

HELP VETERANS ACT OF 2010

SEPTEMBER 28, 2010.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. FILNER, from the Committee on Veterans' Affairs,  
 submitted the following

R E P O R T

[To accompany H.R. 5360]

[Including cost estimate of the Congressional Budget Office]

The Committee on Veterans' Affairs, to whom was referred the bill (H.R. 5360) to amend title 38, United States Code, to modify the standard of visual acuity required for eligibility for specially adapted housing assistance provided by the Secretary of Veterans Affairs, having considered the same, report favorably thereon with amendments and recommend that the bill as amended do pass.

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## AMENDMENT

The amendment is as follows:

Strike all after the enacting clause and insert the following:

**SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

(a) **SHORT TITLE.**—This Act may be cited as the “Housing, Employment, and Living Programs for Veterans Act of 2010” or the “HELP Veterans Act of 2010”.

(b) **TABLE OF CONTENTS.**—The table of contents for this Act is as follows:

- Sec. 1. Short title; table of contents.
- Sec. 2. References to title 38, United States Code.
- Sec. 3. Modification of standard of visual acuity required for eligibility for specially adapted housing assistance provided by the Secretary of Veterans Affairs.
- Sec. 4. Authorities regarding housing loans guaranteed by the Department of Veterans Affairs.
- Sec. 5. Reauthorization and improvement of Department of Veterans Affairs small business loan program.
- Sec. 6. Assistance for flight training.
- Sec. 7. Seven-year increase in amount of assistance for individuals pursuing internships or on-job training.
- Sec. 8. Extension of authority for certain qualifying work-study activities for purposes of the educational assistance programs of the Department of Veterans Affairs.
- Sec. 9. Expansion of work-study allowance to include certain outreach services conducted through congressional offices.
- Sec. 10. Temporary reduction of required amount of wages for on-the-job training programs.
- Sec. 11. Reauthorization of Veterans’ Advisory Committee on Education.
- Sec. 12. Homeless women veterans and homeless veterans with children reintegration grant program.
- Sec. 13. Technology review and grant program.
- Sec. 14. Child care; President’s Budget.
- Sec. 15. Increase in amount of reporting fee payable to educational institutions that enroll veterans receiving educational assistance.
- Sec. 16. Modification of advance payment of initial educational assistance or subsistence allowance.
- Sec. 17. Increase in amount of subsistence allowance payable to veterans participating in vocational rehabilitation program.
- Sec. 18. Expansion of availability of employment assistance allowance for veterans using employment services.
- Sec. 19. Promoting jobs for service-disabled veterans teaching in rural areas.
- Sec. 20. Promoting jobs for veterans through the establishment of an internship program.
- Sec. 21. Promoting jobs for veterans through the use of sole source contracts by Department of Veterans Affairs for purposes of meeting the contracting goals and preferences of the Department of Veterans Affairs for small business concerns owned and controlled by veterans.
- Sec. 22. Veterans entrepreneurial development summit.
- Sec. 23. Increase in the maximum amount of specially adapted housing assistance authorized to be provided by the Secretary of Veterans Affairs.
- Sec. 24. Department of Veterans Affairs housing loans for construction of energy efficient dwellings.
- Sec. 25. Pilot program on specially adapted housing assistance for veterans residing temporarily in housing owned by a family member.

**SEC. 2. 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 a 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. 3. MODIFICATION OF STANDARD OF VISUAL ACUITY REQUIRED FOR ELIGIBILITY FOR SPECIALLY ADAPTED HOUSING ASSISTANCE PROVIDED BY THE SECRETARY OF VETERANS AFFAIRS.**

(a) **IN GENERAL.**—Section 2101(b)(2)(A) is amended by striking “with 5/200” and all that follows through the period and inserting the following: “with central visual acuity of 20/200 or less in the better eye with the use of standard correcting lenses (for purposes of this subparagraph, an eye which is accompanied by a limitation in the fields of vision such that the widest diameter of the visual field subtends an angle no greater than 20 degrees shall be treated as having a central visual acuity of 20/200 or less).”.

(b) **EFFECTIVE DATE.**—The amendment made by subsection (a) shall apply with respect to specially adapted housing assistance provided on or after the date of the enactment of this Act.

**SEC. 4. AUTHORITIES REGARDING HOUSING LOANS GUARANTEED BY THE DEPARTMENT OF VETERANS AFFAIRS.**

(a) **COVENANTS AND LIENS IN RESPONSE TO DISASTER-RELIEF ASSISTANCE.**—Paragraph (3) of section 3703(d) is amended to read as follows:

“(3)(A) Any real estate housing loan (other than for repairs, alterations, or improvements) shall be secured by a first lien on the realty. In determining whether a loan is so secured, the Secretary may either disregard or allow for subordination to a superior lien that—

“(i) is created by a duly recorded covenant running with the realty in favor of—

“(I) a public entity that provides assistance in response to a major disaster as determined by the President under the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.); or

“(II) a private entity to secure an obligation to such entity for the homeowner’s share of the costs of the management, operation, or maintenance of property, services, or programs within and for the benefit of the development or community in which the veteran’s realty is located; and

“(ii) the Secretary determines will not prejudice the interests of the veteran borrower and of the Government by the operation of such a covenant.

“(B) In respect to a superior lien described by subparagraph (A) that is created after June 6, 1969, the Secretary’s determination must have been made prior to the recordation of the covenant.”

(b) EXTENSION OF AUTHORITY TO POOL LOANS.—Paragraph (2) of section 3720(h) is amended by striking “2011” and inserting “2016”.

**SEC. 5. REAUTHORIZATION AND IMPROVEMENT OF DEPARTMENT OF VETERANS AFFAIRS SMALL BUSINESS LOAN PROGRAM.**

(a) REAUTHORIZATION.—

(1) IN GENERAL.—Chapter 37 is amended by striking section 3751.

(2) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by striking the item relating to section 3751.

(3) CONFORMING AMENDMENT.—Section 3749 is amended by striking subsection (e).

(b) EXPANSION OF ELIGIBILITY FOR SMALL BUSINESS LOANS.—Chapter 37 is further amended—

(1) in section 3741—

(A) by striking paragraph (2); and

(B) by striking “this subchapter—” and all that follows through “‘disabled veteran’” and inserting “this subchapter, the term ‘disabled veteran’”; and

(2) in section 3742(a)(3)(A), by striking “veterans of the Vietnam era or”.

(c) REPEAL OF AUTHORITY TO MAKE DIRECT LOANS.—Chapter 37, as amended by subsections (a) and (b), is further amended—

(1) in section 3742—

(A) in subsection (a)—

(i) in paragraph (2), by striking “(A) loan guaranties, or (B) direct loans” and inserting “loan guaranties”; and

(ii) in paragraph (3)(A), by striking “and that at least 51 percent of a business concern must be owned by disabled veterans in order for such concern to qualify for a direct loan”;

(B) in subsection (b)—

(i) by striking paragraph (1) and redesignating paragraphs (2) through (4) as paragraphs (1) through (3), respectively; and

(ii) in paragraph (2), as so redesignated, by striking “make or”;

(C) in subsection (c), by striking “made or”;

(D) in subsection (d)—

(i) by striking paragraph (2);

(ii) by striking “(1) Except as provided in paragraph (2) of this subsection, the” and inserting “The”; and

(iii) by striking “make or”; and

(E) in subsection (e)—

(i) in paragraph (1)—

(I) in the first sentence, by striking “or, if the loan was a direct loan made by the Secretary, may suspend such obligation”; and

(II) in the second sentence, by striking “or while such obligation is suspended”;

(ii) by striking “or suspend” each place it appears;

(iii) by striking “or suspension” each place it appears;

(iv) by striking “or suspends” each place it appears; and

(v) by striking “or suspended” each place it appears;

(2) in section 3743—

(A) by striking “that is provided a direct loan under this subchapter, or”;

(B) by striking the comma between “subchapter” and “shall”;

(C) by striking “direct or”; and

(D) by striking “for the amount of such direct loan or, in the case of a guaranteed loan,”;

(3) in section 3746, by striking “made or” both places it appears;

(4) in section 3749(b), by striking “and direct loan”; and

(5) in section 3750, by striking “made or”.

(d) AUTHORITY TO ENTER INTO A CONTRACT.—Section 3742, as amended by subsection (c), is further amended by adding at the end the following new subsection:

“(f) The Secretary shall enter into a contract with an appropriate entity for the purpose of carrying out the program under this subchapter.”

(e) LOAN FEE.—

(1) IN GENERAL.—Chapter 37 is further amended by inserting after section 3749 the following new section:

**“§ 3749A. Loan Fee**

“(a) REQUIREMENT OF FEE.—(1) The Secretary shall—

“(A) collect a fee from each veterans’ small business concern obtaining a loan guaranteed under this subchapter; and

“(B) deposit such fee in the fund established under section 3749 of this title.

“(2) No loan may be guaranteed under this subchapter until the fee payable under this section has been remitted to the Secretary.

“(3) The fee may be included in the loan guaranteed under this subchapter and paid from the proceeds thereof.

