9	1,066 ¹	O-8	1,699
W-1	988	O-9	1,818
W-2	1,028	O-10	1,994 ²
W-3	1,058		

¹If the veteran served as Sergeant Major of the Army, Senior Enlisted Advisor of the Navy, Chief Master Sergeant of the Air Force, Sergeant Major of the Marine Corps, or Master Chief Petty Officer of the Coast Guard, at the applicable time designated by section 1302 of this title, the surviving spouse's rate shall be \$1,149.

²If the veteran served as Chairman or Vice Chairman of the Joint Chiefs of Staff, Chief of Staff of the Army, Chief of Naval Operations, Chief of Staff of the Air Force, Commandant of the Marine Corps, or Commandant of the Coast Guard, at the applicable time designated by section 1302 of this title, the surviving spouse's rate shall be \$2,139.

H. R. 2540—3

(c) **ADDITIONAL DIC FOR CHILDREN.**—Section 1311(b) is amended by striking “\$222” and inserting “\$234”.

(d) **AID AND ATTENDANCE ALLOWANCE.**—Section 1311(c) is amended by striking “\$222” and inserting “\$234”.

(e) **HOUSEBOUND RATE.**—Section 1311(d) is amended by striking “\$107” and inserting “\$112”.

SEC. 6. DEPENDENCY AND INDEMNITY COMPENSATION FOR CHILDREN.

(a) **DIC FOR ORPHAN CHILDREN.**—Section 1313(a) is amended—

(1) by striking “\$373” in paragraph (1) and inserting “\$397”;

(2) by striking “\$538” in paragraph (2) and inserting “\$571”;

(3) by striking “\$699” in paragraph (3) and inserting “\$742”;

and

(4) by striking “\$699” and “\$136” in paragraph (4) and inserting “\$742” and “\$143”, respectively.

(b) **SUPPLEMENTAL DIC FOR DISABLED ADULT CHILDREN.**—Section 1314 is amended—

(1) by striking “\$222” in subsection (a) and inserting “\$234”;

(2) by striking “\$373” in subsection (b) and inserting “\$397”;

and

(3) by striking “\$188” in subsection (c) and inserting “\$199”.

SEC. 7. EFFECTIVE DATE.

The amendments made by this Act shall take effect on December 1, 2001.

Speaker of the House of Representatives.)

*Vice President of the United States and
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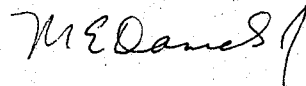
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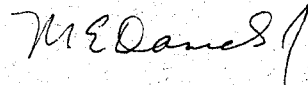
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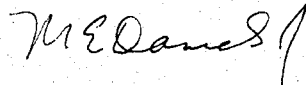
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We join VA in recommending approval of H.R. 2540, which passed the House by a vote of 422-0 and the Senate by unanimous consent.



Mitchell E. Daniels, Jr.
Director

Enclosures



OFFICE OF THE VICE PRESIDENT
WASHINGTON

'01 DEC 18 PM6:37

December 18, 2001

MEMORANDUM FOR HARRIET MIERS
STAFF SECRETARY

FROM: **JONATHAN BURKS** 
DEPUTY STAFF SECRETARY TO THE VICE PRESIDENT

SUBJECT: **H.R. 2540 Veterans' Compensation Rate**
Amendments Act of 2001

The Office of the Vice President has reviewed the above-referenced draft and has no comments.

 *** TX REPORT ***

TRANSMISSION OK

TX/RX NO 1249
 CONNECTION TEL 66212
 CONNECTION ID
 ST. TIME 12/17 23:46
 USAGE T 01'21
 PGS. SENT 4
 RESULT OK

SS/ RM NO. 499950

WHITE HOUSE STAFFING MEMORANDUM

Date: 12-17-01 ACTION / CONCURRENCE / COMMENT DUE BY: 12-18-01, 6:00 PMSubject: H.R. 2540 -- VETERANS' COMPENSATION RATE AMENDMENTS OF 2001

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

REMARKS:

PLEASE SEND COMMENTS TO THE STAFF SECRETARY, EXT. 62702, NO LATER THAN
 6:00 PM TUESDAY, 12-18-01. THANK YOU.

