(8) Erosion of the dollar's value or what might be called "instant inflation" prompts us to ask for increased allowances for the following benefits to cope with our rapidly rising living costs:

(*a*) After World War II, the Administrator of Veterans Affairs was authorized by Congress to pay $1,600, the purchase price of an automobile for certain seriously disabled veterans whose disabilities were incurred in service. Accordingly, we recommend that this award be increased to $3,000.

(*b*) The veterans who have lost the use of their limbs and require braces or are amputees requiring artificial limbs are eligible for $15 to defray the cost of clothing repair if caused by the wearing of the prosthesis. AMVETS recommend that this benefit be increased to $25.

(*c*) Present law permits the Veterans' Administration to deduct 10 percent of social security payments as a factor in determining income and eligibility for non-service-connected pension benefits. In this regard, AMVETS ask for more liberal legislation and that the deduction be increased to 25 percent.

(*d*) Insurance coverage should also be adjusted upward. The $10,000 coverage was established more than 50 years ago and is basically the same for the policyholders of today. It is therefore outmoded and requires change. Therefore, we recommend a more realistic insurance coverage up to $30,000.

(9) (*a*) The recent report of the Veterans' Advisory Commission studying the problems affecting veterans affairs recommended that the Veterans' Administration direct program be expanded to allow greater participation in areas where interest rates and the penalizing "points" charged by lenders make the purchase of homes by veterans a burden, thereby contributing to the dilution of this home loan benefit.

Thus we strongly recommend the enactment of enabling legislation which will make adequate funds available through the Veterans' Administration and thus expand the direct loan program to include available funds at every Veterans' Administration regional office and center for this purpose.

(*b*) The home loan program under the GI bill has been a boon to the building industry and has contributed to the economic health of the country by providing considerable employment and better homes for our citizens. Additionally, AMVETS feel that the sacrifices made by our veterans warrant the continuing right to loan-guarantee benefits and should not have any limiting dates for the purchase of homes under the GI bill.

(*c*) Seriously disabled veterans are presently allowed $10,000 for the purchase of homes. No increase has been forthcoming since the enactment of this law. Therefore, AMVETS recommends that this allowance be increased to a minimum of $15,000, maximum of $25,000, to these richly deserving veterans.

III. HOSPITALIZATION AND MEDICAL SERVICES

In March 1968 the chairman of this committee introduced an amendment to title 38 of the United States Code, H.R. 16025, which in part would make certain widows and children eligible for care in Veterans' Administration hospitals.