“(b) DETERMINATION OF FEE.—The amount of the fee shall be an amount necessary to ensure the solvency of the fund established under section 3749 of this title, as determined by the Secretary.”.

(2) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 3749 the following new item:

“3749A. Loan fee.”.

(3) CONFORMING AMENDMENT.—Paragraph (2) of section 3749(c) is amended by inserting “, fees collected under section 3749A of this title,” after “principal and interest”.

**SEC. 6. ASSISTANCE FOR FLIGHT TRAINING.**

Subsection (e)(1) of section 3032 is amended by striking “60 percent” and inserting “75 percent”.

**SEC. 7. SEVEN-YEAR INCREASE IN AMOUNT OF ASSISTANCE FOR INDIVIDUALS PURSUING INTERNSHIPS OR ON-JOB TRAINING.**

During the seven-year period beginning on the date of the enactment of this Act, the Secretary of Veterans Affairs shall apply—

(1) section 3032(c)(1) of title 38, United States Code—

(A) in subparagraph (A), by substituting “80 percent” for “75 percent”;

(B) in subparagraph (B), by substituting “60 percent” for “55 percent”;

and

(C) in subparagraph (C), by substituting “40 percent” for “35 percent”;

(2) section 3233(a) of such title—

(A) in paragraph (1), by substituting “80 percent” for “75 percent”;

(B) in paragraph (2), by substituting “60 percent” for “55 percent”; and

(C) in paragraph (3), by substituting “40 percent” for “35 percent”;

(3) section 3687(b)(2) of such title—

(A) by substituting “\$603” for “\$574”;

(B) by substituting “\$450” for “\$429”; and

(C) by substituting “\$299” for “\$285”; and

(4) section 16131(d)(1) of title 10, United States Code—

(A) in subparagraph (A), by substituting “80 percent” for “75 percent”;

(B) in subparagraph (B), by substituting “60 percent” for “55 percent”;

and

(C) in subparagraph (C), by substituting “40 percent” for “35 percent”.

**SEC. 8. EXTENSION OF AUTHORITY FOR CERTAIN QUALIFYING WORK-STUDY ACTIVITIES FOR PURPOSES OF THE EDUCATIONAL ASSISTANCE PROGRAMS OF THE DEPARTMENT OF VETERANS AFFAIRS.**

Paragraph (4) of section 3485(a) is amended by striking “June 30, 2010” each place it appears and inserting “June 30, 2020”.

**SEC. 9. EXPANSION OF WORK-STUDY ALLOWANCE TO INCLUDE CERTAIN OUTREACH SERVICES CONDUCTED THROUGH CONGRESSIONAL OFFICES.**

Section 3485(a)(4) is amended by adding at the end the following new subparagraph:

“(G) The following activities carried out at the offices of Members of Congress for such Members:

“(i) The distribution of information to members of the Armed Forces, veterans, and their dependents about the benefits and services under laws administered by the Secretary and other appropriate governmental and non-governmental programs.

“(ii) The provision of assistance in ascertaining the status of claims (including appeals) for benefits under laws administered by the Secretary, as well as other constituent services for veterans as the Secretary determines appropriate.”.

**SEC. 10. TEMPORARY REDUCTION OF REQUIRED AMOUNT OF WAGES FOR ON-THE-JOB TRAINING PROGRAMS.**

(a) IN GENERAL.—

(1) REDUCING REQUIREMENT.—Section 3677(b)(1)(A)(ii) is amended by striking “85 per centum” and inserting “60 percent”.

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall take effect on October 1, 2010, and shall apply to a veteran who enrolls in a program of training on the job approved under section 3677 of title 38, United States Code, on or after such date.

(b) SUNSET.—

(1) REVERSION.—Effective October 1, 2013, section 3677(b)(1)(A)(ii) of such title, as amended by subsection (a) of this section, is amended by striking “60 percent” and inserting “85 percent”.

(2) APPLICATION.—The amendment made by paragraph (1) shall apply to a veteran who enrolls in a program of training on the job approved under section 3677 of title 38, United States Code, on or after October 1, 2013.

(c) GAO REPORT.—Not later than October 1, 2013, the Comptroller General shall submit to the Committee on Veterans’ Affairs of the House of Representatives and the Committee on Veterans’ Affairs of the Senate a report on the effects of eliminating the requirement under section 3677(b)(1)(A)(ii) of title 38, United States Code, for a private employer to provide wage increases to veterans enrolled in a program of training on the job approved under section 3677 of such title.

**SEC. 11. REAUTHORIZATION OF VETERANS’ ADVISORY COMMITTEE ON EDUCATION.**

Section 3692(c) is amended by striking “December 31, 2009” and inserting “December 31, 2020”.

**SEC. 12. HOMELESS WOMEN VETERANS AND HOMELESS VETERANS WITH CHILDREN REINTEGRATION GRANT PROGRAM.**

(a) GRANT PROGRAM.—Chapter 20 is amended by inserting after section 2021 the following new section:

**“§ 2021A. Homeless women veterans and homeless veterans with children reintegration grant program**

“(a) GRANTS.—Subject to the availability of appropriations provided for such purpose, the Secretary of Labor shall make grants to programs and facilities that the Secretary determines provide dedicated services for homeless women veterans and homeless veterans with children.

“(b) USE OF FUNDS.—Grants under this section shall be used to provide job training, counseling, placement services (including job readiness and literacy and skills training) and child care services to expedite the reintegration of homeless women veterans and homeless veterans with children into the labor force.

“(c) REQUIREMENT TO MONITOR EXPENDITURES OF FUNDS.—(1) The Secretary of Labor shall collect such information as that Secretary considers appropriate to monitor and evaluate the distribution and expenditure of funds appropriated to carry out this section. The information shall include data with respect to the results or outcomes of the services provided to each homeless veteran under this section.

“(2) Information under paragraph (1) shall be furnished in such form and manner as the Secretary of Labor may specify.

“(d) ADMINISTRATION THROUGH THE ASSISTANT SECRETARY OF LABOR FOR VETERANS’ EMPLOYMENT AND TRAINING.—The Secretary of Labor shall carry out this section through the Assistant Secretary of Labor for Veterans’ Employment and Training.

“(e) BIENNIAL REPORT TO CONGRESS.—The Secretary of Labor shall include as part of the report required under section 2021(d) of this title an evaluation of the grant program under this section, which shall include an evaluation of services furnished to veterans under this section and an analysis of the information collected under subsection (c).

“(f) APPROPRIATED FUNDS.—(1) In addition to any amount authorized to be appropriated to carry out section 2021 of this title, there is authorized to be appropriated to carry out this section \$10,000,000 for each of fiscal years 2011 through 2016.

“(2) Funds appropriated to carry out this section shall remain available until expended. Funds obligated in any fiscal year to carry out this section may be expended in that fiscal year and the succeeding fiscal year.”.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 2021 the following new item:

“2021A. Homeless women veterans and homeless veterans with children reintegration grant program.”.

**SEC. 13. TECHNOLOGY REVIEW AND GRANT PROGRAM.**

(a) REVIEW AND EVALUATION OF NEW TECHNOLOGY.—The Secretary of Veterans Affairs shall establish a team of individuals from appropriate disciplines to be responsible for reviewing new technologies, processes, and products and for determining which such technologies, processes, and products may be beneficial to the Department of Veterans Affairs or to the veterans served by the Department. Upon completion of the review under this subsection, the team shall submit the review to the Secretary, who shall disseminate the review within the Department, as appropriate.

(b) SPECIALLY ADAPTED HOUSING ASSISTIVE TECHNOLOGY GRANT PROGRAM.—

(1) IN GENERAL.—Chapter 21 is amended by adding at the end the following new section:

**“§ 2108. Specially adapted housing assistive technology grant program**

“(a) AUTHORITY TO MAKE GRANTS.—The Secretary shall make grants to encourage the development of new assistive technologies for specially adapted housing.

“(b) APPLICATION.—A person or entity seeking a grant under this section shall submit to the Secretary an application for the grant in such form and manner as the Secretary shall specify.

“(c) GRANT FUNDS.—Each grant awarded under this section shall be in an amount of not more than \$250,000 per year.

“(d) USE OF FUNDS.—The recipient of a grant under this section shall use the grant to develop assistive technologies for use in specially adapted housing.

“(e) REPORT.—Not later than March 1 of each year following a year in which the Secretary makes a grant, the Secretary shall submit to Congress a report containing information related to each grant awarded under this section during the preceding calendar year, including—

“(1) the name of the grant recipient;

“(2) the amount of the grant; and

“(3) the goal of the grant.

“(f) FUNDING.—From amounts authorized to be appropriated to the Department for each fiscal year for which the Secretary is authorized to make a grant under this section, \$1,500,000 shall be available for that fiscal year for the purposes of the program under this section.

“(g) TERMINATION.—The authority to make a grant under this section shall terminate on the date that is five years after the date of the enactment of this section.”.

(2) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

“2108. Specially adapted housing assistive technology grant program.”.

(3) EFFECTIVE DATE.—The Secretary of Veterans Affairs shall begin making grants under section 2108 of title 38, United States Code, as added by paragraph (1), by not later than one year after the date of the enactment of this Act.