WHITE HOUSE STAFFING MEMORANDUMDate: 12-17-01 ACTION / CONCURRENCE / COMMENT DUE BY: 12-18-01, 6:00 PMSubject: H.R. 2540 -- VETERANS' COMPENSATION RATE AMENDMENTS OF 2001

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GERSON	☐	☐	ROVE	☒	☐
GONZALES	☒	☐	SPELLINGS	☒	☐
HAGIN	☐	☐	CLERK	☐	☒
HAWKINS	☒	☐	_____	☐	☐

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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

December 17, 2001

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Enrolled Bill H.R. 2540 - Veterans' Compensation Rate Amendments of 2001
Sponsors - Rep. Chris Smith (R) NJ and 32 cosponsors

Last Day for Action

December 25, 2001 - Tuesday

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

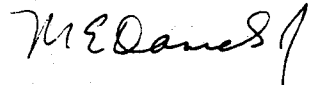
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Conclusion and Recommendations

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We join VA in recommending approval of H.R. 2540, which passed the House by a vote of 422-0 and the Senate by unanimous consent.



Mitchell E. Daniels, Jr.
Director

Enclosures



THE SECRETARY OF VETERANS AFFAIRS
WASHINGTON

December 14, 2001

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. 2540 would require the Secretary of Veterans Affairs to increase, effective December 1, 2001, the rates of disability compensation for service-disabled veterans and dependency and indemnity compensation (DIC) for survivors of veterans. The bill would increase these rates by the same percentage as the percentage by which Social Security benefits were increased effective December 1, 2001.

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Sincerely yours,

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Anthony J. Principi

 *** TX REPORT ***

TRANSMISSION OK

TX/RX NO 1250
 CONNECTION TEL 51005
 CONNECTION ID
 ST. TIME 12/17 23:48
 USAGE T 01'21
 PGS. SENT 4
 RESULT OK

SS/ RM NO. 499950

WHITE HOUSE STAFFING MEMORANDUM

Date: 12-17-01 ACTION / CONCURRENCE / COMMENT DUE BY: 12-18-01, 6:00 PM

Subject: H.R. 2540 -- VETERANS' COMPENSATION RATE AMENDMENTS OF 2001

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	☒	☐	HUBBARD	☒	☐
CARD	☒	☐	HUGHES	☒	☐
BLAKEMAN	☐	☐	IRASTORZA	☐	☐
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CONNAUGHTON	☐	☐	MIERS	☐	☒
DANIELS	☐	☒	RICE	☐	☐
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GONZALES	☒	☐	SPELLINGS	☒	☐
HAGIN	☐	☐	CLERK	☐	☒
HAWKINS	☒	☐		☐	☐

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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

December 17, 2001

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Enrolled Bill H.R. 2540 - Veterans' Compensation Rate Amendments of 2001
Sponsors - Rep. Chris Smith (R) NJ and 32 cosponsors

Last Day for Action

December 25, 2001 - Tuesday

Purpose

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Agency Recommendations

Office of Management and Budget

Approval

Department of Veterans Affairs (VA)

Approval

Discussion

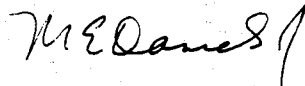
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We join VA in recommending approval of H.R. 2540, which passed the House by a vote of 422-0 and the Senate by unanimous consent.



Mitchell E. Daniels, Jr.
Director

Enclosures



THE SECRETARY OF VETERANS AFFAIRS
WASHINGTON
December 14, 2001

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

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Anthony J. Principi

 *** TX REPORT ***

TRANSMISSION OK

TX/RX NO 1251
 CONNECTION TEL 56958
 CONNECTION ID
 ST. TIME 12/17 23:50
 USAGE T 01'24
 PGS. SENT 4
 RESULT OK

SS/ RM NO. 499950

WHITE HOUSE STAFFING MEMORANDUM

Date: 12-17-01 ACTION / CONCURRENCE / COMMENT DUE BY: 12-18-01, 6:00 PMSubject: H.R. 2540 -- VETERANS' COMPENSATION RATE AMENDMENTS OF 2001

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	☒	☐	HUBBARD	☒	☐
CARD	☒	☐	HUGHES	☒	☐
BLAKEMAN	☐	☐	IRASTORZA	☐	☐
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GERSON	☐	☐	ROVE	☒	☐
GONZALES	☒	☐	SPELLINGS	☒	☐
HAGIN	☐	☐	CLERK	☐	☒
HAWKINS	☒	☐		☐	☐

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WHITE HOUSE STAFFING MEMORANDUM

Date: 12-17-01 ACTION / CONCURRENCE / COMMENT DUE BY: 12-18-01, 6:00 PM

Subject: H.R. 2540 -- VETERANS' COMPENSATION RATE AMENDMENTS OF 2001

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GONZALES	☒	☐	SPELLINGS	☒	☐
HAGIN	☐	☐	CLERK	☐	☒
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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

