

105TH CONGRESS  
1ST SESSION

# S. 1359

To amend title 38, United States Code, to limit the amount of recoupment from veterans' disability compensation that is required in the case of veterans who have received certain separation payments from the Department of Defense.

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## IN THE SENATE OF THE UNITED STATES

NOVEMBER 4, 1997

Mr. JEFFORDS (for himself, Mr. INHOFE, Mr. AKAKA, Mr. CONRAD, Mr. REID, Ms. COLLINS, Mr. CRAIG, Mr. DASCHLE, Mr. MURKOWSKI and Ms. SNOWE) introduced the following bill; which was read twice and referred to the Committee on Veterans' Affairs

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## A BILL

To amend title 38, United States Code, to limit the amount of recoupment from veterans' disability compensation that is required in the case of veterans who have received certain separation payments from the Department of Defense.

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

1 **SECTION 1. LIMITATION ON INCENTIVE RECOUPMENT**  
2 **FROM VETERANS COMPENSATION BENEFITS.**

3 (a) IN GENERAL.—(1) Chapter 53 of title 38, United  
4 States Code, is amended by inserting after section 5304  
5 the following new section:

6 **“§ 5304A. Recoupment of military incentive payments**  
7 **from compensation: limitation**

8 “(a) In the case of a veteran with a service-connected  
9 disability who is entitled to compensation and who is paid  
10 an incentive described in subsection (b), the amount of  
11 compensation otherwise payable to that veteran that is de-  
12 ducted pursuant to section 1174a(g) of title 10 by reason  
13 of the payment to that veteran of the benefit described  
14 in subsection (b)(1), or pursuant to section 1175(e)(4) of  
15 title 10 by reason of the payment to that veteran of the  
16 benefit described in subsection (b)(2), may not exceed 75  
17 percent of the total amount of the benefit paid to the vet-  
18 eran.

19 “(b) Subsection (a) applies to the following:

20 “(1) Special separation benefits under section  
21 1174a of title 10.

22 “(2) Voluntary separation incentive benefits  
23 under section 1175 of title 10.”.

24 (2) The table of sections at the beginning of such  
25 chapter is amended by adding at the end the following  
26 new item:

“5304A. Recoupment of military separation payments from compensation: limitation.”.

1       (b) **EFFECTIVE DATE.**—Section 5304A of title 38,  
2 United States Code, as added by subsection (a), shall  
3 apply with respect to payment of compensation by the Sec-  
4 retary of Veterans Affairs for months beginning after De-  
5 cember 5, 1991.

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