**SEC. 14. CHILD CARE; PRESIDENT'S BUDGET.**

(a) IN GENERAL.—Chapter 31 is amended by adding at the end the following new sections:

**“§ 3123. Child care assistance for single parents**

“(a) IN GENERAL.—Pursuant to regulations prescribed by the Secretary to carry out this section, the Secretary shall provide reimbursements for the actual cost of child care provided by a licensed provider to a veteran who—

“(1) is participating in a vocational rehabilitation program under this chapter;

“(2) is the sole caretaker of a child; and

“(3) would not otherwise be able to afford such child care.

“(b) AMOUNT AND DURATION.—The amount of the reimbursement for the actual cost for child care under this section shall be not more than \$2,000 per month for each month the veteran is participating in a vocational rehabilitation program under this chapter.

**“§ 3124. Information included in support of President's budget**

“The Secretary shall include in documents submitted to Congress by the Secretary in support of the President's budget for each fiscal year submitted under section 1105 of title 31, United States Code, the following:

“(1) For the calendar year preceding the submission—

“(A) the percentage of veterans receiving assistance under this chapter who became employed; and

“(B) the percentage of veterans receiving assistance under this chapter who achieved independence in daily living.

“(2) Any changes made by the Secretary in measuring or calculating the performance of the department under this chapter.”

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by adding at the end the following:

“3123. Child care assistance for single parents.

“3124. Information included in support of President’s budget.”

**SEC. 15. INCREASE IN AMOUNT OF REPORTING FEE PAYABLE TO EDUCATIONAL INSTITUTIONS THAT ENROLL VETERANS RECEIVING EDUCATIONAL ASSISTANCE.**

(a) INCREASE IN AMOUNT OF FEE.—Subsection (c) of section 3684 is amended—

(1) by striking “\$7” and inserting “\$16”; and

(2) by striking “\$11” and inserting “\$16”.

(b) TECHNICAL CORRECTION.—Subsection (a) of such section is amended by striking the second comma after “34”.

(c) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall take effect on January 1, 2011.

**SEC. 16. MODIFICATION OF ADVANCE PAYMENT OF INITIAL EDUCATIONAL ASSISTANCE OR SUBSISTENCE ALLOWANCE.**

(a) MODIFICATION.—Section 3680(d)(2) is amended by inserting after the third sentence the following new sentence: “For purposes of the entitlement to educational assistance of the veteran or person receiving an advance payment under this subsection, the advance payment shall be charged against the final month of the entitlement of the person or veteran and, if necessary, the penultimate such month. In no event may any veteran or person receive more than one advance payment under this subsection during any academic year.”

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply with respect to an advance payment of educational assistance made on or after September 1, 2010.

**SEC. 17. INCREASE IN AMOUNT OF SUBSISTENCE ALLOWANCE PAYABLE TO VETERANS PARTICIPATING IN VOCATIONAL REHABILITATION PROGRAM.**

(a) INCREASE IN SUBSISTENCE ALLOWANCE.—Section 3108(b)(1) is amended by striking the table and inserting the following new table:

“Column I	Column II	Column III	Column IV	Column V
Type of program	No dependents	One dependent	Two dependents	More than two dependents
.....	.....	.....	.....	The amount in column IV, plus the following for each dependent in excess of two:
Full-time .....	\$576.01	\$714.50	\$841.98	\$61.37
Three-quarter time .....	\$432.80	\$536.65	\$629.50	\$47.19
Half-time .....	\$289.59	\$358.81	\$421.77	\$31.49”.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply with respect to a payment made for the third month beginning after the date of the enactment of this Act and each subsequent month.

**SEC. 18. EXPANSION OF AVAILABILITY OF EMPLOYMENT ASSISTANCE ALLOWANCE FOR VETERANS USING EMPLOYMENT SERVICES.**

Paragraph (2) of section 3108(a) is amended to read as follows:

“(2) In the case of a veteran with a service-connected disability who the Secretary determines has reached a point of employability and who is participating only in a program of employment services provided under section 3104(a)(5) of this title, the Secretary shall pay the veteran a subsistence allowance as prescribed in this section for three months while the veteran is satisfactorily pursuing such program.”

**SEC. 19. PROMOTING JOBS FOR SERVICE-DISABLED VETERANS TEACHING IN RURAL AREAS.**

(a) IN GENERAL.—Chapter 36 is amended by adding at the end the following new section:

**“§ 3698. Assistance allowance for rural veteran teachers**

“(a) REDUCING ADMINISTRATIVE BURDEN.—The Secretary may pay to a rural veteran teacher a monthly assistance allowance of \$500.

“(b) DURATION.—The aggregate period for which the Secretary may pay a rural veteran teacher a monthly assistance allowance under subsection (a) may not exceed 24 months.

“(c) RURAL VETERAN TEACHER DEFINED.—In this section, the term ‘rural veteran teacher’ means a veteran who—

“(1) is discharged from service in the Armed Forces under honorable conditions;

“(2) is employed to teach full-time at an accredited elementary or secondary school that is located in a rural area (as determined by the Bureau of the Census);

“(3) on the date on which the veteran applies for a monthly assistance allowance under subsection (a), is enrolled in an accredited course leading to certification as a teacher;

“(4) has not been previously employed to teach full-time at an accredited elementary or secondary school; and

“(5) is entitled to compensation under section 1110 of this title.

“(d) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section \$15,000,000 for fiscal year 2012 and each fiscal year thereafter.”.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 3697A the following new item:

“3698. Assistance allowance for rural veteran teachers.”.

**SEC. 20. PROMOTING JOBS FOR VETERANS THROUGH THE ESTABLISHMENT OF AN INTERNSHIP PROGRAM.**

(a) IN GENERAL.—Chapter 7 is amended by adding at the end the following new section:

**“§ 712. Internship program**

“(a) INTERNSHIP PROGRAM.—The Secretary may carry out an internship program through which the Secretary shall award internships to up to 2,000 veterans each year in accordance with this section. The recipient of an internship under this section shall be employed in the Veterans Benefits Administration for the duration of the internship.

“(b) ELIGIBILITY.—To be eligible to receive an internship under this section a veteran shall have completed a rehabilitation program under chapter 31 of this title. In awarding internships under this section, the Secretary shall give a preference to a veteran who has completed a program of long-term education or training, as determined by the Secretary.

“(c) SALARY; BENEFITS.—(1) Each recipient of an internship under this section shall be paid at a rate determined by the Secretary, except that such rate shall be at least the maximum annual rate of basic pay payable for grade GS–3 of the General Schedule under section 5332 of title 5, United States Code, and shall not exceed the maximum annual rate of basic pay payable for grade GS–5 of such schedule. Payments under this paragraph shall be derived from amounts available in the ‘General operating expenses’ account of the Department.

“(2) Each such recipient shall be entitled to leave on the same basis as employees of the Department who are paid at the same annual rate, except that such recipient may not be reimbursed for any unused leave at the end of the internship.

“(3) The Secretary shall furnish hospital care, medical services, and nursing home care to each recipient of an internship under this section on the same basis as a veteran described in subsection (B) of paragraph (2) of subsection (a) of section 1710 of this title unless the recipient is eligible for such care and services under subparagraph (A) of such paragraph or under paragraph (1) of such subsection.

“(4) The recipient of an internship under this section may receive an allowance under section 3108 of this title if such recipient is entitled to such an allowance.

“(d) DURATION.—No internship under this section shall exceed 12 months in duration.

“(e) OUTREACH.—The Secretary shall notify each participant in a rehabilitation program under chapter 31 of this title of the internship program under this section.”.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 711 the following new item:

“712. Internship program.”.

**SEC. 21. PROMOTING JOBS FOR VETERANS THROUGH THE USE OF SOLE SOURCE CONTRACTS BY DEPARTMENT OF VETERANS AFFAIRS FOR PURPOSES OF MEETING THE CONTRACTING GOALS AND PREFERENCES OF THE DEPARTMENT OF VETERANS AFFAIRS FOR SMALL BUSINESS CONCERNS OWNED AND CONTROLLED BY VETERANS.**

(a) IN GENERAL.—Section 8127(c) is amended by striking “may” and inserting “shall”.



(b) DEADLINE FOR INTERIM POLICY GUIDANCE.—By not later than 30 days after the date of the enactment of this Act, the Secretary of Veterans Affairs shall issue interim policy guidance to carry out the amendment made by subsection (a).

**SEC. 22. VETERANS ENTREPRENEURIAL DEVELOPMENT SUMMIT.**

(a) IN GENERAL.—Subchapter II of chapter 81 is amended by adding at the end the following new section:

**“§ 8129. Veterans entrepreneurial development summit**

“(a) VETERANS ENTREPRENEURIAL DEVELOPMENT SUMMIT.—The Secretary may hold an event, once every year, to provide networking opportunities, outreach, education, training, and support to small business concerns owned and controlled by veterans, veterans service organizations, and other entities as determined appropriate by the Secretary.

“(b) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this subsection \$1,000,000 for each of fiscal years 2011 and 2021.”

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by adding at the end of the items relating to subchapter II the following:

“8129. Veterans entrepreneurial development summit.”