December 17, 2001

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Enrolled Bill H.R. 2540 - Veterans' Compensation Rate Amendments of 2001
Sponsors - Rep. Chris Smith (R) NJ and 32 cosponsors

Last Day for Action

December 25, 2001 - Tuesday

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

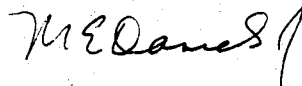
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Mitchell E. Daniels, Jr.
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Enclosures



THE SECRETARY OF VETERANS AFFAIRS

WASHINGTON

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Harriet E. Miers
 Assistant to the President
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 Ext. 62702



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

THE DIRECTOR

December 17, 2001

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Enrolled Bill H.R. 2540 - Veterans' Compensation Rate Amendments of 2001
Sponsors - Rep. Chris Smith (R) NJ and 32 cosponsors

Last Day for Action

December 25, 2001 - Tuesday

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Agency Recommendations

Office of Management and Budget

Approval

Department of Veterans Affairs (VA)

Approval

Discussion

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Enclosures



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	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	☒	☐	HUBBARD	☒	☐
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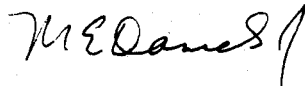
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Director

Enclosures



THE SECRETARY OF VETERANS AFFAIRS

WASHINGTON

December 14, 2001

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. 2540, 107th Congress, the "Veterans' Compensation Rate Amendments of 2001." VA strongly recommends the President's approval.

H.R. 2540 would require the Secretary of Veterans Affairs to increase, effective December 1, 2001, the rates of disability compensation for service-disabled veterans and dependency and indemnity compensation (DIC) for survivors of veterans. The bill would increase these rates by the same percentage as the percentage by which Social Security benefits were increased effective December 1, 2001.

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 that reads "Anthony J. Principi".

Anthony J. Principi

WHITE HOUSE STAFFING MEMORANDUMDate: 12-17-01 ACTION / CONCURRENCE / COMMENT DUE BY: 12-18-01, 6:00 PMSubject: H.R. 2540 -- VETERANS' COMPENSATION RATE AMENDMENTS OF 2001

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	☒	☐	HUBBARD	☒	☐
CARD	☒	☐	HUGHES	☒	☐
BLAKEMAN	☐	☐	IRASTORZA	☐	☐
BOLTEN	☒	☐	JOHNSON	☒	☐
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DANIELS	☐	☒	RICE	☐	☐
FLEISCHER	☐	☒	RIDGE	☐	☐
GERSON	☐	☐	ROVE	☒	☐
GONZALES	☒	☐	SPELLINGS	☒	☐
HAGIN	☐	☐	CLERK	☐	☒
HAWKINS	☒	☐	_____	☐	☐

REMARKS:

PLEASE SEND COMMENTS TO THE STAFF SECRETARY, EXT. 62702, NO LATER THAN 6:00 PM TUESDAY, 12-18-01. 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

December 17, 2001

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Enrolled Bill H.R. 2540 - Veterans' Compensation Rate Amendments of 2001
Sponsors - Rep. Chris Smith (R) NJ and 32 cosponsors

Last Day for Action

December 25, 2001 - Tuesday

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

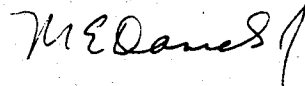
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Conclusion and Recommendations

VA strongly recommends approval of H.R. 2540. 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." VA advises informally that, in anticipation of the enactment of H.R. 2540, it has reprogrammed its computers so that the December compensation payments (to be made at the end of December) will include the authorized COLA.

We join VA in recommending approval of H.R. 2540, which passed the House by a vote of 422-0 and the Senate by unanimous consent.