**SEC. 23. INCREASE IN THE MAXIMUM AMOUNT OF SPECIALLY ADAPTED HOUSING ASSISTANCE AUTHORIZED TO BE PROVIDED BY THE SECRETARY OF VETERANS AFFAIRS.**

(a) IN GENERAL.—Section 2102 is amended—

(1) in subsection (b)(2), by striking “\$12,000” and inserting “\$13,756”; and  
(2) in subsection (d)—

(A) in paragraph (1), by striking “\$60,000” and inserting “\$65,780”; and  
(B) in paragraph (2), by striking “\$12,000” and inserting “\$13,756”.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply with respect to assistance furnished after the date of the enactment of this Act.

**SEC. 24. DEPARTMENT OF VETERANS AFFAIRS HOUSING LOANS FOR CONSTRUCTION OF ENERGY EFFICIENT DWELLINGS.**

(a) LOANS AUTHORIZED.—Section 3710(d) is amended—

(1) in paragraph (1)—

(A) by striking “The Secretary” and inserting “(A) The Secretary”;

(B) by striking “for the acquisition of” and all that follows through the end and inserting “for any of the following purposes:”;

(C) by adding at the end the following new clauses:

“(i) The acquisition of an existing dwelling and the cost of making energy efficiency improvements to the dwelling.

“(ii) The construction of a new dwelling and the cost of making energy efficiency improvements to the dwelling.

“(iii) Energy efficiency improvements to a dwelling owned and occupied by a veteran.”; and

(D) by adding at the end the following new subparagraphs:

“(B) Except as otherwise provided in this subsection, a loan may be guaranteed under this subsection only if it meets the requirements of this chapter.

“(C) The Secretary shall determine appropriate energy efficiency standards for purposes of this subsection and shall require that dwellings purchased, constructed, or improved using a loan guaranteed under this subsection meet such standards.”; and

(2) in paragraph (2), by striking subparagraphs (A) and (B) and inserting the following new subparagraphs (A) and (B):

“(A) five percent of the total established value of the property, dwelling, and improvements; or

“(B) \$6,000, or a higher amount specifically provided by the Secretary.”

(b) GUIDANCE.—Not later than 180 days after the date of the enactment of this Act, the Secretary shall issue guidance on appraising the value of energy efficiency improvements for purposes of section 3710(d) of title 38, United States Code, as amended by this Act.

(c) REGULATIONS.—

(1) INTERIM POLICY GUIDANCE.—Not later than 90 days after the date of the enactment of this Act, the Secretary of Veterans Affairs shall prescribe interim policy guidance on energy efficiency audits and the conditions under which the performance of such audits may be included in the amount guaranteed by the Secretary under section 3710(d) of title 38, United States Code, as amended by subsection (a).

(2) REGULATIONS.—Not later than one year after the date of the enactment of this Act, the Secretary shall prescribe regulations to carry out the amendments made by subsection (a).

(3) ENERGY EFFICIENCY AUDIT DEFINED.—For purposes of this subsection, the term “energy efficiency audit” means a measurement of the effects of an improvement made to a dwelling for the purpose of reducing energy consumption or increasing energy efficiency that is carried out by a certified professional auditor, as determined by the Secretary.

(d) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall apply with respect to a loan secured on or after January 1, 2011.

**SEC. 25. PILOT PROGRAM ON SPECIALLY ADAPTED HOUSING ASSISTANCE FOR VETERANS RESIDING TEMPORARILY IN HOUSING OWNED BY A FAMILY MEMBER.**

(a) TREATMENT OF CERTAIN LIMITATIONS.—Notwithstanding subsection (d) of section 2102 of title 38, United States Code, and subject to subsection (b), a grant under section 2102A of such title shall not count toward the dollar amount limitations specified in that subsection.

(b) TERMINATION.—Subsection (a) shall apply only to the first 25 grants made during fiscal year 2011.

Amend the title so as to read:

A bill to amend title 38, United States Code, to make certain improvements in the laws administered by the Secretary of Veterans Affairs, and for other purposes.

PURPOSE AND SUMMARY

H.R. 5360 was introduced on May 20, 2010, by Representative Stephanie Herseth Sandlin of South Dakota, Chairwoman of the Subcommittee on Economic Opportunity. H.R. 5360, as amended, would amend title 38, United States Code, to make certain improvements in the laws administered by the Secretary of Veterans Affairs.

H.R. 5360 is comprised of a number of bills introduced in the 111th Congress. These bills include H.R. 3561, to amend title 38, United States Code, to increase the amount of educational assistance provided to certain veterans for flight training, introduced by Representative Harry Teague of New Mexico; H.R. 1098, the Veterans’ Worker Retraining Act of 2009, introduced by Representative Thomas Perriello of Virginia; H.R. 3484, to amend title 38, United States Code, to extend the authority for certain qualifying work-study activities for purposes of the educational assistance programs of the Department of Veterans Affairs, introduced by Representative Stephanie Herseth Sandlin of South Dakota; H.R. 4765, to amend title 38, United States Code, to authorize individuals who are pursuing programs of rehabilitation, education, or training under laws administered by the Secretary of Veterans Affairs to receive work-study allowances for certain outreach services provided through congressional offices, and for other purposes, introduced by Representative Peter DeFazio of Oregon; H.R. 4079, to amend title 38, United States Code, to temporarily lower the salary increases paid by employers as a means to increase the number of potential on-the-job and apprenticeship training programs for veterans introduced by Representative Thomas Perriello of Virginia; H.R. 2614, the Veterans’ Advisory Committee on Education Reauthorization Act of 2009, introduced by Representative Ann Kirkpatrick of Arizona; H.R. 1171, the Homeless Veterans Reintegration Program Reauthorization Act of 2009, introduced by Representative John Boozman of Arkansas; H.R. 1170, to amend chapter 21 of title 38, United States Code, to establish a grant program to encourage the development of new assistive technologies for specially adapted housing, introduced by Representative John Boozman of Arkansas; H.R. 1821, the Equity for Injured Veterans Act of 2009, introduced by Representative Bob Filner of California; H.R. 3579, to amend

title 38, United States Code, to provide for an increase in the amount of the reporting fees payable to educational institutions that enroll veterans receiving educational assistance from the Department of Veterans Affairs, and for other purposes, introduced by Representative Bob Filner of California; H.R. 1336, the Veterans Education Improvement Act of 2009, introduced by Representative Stephanie Herseth Sandlin of South Dakota; and H.R. 297, the Veteran Vocational Rehabilitation and Employment Subsistence Allowance Improvement Act of 2009, introduced by Representative Steve Buyer of Indiana, the Ranking Member of the Committee.

#### BACKGROUND AND NEED FOR LEGISLATION

##### *Modification of standard of visual acuity required for eligibility for specially adapted housing assistance provided by the Secretary of Veterans Affairs*

On November 19, 2009, the Subcommittee on Economic Opportunity held a hearing on adaptive housing grants which focused in part on adaptive housing for blinded veterans. Dr. Thomas Zampieri of the Blinded Veterans Association provided testimony emphasizing the VA's overly restrictive definition of blindness which ultimately leaves many visually-impaired veterans without access to the adaptive housing grants they need.

To qualify for the VA's adaptive housing grants, a blinded veteran must have a visual acuity of 5/200 or less. A 5/200 level of visual acuity means that one must stand no further than five feet away from a word or object that someone with normal vision can see clearly at 200 feet. In practice, this level of impairment generally manifests itself with the inability to perceive light, or to distinguish between being in a lit environment versus a dark environment. Many veterans who have suffered the effects of impaired vision as a result of their military service do not meet this very high standard of 5/200, but still must face an impairment that significantly affects their quality of life as well as their own personal safety.

Following the hearing, the Subcommittee on Economic Opportunity conducted relevant research among professionals in the fields of optometry and ophthalmology. Exchanges with eye specialists such as Michael Duenas, O.D. from the American Optometric Association have focused on the disparity between the VA's definition of blindness and what other Federal statutes define as blindness.

Other Federal statutes have a less restrictive standard for blindness than the VA. For example, the term "blindness" means central visual acuity of 20/200 or less in the better eye with the use of a correcting lens.

An eye which is accompanied by a limitation in the fields of vision such that the widest diameter of the visual field subtends an angle no greater than 20 degrees shall be considered for purposes in this paragraph as having a central visual acuity of 20/200 or less. 42. U.S.C. § 416(i)(1)(B).

The American Medical Association has espoused this 20/200 definition of blindness since 1934, and the Social Security Administration adopted it in 1968. The VA created their 5/200 definition of blindness in 1945. In 2007, Public Law 110-157 (121 Stat. 1831)

updated the VA's definition of blindness to 20/200 for compensation rating purposes only. Unfortunately, eligibility criteria for adaptive housing grants were not affected by this bill, and the 5/200 standard currently remains in place for these grants. It should also be noted that the VA's current definition of blindness for adaptive housing does not include visual impairments stemming from a reduced field of vision. Synchronizing the VA's standard of blindness with the rest of the government's will be an important step in transforming the VA into a 21st Century agency.