Mitchell E. Daniels, Jr.
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WHITE HOUSE STAFFING MEMORANDUM

Date: 12-17-01 ACTION / CONCURRENCE / COMMENT DUE BY: 12-18-01, 6:00 PMSubject: H.R. 2540 -- VETERANS' COMPENSATION RATE AMENDMENTS OF 2001

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	☒	☐	HUBBARD	☒	☐
CARD	☒	☐	HUGHES	☒	☐
BLAKEMAN	☐	☐	IRASTORZA	☐	☐
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HAGIN	☐	☐	CLERK	☐	☒
HAWKINS	☒	☐	_____	☐	☐

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OK / NEC
RESPONSE:

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



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OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

THE DIRECTOR

December 17, 2001

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Enrolled Bill H.R. 2540 - Veterans' Compensation Rate Amendments of 2001
Sponsors - Rep. Chris Smith (R) NJ and 32 cosponsors

Last Day for Action

December 25, 2001 - Tuesday

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Agency Recommendations

Office of Management and Budget	Approval
Department of Veterans Affairs (VA)	Approval

Discussion

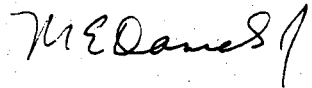
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Mitchell E. Daniels, Jr.
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Enclosures



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Anthony J. Principi

SS/ RM NO. 499950

WHITE HOUSE STAFFING MEMORANDUM

Date: 12-17-01 ACTION / CONCURRENCE / COMMENT DUE BY: 12-18-01, 6:00 PM

01 DEC 18 AM 8:54

Subject: H.R. 2540 -- VETERANS' COMPENSATION RATE AMENDMENTS OF 2001

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	☒	☐	HUBBARD	☒	☐
CARD	☒	☐	HUGHES	☒	☐
BLAKEMAN	☐	☐	IRASTORZA	☐	☐
BOLTEN	☒	☐	JOHNSON	☒	☐
CALIO	☒	☐	LINDSEY	☒	☐
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FLEISCHER	☐	☒	RIDGE	☐	☐
GERSON	☐	☐	ROVE	☒	☐
GONZALES	☒	☐	SPELLINGS	☒	☐
HAGIN	☐	☐	CLERK	☐	☒
HAWKINS	☒	☐		☐	☐

REMARKS:

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No Comment

RESPONSE:

25:9 NY 81 330 100Z
EX-100, PRESIDENT
WH STAFFING INITIATIVES

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

WHITE HOUSE STAFFING MEMORANDUM

Date: 12-17-01 ACTION / CONCURRENCE / COMMENT DUE BY: 12-18-01, 6:00 PM

Subject: H.R. 2540 -- VETERANS' COMPENSATION RATE AMENDMENTS OF 2001

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OK SB 12.18

RESPONSE: _____

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WASHINGTON, D.C. 20503

THE DIRECTOR

December 17, 2001

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Enrolled Bill H.R. 2540 - Veterans' Compensation Rate Amendments of 2001
Sponsors - Rep. Chris Smith (R) NJ and 32 cosponsors

Last Day for Action

December 25, 2001 - Tuesday

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

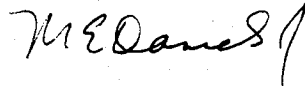
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Enclosures



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WHITE HOUSE STAFFING MEMORANDUM

Date: 12-17-01 ACTION / CONCURRENCE / COMMENT DUE BY: 12-18-01, 6:00 PMSubject: H.R. 2540 -- VETERANS' COMPENSATION RATE AMENDMENTS OF 2001

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	☒	☐	HUBBARD	☒	☐
CARD	☒	☐	HUGHES	☒	☐
BLAKEMAN	☐	☐	IRASTORZA	☐	☐
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RESPONSE:

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December 17, 2001

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Last Day for Action

December 25, 2001 - Tuesday

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Agency Recommendations

Office of Management and Budget

Approval

Department of Veterans Affairs (VA)

Approval

Discussion

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no comments

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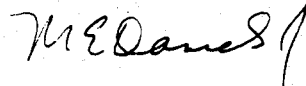
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SS/ RM NO. 499950

WHITE HOUSE STAFFING MEMORANDUM

01 DEC 18 PM 1:32

Date: 12-17-01 ACTION / CONCURRENCE / COMMENT DUE BY: 12-18-01, 6:00 PM

Subject: H.R. 2540 - VETERANS' COMPENSATION RATE AMENDMENTS OF 2001

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	☒	☐	HUBBARD	☒	☐
CARD	☒	☐	HUGHES	☒	☐
BLAKEMAN	☐	☐	IRASTORZA	☐	☐
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HAGIN	☐	☐	CLERK	☐	☒
HAWKINS	☒	☐		☐	☐

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RESPONSE:

CSA Has No Comment
JHE

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Assistant to the President
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CONNAUGHTON	☐	☐	MIERS	☐	☒
DANIELS	☐	☒	RICE	☐	☐
FLEISCHER	☐	☒	RIDGE	☐	☐
GERSON	☐	☐	ROVE	☒	☐
GONZALES	☒	☐	SPELLINGS	☒	☐
HAGIN	☐	☐	CLERK	☐	☒
HAWKINS	☒	☐		☐	☐

REMARKS:

PLEASE SEND COMMENTS TO THE STAFF SECRETARY, EXT. 62702, NO LATER THAN 6:00 PM TUESDAY, 12-18-01. THANK YOU.