In addition, though a less restrictive adaptive housing grant eligibility standard will naturally lead to more grant awards, there are long-term health and funding gains to be made by instituting such a change. Several professional medical studies show that visual impairment is strongly associated with falls and hip fractures. These additional, blindness-induced injuries require more funds to be spent on treatments and disability compensation that could have been prevented if the blinded veteran had been able to adapt their home to a safer configuration in the first place.

Without Congressional intervention, the VA's 5/200 standard of blindness will remain unchanged and many visually impaired veterans will continue to be ineligible for the adaptive housing grants that they urgently need.

#### *Authorities regarding housing loans guaranteed by the VA*

This section would authorize the VA to guarantee a loan regardless of whether the VA loan is subordinate to a lien created by a state that has provided or will provide assistance in response to a major disaster. The new language will also extend to December 31, 2016 existing authority to issue and guarantee certificates or other securities evidencing an interest in a pool of mortgage loans. The authority to issue and guarantee such items is set to expire on December 31, 2011. These two provisions were requested by the VA Secretary.

The Secretary of VA suggested this language to ensure that veterans are able to use State and VA benefits after a major disaster as experienced in the aftermath of hurricanes Katrina and Rita. There have been instances in the aftermath of a natural disaster where the affected state would offer loans and grants to the victims of the disaster. However, there were veterans with VA loans who were unable to take advantage of these State sponsored loans or grants due to superiority requirements. This section proposes new language to allow a VA loan to be subordinate to a public entity.

#### *Reauthorization and improvement of VA small business loan program*

One of the most serious effects of the recent recession has been the inability of businesses, especially small businesses, to obtain credit to fund initial investment and continuing operations.

Subchapter IV of chapter 37 of title 38, United States Code, contains a small business loan program that authorized VA to make both direct loans and to guarantee loans made by qualified financial institutions. Chapter 37 also contains provisions detailing qualifications and responsibilities for a prospective borrower, financial institutions, and the U.S. Department of Veterans Affairs. The

VA's authority to make any financial commitment for the chapter 37 small business loan program expired on September 30, 1986.

This section continues the original chapter 37 small business financial and eligibility provisions while making several changes. First, the provision in the original program that provided VA's authority to make direct loans would not be reauthorized. Second, VA would be directed to contract with a qualified financial institution to manage the small business loan guaranty program. Third, the program would be funded by authorizing needed appropriations, adding authority for the VA to charge a funding fee for each guaranteed loan and set the fee at a rate sufficient to ensure solvency of the program.

*Assistance for flight training*

The State Approving Agencies (SAA) will approve flight courses if a flight school or institution of higher learning offers the courses, and not an individual instructor. For approval of flight training courses that are not part of a degree program, certain requirements must be met. A flight school, other than an institution of higher learning, is a school or aero club, is located in the State, and meets one of the following requirements: the school or entity must have a pilot school certificate or a provisional pilot school certificate by the Federal Aviation Administration (FAA); the entity is a flight training center or air carrier that does not have a pilot school certificate but has an exemption letter issued by the FAA, a permitting flight simulator instead of an aircraft; or the school or entity has issued a training center certificate by the FAA.

The Committee has received concerns from veterans who are unable to pay for the flight training program due to the high cost. The current flight training education assistance allowance is 60 percent of the established charges for tuition and fees, which means that VA will reimburse the veteran 60 percent for the approved charges. Increasing the education reimbursement rate to 75 percent would provide those interested in flight training an incentive to enroll in this program and the increase in financial assistance will help defray some of the costs.

*Seven-year increase in amount of assistance for individuals pursuing apprenticeships or on-job training*

On-the-job training (OJT) offers veterans, and members of the Guard and Reserve, an alternative to attending a college or university by using their education benefit to obtain employment training. OJT is training that veterans received while actually performing a job. This program helps veterans to become gainfully employed by leading to an entry-level job. While the veteran receives training on their prospective job, they have the added benefit of receiving pay from the employer. The OJT program provides participants with a monthly training benefit on top of their regular salary. Approved OJT programs must be at least six months and no more than two years in length.

The training benefit amount is based on a percentage of the basic full-time school rate. Public Law 108-454, The Veterans Benefits Improvement Act of 2004 (118 Stat. 3598), increased benefits for individuals pursuing apprenticeship or OJT. The increase was tem-

porary, from October 1, 2005, to January 1, 2008, increasing the benefits from:

- 75 percent to 85 percent of the full-time GI Bill rate for the first six months
- 55 percent to 65 percent of the full-time GI Bill rate for the second six months
- 35 percent to 45 percent of the full-time GI Bill rate for the remainder of the training program

On January 1, 2008, this provision expired, and reduced the benefits to the previous rate.

On February 13, 2008, the Subcommittee on Economic Opportunity held a hearing reviewing expiring programs. During this hearing Mr. Keith Pedigo, Associate Deputy Under Secretary for Policy and Program Management at the VA, highlighted OJT. According to his testimony, a “higher monthly training assistance allowance supplement can provide an incentive for individuals to accept trainee positions they might not otherwise consider. The Department of Labor (DOL) states that jobs generally requiring OJT will account for half of all jobs by 2016 (DOL Report, *Employment Outlook 2006–2016*, November 2007). Prior to the sunset date of the provisions in Public Law 108–454, VA proposed legislation that would extend the temporary increase in the rates of payment to individuals pursuing apprenticeship and OJT programs. We recommend reinstatement of the benefit rate increase and support making the increase permanent.”

In fiscal year 2009, approximately 10,200 individuals participated in OJT through the following VA Education programs: MGIB–AD (chapter 30), VEAP (chapter 32), MGIB–SR (chapter 1606), and REAP (chapter 1607). OJT participants are reported to the Education Service at the end of the fiscal year. Therefore, the number of participants in FY 2010 is unavailable at this time.

The U.S. Bureau of Labor Statistics published the following numbers on March 12, 2010: “The unemployment rate for veterans who served in the military since September 2001—a group referred to as Gulf War-era II veterans—was 10.2 percent in 2009, the U.S. Bureau of Labor Statistics reported today. The jobless rate for veterans of all eras combined was 8.1 percent. About 21 percent of Gulf War-era II veterans reported having a service-connected disability in August 2009, compared with about 13 percent of all veterans.”

*Extension of authority for certain qualifying work-study activities for purposes of the educational assistance programs of the VA*

The VA is authorized to provide an educational allowance for student veterans who participate in work-study activities. Currently, student veterans enrolled three-quarter time or more in a college degree program, vocational program or professional program are eligible to participate in the Work-Study Allowance Program. Veterans with a service connected disability are given priority based on job availability within normal commuting distance to the student.

Under the current work-study program, veterans that qualify for the VA Work-Study Allowance Program are limited to working on VA related work such as processing VA paperwork, performing out-

reach services, and assisting staff at VA medical facilities or the offices of the National Cemetery Administration.

In fiscal year 2009, a little over 17,000 student veterans participated in this program. This program expired on June 30, 2010.

*Expansion of work-study allowance to include certain outreach services conducted through congressional offices*

In the fall of 2009, Representative Peter A. DeFazio of Oregon contacted the Committee staff asserting that the VA has allowed student veterans to participate in VA's Work-Study Allowance Program to work in Congressional offices for several years in the past, but has recently disallowed this work. His concern is that student veterans will lose an opportunity to gain valuable work experience and dramatically reduce the assistance to Members of Congress in meeting the needs of veterans.

This section would specifically authorize VA's Work-Study Allowance Program to include working in Congressional offices as part of VA work-study opportunities. This section also includes language recommended by VA to ensure student veterans are not tasked to represent veterans before the VA as part of their duties in Congressional offices.

*Temporary reduction of required amount of wages for OJT programs*

OJT requires that the employer and the veteran agree on a training plan of at least six months long, leading to new skills and new pay. The employer or veteran contacts the State Approving Agency for assistance or review and approval. The veteran applies to the VA for monthly benefits to which the individual is entitled. The employer is required to maintain work and training records, evaluate the trainee's progress, and certify the trainee's hours to the VA each month. As part of the approval process, the employer must agree to at least one wage increase during the training period.

This section would temporarily reduce the requirement for private employers to increase the final wages paid to a veteran participating in the VA's OJT program from 85 percent to 60 percent of what is normally paid to employees in an equivalent full-time position. This waiver would be authorized for three years and require the GAO to provide a report to Congress on the effects of the temporary change. While a temporary measure, this language will mirror what is currently done in the public sector.

The State Approving Agencies (SAA) and the Department of Labor Veterans Employment and Training Service (VETS) are responsible for coordinating approval of OJT and apprenticeship programs. During the current economic downturn, the SAA and VETS are reporting that many employers who would like to offer OJT/apprenticeship opportunities are not able to meet the program's wage requirements. Therefore, the temporary reduction in the final wages will enable more employers to offer OJT positions to veterans.

*Reauthorization of Veterans' Advisory Committee on Education*

The Veterans Advisory Committee on Education (VACOE) was authorized by Congress to provide advice to the Secretary of VA on the development and administration of education and training pro-

grams for veterans and servicemembers, reservists and dependents of veterans under chapters 30, 32, 35, and 36, title 38, and chapter 1606 of title 10, United States Code.

Reauthorizing VACOE will ensure that the Secretary continue to receive the advice from a diverse group of experts in education policy and the needs of veterans.

*Homeless women veterans and homeless veterans with children reintegration grant program*

This section would authorize \$10 million for each of fiscal years 2011 through 2016 for VETS to award grants to qualified homeless providers that are specifically targeting services to homeless women veterans and veterans with children. Grants made under this section would fund job training, counseling, placement services, literacy training, and child care services.

The Department of Labor VETS currently awards Homeless Veterans Reintegration Program (HVRP) grants to assist homeless providers in returning homeless veterans to the workforce. The HVRP has been recognized by the GAO as a successful model of providing services to homeless veterans in general.

Recent data regarding the prevalence of women and children among the ranks of homeless veterans indicate that nine percent of the 107,000 homeless veterans are women, and approximately 10 percent of them have dependent children. Additionally, 4,000 to 5,000 veterans who used HUD emergency or transitional housing programs last year had one or more children with them. Approximately 55 percent of those veterans were women and 45 percent were male.

*Technology review and grant program*

This section would authorize VA to provide a small number of grants to individuals or organizations to expand the types of technologies currently available and to make those technologies applicable to modifying the homes of disabled veterans. There is a need to encourage research and development in technologies that will advance the VA's ability to adapt homes to meet the needs of severely disabled veterans.

The VA's Specially Adapted Housing (SAH) program provides grants to adapt the homes of severely injured veterans. These adaptations are specifically designed to enable these veterans to overcome the limitations of their ability to function as normally as possible in their homes.

*Child care; President's budget*

A significant number of disabled veterans who enter VA's Vocational Rehabilitation and Employment (VR&E) program drop out for a variety of reasons. One of those reasons is the need to care for small children. This section would authorize up to \$2,000 per month to pay for child care services.

The VR&E program helps veterans with service-connected disabilities become employed, maintain employment, and provides them with independent living assistance. To provide better services and to accommodate the various employment needs of veterans, VR&E has implemented a Five-Track process. When a veteran meets with a counselor to determine his or her rehabilitation plan,



the veteran may be placed in one of the five-tracks according to the veteran's skills, abilities, and desires. These are: reemployment, rapid access to employment, self employment, employment through long-term services and independent living.

VR&E services can include vocational counseling, vocational evaluation, case management, education and training, job placement assistants, and independent living services. Among other services VR&E can also help pay for school tuition, provide subsistence allowance, and other expenses for veterans pursuing education and training. Generally, VR&E services are provided to veterans who have at least 10 percent disability rating.

Furthermore, a recent U.S. Government Accountability Office Report dated January 26, 2009, recommends the following:

To increase transparency in VR&E performance and budget reports, we recommend that the Secretary of Veterans Affairs take actions such as separately reporting both the annual percentage of veterans who obtain employment and the percentage of those who achieve independent living, and fully disclosing changes in performance measure calculations when reporting trend data in key performance and budget reports.

*Increase in amount of reporting fee payable to educational assistance institutions that enroll veterans receiving educational assistance*

This section increases the amount of reporting fees payable to educational institutions that enroll veterans receiving educational assistance from \$7 to \$16 and from \$11 to \$16.

VA employees were initially assigned to Institutions of Higher Learning (IHL) to administer only one veteran education program for veterans. These VA employees were later removed in 1976 and the responsibility of certifying student veterans was placed on IHL by paying the school \$7 for each student certified. The Committee believes that \$7 may have been a reasonable amount in 1976 but it no longer reflects the actual costs for the expanded services and administrative requirements in veterans education and training programs.

*Modification of advance payment of initial educational assistance or subsistence allowance*

This section would modify the current advance payment of educational assistance. It would charge the advance payment of educational assistance against the final months of benefits, thereby preventing a break in educational benefits.

*Increase in amount of subsistence allowance payable to veterans participating in vocational rehabilitation program*

This section provides a five percent increase in the rates of monthly assistance paid to certain participants in the VR&E program. Currently, the yearly increase is based on the cost-of-living adjustment. An increase of 5.2 percent will help injured veterans in hard economic times. Furthermore, it will encourage them to remain in the VR&E program rather than elect to move under chapter 33 which is not catered to assisting injured veterans.

*Expansion of availability of employment assistance allowance for veterans using employment services*

This section would provide an additional month of benefits to bring the total to three months. The final phase of the VR&E program for most participants is the period during which the veteran is seeking employment after being determined to be rehabilitated. Current law continues or provides the monthly living stipend for a two month period. Given the economic downturn and the associated difficulties in finding suitable employment, this assistance could be a factor in successfully finding employment.

*Promoting jobs for service-disabled veterans teaching in rural areas*

Rural areas typically experience difficulties in hiring and retaining teachers. According to the Rural School and Community Trust, the national average salary of teachers in rural areas average 19 percent below those in suburban communities for the 2007–2008 school year.

Additionally, according to Educationworld.com<sup>1</sup> the problem is “especially acute in urban and rural districts and in the hard-to-fill areas of special education, mathematics, and science—is so severe that:

- Forty-two states issue emergency credentials to people who have taken no education courses and have not taught a day in their lives. Many teachers are hired based solely on their experience leading church or camping groups.
- One-fourth of new teachers—if they are licensed—are not licensed to teach in the field they are teaching.
- Twenty percent of new teachers leave within the first three years; most likely to leave are those with the highest college-entrance exam scores. A whopping 49 percent of those who leave do so because of job dissatisfaction or to pursue another career.”

The Troops to Teachers (T2T) program has made a good start in enabling veterans to enter the teaching profession in high poverty areas by offering stipends and other incentives. However, a rural area may not qualify as a high poverty area, thus not qualifying for the T2T program. By offering the stipend, this section would increase a disabled veteran’s ability to seek employment as a teacher in designated rural areas.

This section would provide a \$500 per month stipend to service-disabled veterans rated at 30 percent or more by VA for up to 24 months if they are teaching in areas defined as rural by the Bureau of the Census. This section also requires that such veteran is a first-time teacher that has been employed to teach at an accredited elementary or secondary school and is enrolled in an accredited course leading to a teaching certificate. Finally, this section authorizes an appropriation of \$15 million per year for the proposed program.

*Promoting jobs for veterans through the establishment of an internship program*

Taxpayers invest significant resources in disabled veterans who participate in the VA’s Vocational Rehabilitation and Employment Program, a program primarily designed to return disabled veterans

<sup>1</sup> <http://www.educationworld.com/admin/admin/admin155.shtml>

to the workforce. The President's Budget for Fiscal Year 2011 estimates VA will spend over \$600 million in readjustment benefits for disabled veterans participating in the program.

To qualify for the VA's VR&E program, a veteran must have a 20 percent service-connected disability rating and an employment handicap that substantially impacts the veteran's ability to "prepare for, obtain, or retain employment consistent with such veteran's abilities, aptitudes, and interests." Veterans with a 10 percent service-connected disability rating which creates a "serious employment handicap" may also be eligible for VR&E benefits.

The VR&E program includes:

- Comprehensive rehabilitation evaluation to determine abilities, skills, and interests for employment
- Vocational counseling and rehabilitation planning for employment services
- Employment services such as job-training, job-seeking skills, resume development, and other work readiness assistance
- Assistance finding and keeping a job, including the use of special employer incentives and job accommodations such as OJT, apprenticeships, and non-paid work experiences
- Post-secondary training at a college, vocational, technical or business school
- Supportive rehabilitation services including case management, counseling, medical referrals, and independent living services for veterans unable to work due to the severity of their disabilities

VA Vocational Rehabilitation Counselors and Employment Coordinators work to evaluate disabled veterans' abilities and desires as a means to place the veteran in one of five tracks leading to employment. Because persons with disabilities, especially those with a significant level of disability, unemployment rates exceed those without a disability. In its report on unemployment rates for 2009, the Bureau of Labor Statistics listed that the national unemployment rate for disabled men was 15.1 percent compared with 10.3 percent for non-disabled men over the age of 16.

Therefore, this section authorizes VA to hire up to 2,000 disabled veterans as interns at rates between GS-2 and GS-5 for one year and to provide a range of benefits including health care.

*Promoting jobs for veterans through the use of sole source contracts by the VA for purposes of meeting the contracting goals and preferences of the VA for small business concerns owned and controlled by veterans*

There is an extensive history of promoting set aside contracts for service-disabled veteran-owned small business (SDVOSB). Beginning with Public Law 106-50 (113 Stat. 233), and continuing through Public Law 108-183 (117 Stat. 265), Public Law 109-461 (120 Stat. 3403), and Executive Order 13360, the Federal government has made a commitment to award three percent of procurement dollars to SDVOSB. The Federal government has also established set aside goals for other small business groups such as HUBZone, 8(a), Women-Owned, and Disadvantaged Small Businesses. Among the advantages given to some of those groups is a requirement whereby contracting officers are authorized to award

sole source contracts whenever they reasonably believe there is not more than one probable vendor of the good or service. In such cases, the Small Business Act states contracting officers “shall” award a sole source contract. However, the Small Business Act states contracting officers “may” award sole source contracts to SDVOSB.