RESPONSE:

Handwritten:
 JH
 AH Card
 12/18

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

December 17, 2001

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Enrolled Bill H.R. 2540 - Veterans' Compensation Rate Amendments of 2001
Sponsors - Rep. Chris Smith (R) NJ and 32 cosponsors

Last Day for Action

December 25, 2001 - Tuesday

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.

Retroactively effective to December 1, 2001, H.R. 2540 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) of 2.6 percent, which is equal to the COLA provided to Social Security beneficiaries and veterans' pension recipients.

Conclusion and Recommendations

VA strongly recommends approval of H.R. 2540. 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." VA advises informally that, in anticipation of the enactment of H.R. 2540, it has reprogrammed its computers so that the December compensation payments (to be made at the end of December) will include the authorized COLA.

We join VA in recommending approval of H.R. 2540, which passed the House by a vote of 422-0 and the Senate by unanimous consent.



Mitchell E. Daniels, Jr.
Director

Enclosures



THE SECRETARY OF VETERANS AFFAIRS
WASHINGTON

December 14, 2001

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. 2540, 107th Congress, the "Veterans' Compensation Rate Amendments of 2001." VA strongly recommends the President's approval.

H.R. 2540 would require the Secretary of Veterans Affairs to increase, effective December 1, 2001, the rates of disability compensation for service-disabled veterans and dependency and indemnity compensation (DIC) for survivors of veterans. The bill would increase these rates by the same percentage as the percentage by which Social Security benefits were increased effective December 1, 2001.

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 that reads "Anthony J. Principi".
Anthony J. Principi

01 DEC 19 AM 11:00 001

SS/ RM NO. 499950

WHITE HOUSE STAFFING MEMORANDUM

Brett

Date: 12-17-01 ACTION / CONCURRENCE / COMMENT DUE BY: 12-18-01, 6:00 PM

Subject: H.R. 2540 -- VETERANS' COMPENSATION RATE AMENDMENTS OF 2001

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	☒	☐	HUBBARD	☒	☐
CARD	☒	☐	HUGHES	☒	☐
BLAKEMAN	☐	☐	IRASTORZA	☐	☐
BOLTEN	☒	☐	JOHNSON	☒	☐
CALIO	☒	☐	LINDSEY	☒	☐
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GONZALES	☒	☐	SPELLINGS	☒	☐
HAGIN	☐	☐	CLERK	☐	☒
HAWKINS	☒	☐		☐	☐

REMARKS:

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RESPONSE:

OK,
Brett Kavanaugh

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

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RESPONSE:

Marisa

Harriet E. Miers
Assistant to the President
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Ext. 62702



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OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

THE DIRECTOR

December 17, 2001

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Sponsors - Rep. Chris Smith (R) NJ and 32 cosponsors

Last Day for Action

December 25, 2001 - Tuesday

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Agency Recommendations

Office of Management and Budget	Approval
Department of Veterans Affairs (VA)	Approval

Discussion

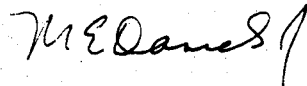
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Enclosures



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Anthony J. Principi

WHITE HOUSE STAFFING MEMORANDUMDate: 12-17-01 ACTION / CONCURRENCE / COMMENT DUE BY: 12-18-01, 6:00 PMSubject: H.R. 2540 -- VETERANS' COMPENSATION RATE AMENDMENTS OF 2001

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 Assistant to the President
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 Ext. 62702



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OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

THE DIRECTOR

December 17, 2001

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December 25, 2001 - Tuesday

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Approval

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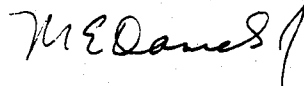
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Enclosures



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WASHINGTON
December 14, 2001

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Anthony J. Principi

One Hundred Seventh Congress
of the
United States of America

AT THE FIRST SESSION

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

An Act

To amend title 38, United States Code, to provide a cost-of-living adjustment in the rates of disability compensation for veterans with service-connected disabilities and the rates of dependency and indemnity compensation for survivors of such veterans.

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

SECTION 1. SHORT TITLE; REFERENCES TO TITLE 38, UNITED STATES CODE.