With the passage of Public Law 109–461, VA contracting officers received a significant number of new provisions to enable them to meet the SDVOSB contracting goals. However, the language of 38 United States Code 8127 retained the “may” provision. This has put SDVOSB at a potential disadvantage in competing with other set aside groups for VA contracts.

This section would amend section 8127(c) title 38, United States Code by striking the word “may” and inserting the word “shall.” This change would allow VA contracting officials to award sole source contracts under the same conditions as applied to certain other small business set aside groups. This change effectively levels the playing field between service-disabled veteran-owned small businesses with certain other small business set aside groups.

*Veterans entrepreneurial development summit*

This section authorizes appropriations for the VA to hold a yearly veterans entrepreneurial development summit. There has been an on-going concern by veteran small business owners that they are not able to meet business decision-makers. This yearly summit will provide the VA an opportunity to advise veterans with proposals, share trends and hear from the veteran small business community on a regular basis.

*Increase in the maximum amount of specially adapted housing assistance authorized to be provided by the VA*

To assist veterans whose service-connected disability requires modification of their living environment, the VA provides a grant program to adapt the veteran’s home. There are three grant amounts based on the type and severity of the veteran’s disability with maximum grants of \$12,756 or \$63,780.

There is also a Temporary Residence Adaptation (TRA) grant that allows the minimal adaptation of a family member’s home in which the disabled veteran is residing on a temporary basis. The maximum TRA grant is either \$2,000 or \$14,000 depending on the veteran’s total entitlement as described above.

Because construction costs generally rise at a rate faster than the overall inflation rate, in many areas, the grant does not cover the entire costs of renovation or adaptation. A small increase to the base amounts is needed to keep pace with the rising cost of construction.

*VA housing loans for construction of energy efficient dwellings*

The VA home loan guaranty program currently offers guarantees on loans to add energy efficiency improvements to a home. The current program is limited in the types of dwellings that may be improved using a VA-guaranteed energy efficiency loan.

This section would clarify current law by specifically authorizing VA to guarantee new construction, acquisition of an existing dwelling, and a dwelling currently occupied by the veteran. The max-

imum amounts that would be allowed to be guaranteed would be the greater of five percent of the value of the home, property and improvements or \$6,000.

Because of an apparent inconsistency in how VA real estate appraisers value energy efficiency improvements, this section would also require VA to adopt energy efficiency standards and issue both interim policy guidance and regulations regarding these standards.

*Pilot program on specially adapted housing assistance for veterans residing temporarily in housing owned by a family member*

According to a U.S. Government Accountability Report dated July, 2010 (GAO-10-786), the VA has authorized fewer than 18 Temporary Residence Adaptation grants from June 15, 2006 through April 4, 2010. The Committee also understands that a barrier to using the TRA grant may be because the grant counts against the total adaptive housing grant that would be available to the disabled veteran.

Therefore, in order to determine why so few grants have been used, this section would authorize VA to award up to 25 TRA grants during fiscal year 2011 that would not count against the veterans total grant amount.

#### HEARINGS

On June 10, 2010, the Subcommittee on Economic Opportunity held a legislative hearing on several bills introduced during the 111th Congress, including H.R. 3685.

The following witnesses testified: The Honorable Peter DeFazio of Oregon; The Honorable Cliff Stearns of Florida; The Honorable Jeff Fortenberry of Nebraska; Mr. Richard Daley, Associate Legislation Director, Paralyzed Veterans of America; Ms. Catherine A. Trombley, Assistant Director, National Economic Commission, The American Legion; Mr. Eric A. Hilleman, Director, National Legislative Service, Veterans of Foreign Wars of the United States; Thomas Zampieri, Ph.D., Director of Government Relations, Blinded Veterans Association; Michael R. Duenas, O.D., Associate Director, Health Sciences and Policy, American Optometric Association; and, Mr. Thomas J. Pamperin, Associate Deputy Under Secretary for Policy and Program Management, Veterans Benefits Administration, U.S. Department of Veterans Affairs accompanied by Mr. John Brizzi, Deputy Assistant General Counsel, Office of General Counsel, U.S. Department of Veterans Affairs and Mr. Joseph E. Simpson, Attorney, Office of General Counsel, U.S. Department of Veterans Affairs. Those submitting statements for the record included: The Honorable Frank J. Kratovil, Jr., Representative of Maryland and Mr. Raymond C. Kelly, National Legislative Director, American Veterans (AMVETS).

On February 25, 2010, the Subcommittee on Economic Opportunity conducted a legislative hearing on various bills introduced during the 111th Congress, including H.R. 3484, H.R. 3571, and H.R. 4079. The following witnesses testified: The Honorable John J. Hall of New York; The Honorable Adam H. Putnam of Florida; The Honorable Joe Sestak of Pennsylvania; The Honorable Adam Smith of Washington; The Honorable Michael R. Turner of Ohio; Mr. Robert W. Madden, Assistant Director, National Economic Commission, The American Legion; Mr. Justin Brown, Legislative

Associate, National Legislative Service, Veterans of Foreign Wars of the U.S.; Mr. Timothy S. Embree, Legislative Associate, Iraq and Afghanistan Veterans of America; Mr. James Bombard, Legislative Director, National Association of State Approving Agencies; Col. Mark E. Sullivan, USA (Ret.), Law Offices of Mark E. Sullivan, P.A.; Col. Shawn Shumake, U.S. Army, Director, Office of Legal Policy, Office of the Under Secretary of Defense (Personnel and Readiness), Program Integration and Legal Policy, U.S. Department of Defense; Mr. Keith M. Wilson, Director of Education Service, Veterans Benefits Administration, U.S. Department of Veterans Affairs accompanied by Mr. Mark Bologna, Director of Loan Guaranty Service, Veteran Benefits Administration, U.S. Department of Veterans Affairs and Mr. F. John Brizzi, Jr., Deputy Assistant General Counsel, U.S. Department of Veterans Affairs. Those submitting statements for the record included: The Honorable Bob Filner of California; The Honorable Ron Klein of Florida; Ms. Patricia E. Aby, American Bar Association; Ms. Stacy Bannerman, Medford, Oregon; Ms. Faith DesLauriers, Legislative Director, National Association of Veterans' Program Administrators; the National Military Family Association; the Pennsylvania Association of Private School Administrators; and, Mr. Brian Hawthorne, Legislative Director, Student Veterans of America.

On September 24, 2009, the Subcommittee on Economic Opportunity conducted a legislative hearing on a number of bills introduced during the 111th Congress, including H.R. 2614 and H.R. 3561. The following witnesses testified: The Honorable Bob Filner of California; The Honorable Ciro D. Rodriguez of Texas; The Honorable John R. Carter of Texas; The Honorable Brad Miller of North Carolina; The Honorable David Loeb sack of Iowa; The Honorable Gerald E. Connolly of Virginia; Ms. Lynn M. Schubert, President, The Surety and Fidelity Association of America; Mr. Mark Walker, Deputy Director, National Economic Commission, The American Legion; Mr. Justin Brown, Legislative Associate, Veterans of Foreign Wars of the U.S.; Mr. John L. Wilson, Associate National Legislative Director, Disabled American Veterans; Mr. Richard F. Weidman, Executive Director for Policy and Government Affairs, Vietnam Veterans of America; Ms. Christina M. Roof, National Deputy Legislative Director, AMVETS; Mr. Keith M. Wilson, Director, Office of Education Service, Veterans Benefits Administration, U.S. Department of Veterans Affairs accompanied by Mr. F. John Brizzi, Jr., Deputy Assistant General Counsel, U.S. Department of Veterans Affairs; and Ms. Gail Wegner, Acting Director, Office of Small and Disadvantaged Business Utilization, U.S. Department of Veterans Affairs. Those submitting statements for the record included: Mr. Ulric I. Fiore, Jr., Director, Soldier and Family Legal Services, Office of the Judge Advocate General, U.S. Army, U.S. Department of Defense; Mr. John M. McWilliam, Deputy Assistant Secretary, Veterans' Employment and Training Service, U.S. Department of Labor; Mr. Jot D. Carpenter, Jr., Vice President, Government Affairs, CTIA—The Wireless Association; Mr. Patrick Campbell, Chief Legislative Counsel, Iraq and Afghanistan Veterans of America; the Military Officers Association of America; Mr. Mark McCallum, General Counsel and Director of Government Relations, National Association of Surety Bond Producers; Mr. John S. Odom, Jr., Jones, Odom, Davis and Politz,

L.L.P., Shreveport, Louisiana; and Mr. Brian Hawthorne, Legislative Director, Student Veterans of America.

On May 21, 2009, the Subcommittee on Economic Opportunity conducted a legislative hearing on various bills introduced during the 111th Congress, including H.R. 1821. The following witnesses testified: The Honorable Mike Coffman of Colorado; Mr. Richard Daley, Associate Legislation Director, Paralyzed Veterans of America; Mr. John L. Wilson, Associate National Legislative Director, Disabled American Veterans; Mr. Mark Seavey, Assistant Director, National Legislative Commission, The American Legion; Mr. Raymond C. Kelley, National Legislative Director, AMVETS; Mr. Wade J. Spann, Alumni, Wounded Warrior Project; Mr. Keith M. Wilson, Director, Office of Education Service, Veterans Benefits Administration, U.S. Department of Veterans Affairs; accompanied by Mr. F. John Brizzi, Jr., Deputy Assistant General Counsel, U.S. Department of Veterans Affairs; and Mr. John C. McWilliam, Deputy Assistant Secretary, Veterans' Employment and Training Service, U.S. Department of Labor. Submitting a statement for the record included The Honorable Bob Filner of California.