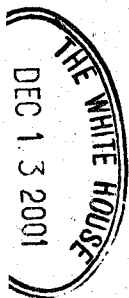
(a) **SHORT TITLE.**—This Act may be cited as the “Veterans’ Compensation Rate Amendments of 2001”.

(b) **REFERENCES TO TITLE 38, UNITED STATES CODE.**—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of title 38, United States Code.

SEC. 2. DISABILITY COMPENSATION.

(a) **INCREASE IN RATES.**—Section 1114 is amended—

- (1) by striking “\$98” in subsection (a) and inserting “\$103”;
- (2) by striking “\$188” in subsection (b) and inserting “\$199”;
- (3) by striking “\$288” in subsection (c) and inserting “\$306”;
- (4) by striking “\$413” in subsection (d) and inserting “\$439”;
- (5) by striking “\$589” in subsection (e) and inserting “\$625”;
- (6) by striking “\$743” in subsection (f) and inserting “\$790”;
- (7) by striking “\$937” in subsection (g) and inserting “\$995”;
- (8) by striking “\$1,087” in subsection (h) and inserting “\$1,155”;
- (9) by striking “\$1,224” in subsection (i) and inserting “\$1,299”;
- (10) by striking “\$2,036” in subsection (j) and inserting “\$2,163”;
- (11) in subsection (k)—
 - (A) by striking “\$76” both places it appears and inserting “\$80”; and
 - (B) by striking “\$2,533” and “\$3,553” and inserting “\$2,691” and “\$3,775”, respectively;
- (12) by striking “\$2,533” in subsection (l) and inserting “\$2,691”;
- (13) by striking “\$2,794” in subsection (m) and inserting “\$2,969”;
- (14) by striking “\$3,179” in subsection (n) and inserting “\$3,378”;



(c) ADDITIONAL DIC FOR CHILDREN.—Section 1311(b) is amended by striking “\$222” and inserting “\$234”.

(d) AID AND ATTENDANCE ALLOWANCE.—Section 1311(c) is amended by striking “\$222” and inserting “\$234”.

(e) HOUSEBOUND RATE.—Section 1311(d) is amended by striking “\$107” and inserting “\$112”.

SEC. 6. DEPENDENCY AND INDEMNITY COMPENSATION FOR CHILDREN.

(a) DIC FOR ORPHAN CHILDREN.—Section 1313(a) is amended—

(1) by striking “\$373” in paragraph (1) and inserting “\$397”;

(2) by striking “\$538” in paragraph (2) and inserting “\$571”;

(3) by striking “\$699” in paragraph (3) and inserting “\$742”;

and

(4) by striking “\$699” and “\$136” in paragraph (4) and inserting “\$742” and “\$143”, respectively.

(b) SUPPLEMENTAL DIC FOR DISABLED ADULT CHILDREN.—Section 1314 is amended—

(1) by striking “\$222” in subsection (a) and inserting “\$234”;

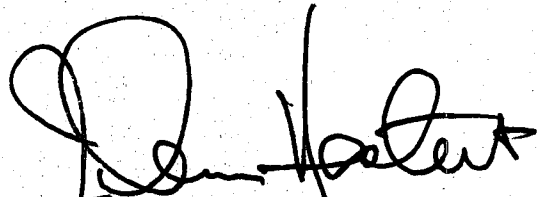
(2) by striking “\$373” in subsection (b) and inserting “\$397”;

and

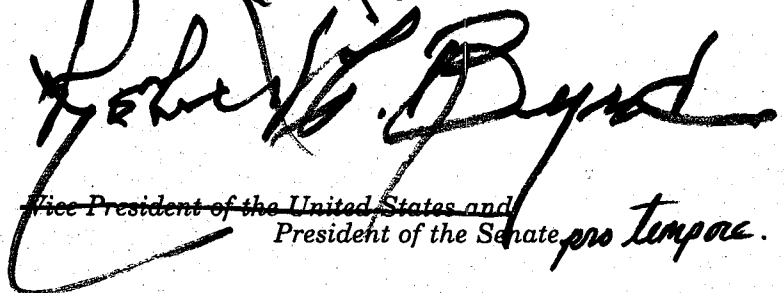
(3) by striking “\$188” in subsection (c) and inserting “\$199”.

SEC. 7. EFFECTIVE DATE.

The amendments made by this Act shall take effect on December 1, 2001.



Speaker of the House of Representatives.



Vice President of the United States and

President of the Senate, pro tempore.

APPROVED
DEC 21 2001