On March 4, 2009, the Subcommittee on Economic Opportunity held a legislative hearing on several bills introduced during the 111th Congress, including H.R. 929. The following witnesses testified: The Honorable Steve Israel of New York; The Honorable Peter Welch of Vermont; The Honorable Lloyd Doggett of Texas; Mr. Justin Brown, Legislative Associate, National Legislative Service, Veterans of Foreign Wars of the United States; Ms. Cheryl Beversdorf, RN, MHS, MA, President and Chief Executive Officer, National Coalition for Homeless Veterans; Mr. John L. Wilson, Associate National Legislative Director, Disabled American Veterans; Mr. Mark Walker, Assistant Director, National Economic Commission, The American Legion; Thomas Zampieri, Ph.D., Director of Government Relations, Blinded Veterans Association; Mr. Patrick H. Boulay, Chief, USERRA Unit, U.S. Office of Special Counsel; Mr. Keith M. Wilson, Director, Education Service, Veterans Benefits Administration, U.S. Department of Veterans. Those submitting statements for the record included: Mr. John M. McWilliam, Deputy Assistant Secretary, Veterans' Employment and Training Service, U.S. Department of Labor; The Honorable Rodney Alexander of Louisiana; The Honorable Steve Buyer of Indiana; The Honorable Bob Filner of California; Mr. David French, Vice President, Government Relations, International Franchise Association; Mr. Thomas S. Whitaker, President and Deputy Chairman, North Carolina Employment Security Commission, on behalf of the National Association of State Workforce Agencies; and the Paralyzed Veterans of America.

#### SUBCOMMITTEE CONSIDERATION

On July 15 2010, the Subcommittee on Economic Opportunity met in an open markup session and ordered favorably forwarded to the full Committee H.R. 5360, as amended, by voice vote. During consideration of the bill the following amendment was considered:

An amendment in the nature of a substitute offered by Mr. Thomas Perriello of Virginia to incorporate provisions from a number of bills was agreed to by voice vote.

#### COMMITTEE CONSIDERATION

On September 15, 2010, the full Committee met in an open markup session, a quorum being present, and ordered H.R. 5360, as amended, reported favorably to the House of Representatives, by voice vote. During consideration of the bill the following amendments were considered:

An amendment to reauthorize a VA small business loan program was offered by Mr. Buyer of Indiana and agreed to by voice vote:

An amendment to provide assistance allowances for rural veteran teachers was offered by Mr. Buyer of Indiana and agreed to by voice vote.

#### COMMITTEE VOTES

Clause 3(b) of rule XIII of the Rules of the House of Representatives requires the Committee to list the record votes on the motion to report the legislation and amendments thereto. There were no record votes taken on amendments or in connection with ordering H.R. 5360 reported to the House. A motion by Mr. Buyer of Indiana to order H.R. 5360, as amended, reported favorably to the House of Representatives was agreed to by voice vote.

#### COMMITTEE OVERSIGHT FINDINGS

In compliance with clause 3(c)(1) of rule XIII and clause 2(b)(1) of rule X of the Rules of the House of Representatives, the Committee's oversight findings and recommendations are reflected in the descriptive portions of this report.

#### STATEMENT OF GENERAL PERFORMANCE GOALS AND OBJECTIVES

In accordance with clause 3(c)(4) of rule XIII of the Rules of the House of Representatives, the Committee's performance goals and objectives are reflected in the descriptive portions of this report.

#### NEW BUDGET AUTHORITY, ENTITLEMENT AUTHORITY, AND TAX EXPENDITURES

In compliance with clause 3(c)(2) of rule XIII of the Rules of the House of Representatives, the Committee will adopt as its own the estimate of new budget authority, entitlement authority, or tax expenditures or revenues contained in the cost estimate prepared by the Director of the Congressional Budget Office pursuant to section 402 of the Congressional Budget Act of 1974.

#### EARMARKS AND TAX AND TARIFF BENEFITS

H.R. 5360 does not contain any congressional earmarks, limited tax benefits, or limited tariff benefits as defined in clause 9 of rule XXI of the Rules of the House of Representatives.

#### COMMITTEE COST ESTIMATE

The Committee will adopt as its own the cost estimate on H.R. 5360 prepared by the Director of the Congressional Budget Office pursuant to section 402 of the Congressional Budget Act of 1974.



## CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

Pursuant to clause 3(c)(3) of rule XIII of the Rules of the House of Representatives a cost estimate for H.R. 5360 provided by the Congressional Budget Office pursuant to section 402 of the Congressional Budget Act of 1974 was not available when the Committee filed this report.

## FEDERAL MANDATES STATEMENT

The Committee will adopt as its own the estimate of Federal mandates regarding H.R. 5360 prepared by the Director of the Congressional Budget Office pursuant to section 423 of the Unfunded Mandates Reform Act.

## ADVISORY COMMITTEE STATEMENT

No advisory committees within the meaning of section 5(b) of the Federal Advisory Committee Act would be created by H.R. 5360.

## CONSTITUTIONAL AUTHORITY STATEMENT

Pursuant to clause 3(d)(1) of rule XIII of the Rules of the House of Representatives, the Committee finds that the Constitutional authority for H.R. 5360 is provided by Article I, section 8 of the Constitution of the United States.

## APPLICABILITY TO LEGISLATIVE BRANCH

The Committee finds that the legislation does not relate to the terms and conditions of employment or access to public services or accommodations within the meaning of section 102(b)(3) of the Congressional Accountability Act.

## SECTION-BY-SECTION ANALYSIS OF THE LEGISLATION

*Section 1. Short title*

This section provides the short title of H.R. 5360, as amended, as the “The Housing, Employment, and Living Programs for Veterans Act of 2010 or The HELP Veterans Act of 2010.”

*Section 2. References to title 38, United States Code*

This section provides that references to sections of the United States Code are to title 38, United States Code.

*Section 3. Modification of standard of visual acuity required for eligibility for specially adapted housing assistance provided by the Secretary of Veterans Affairs*

This section would make the VA’s definition of blindness coincide with existing law and allow more blind veterans to qualify for the adapted housing benefit and provides an effective date as the date of enactment.

*Section 4. Authorities regarding housing loans guaranteed by the Department of Veterans Affairs*

This section would authorize the VA to guarantee a loan regardless of whether the VA loan is subordinate to a lien created by a state that has provided or will provide assistance in response to a

major disaster. The new language will extend to December 31, 2016 existing authority to issue and guarantee certificates or other securities evidencing an interest in a pool of mortgage loans.

*Section 5. Reauthorization and improvement of the Department of Veterans Affairs small business loan program*

This section would authorize the VA Secretary to make loan guarantees to veterans seeking to start a small business venture.

*Section 6. Assistance for flight training*

This section would increase the flight training allowance for Chapter 30 recipients from 60 percent to 75 percent of the established charges for tuition and fees.

*Section 7. Seven-year increase in amount of assistance for individuals pursuing internships or on-job training*

This section provides a seven-year increase in the amount of educational assistance payments made by the Secretary of Veterans Affairs to individuals pursuing an apprenticeship or OJT under the Montgomery G.I. Bill, the Post-Vietnam Era Veterans, the Survivors and Dependents, and the Selected Reserve Montgomery G.I. Bill educational assistance programs.

*Section 8. Extension of authority for certain qualifying work-study activities for purposes of the educational assistance programs of the Department of Veterans Affairs*

Extends to June 30, 2020, veterans work-study activities that expired on June 30, 2010.

*Section 9. Expansion of work-study allowance to include certain outreach services conducted through congressional offices*

This section would expand the VA's Work-Study Allowance Program to afford student veterans the opportunity to work in Congressional offices as part of their VA work-study requirements.

*Section 10. Temporary reduction of required amount of wages for OJT programs*

This section would temporarily reduce the requirement for private employers to provide a wage increase from 85 percent to 60 percent for the remainder of the program participation. This waiver would be authorized for three years and require the GAO to provide a report to Congress on the effects of the temporary change.

*Section 11. Reauthorization of Veterans' Advisory Committee on Education*

This section reauthorizes the Veterans' Advisory Committee on Education (VACE) to December 31, 2020.

*Section 12. Homeless women veterans and homeless veterans with children reintegration grant program*

This section would direct the Secretary of Labor to make grants to programs and facilities that provide a wide variety of services for homeless women veterans and homeless veterans with children as a means to incentivize organizations to address the issues of

homeless women veterans and veterans with children and to return homeless veterans to the workforce.

*Section 13. Technology review and grant program*

This section would direct the VA Secretary to establish a team that would be responsible for reviewing new technologies and products that are beneficial to the Department of Veterans Affairs. This section would also provide the Secretary the authority to make grants for the development of new assistive technologies for specially adapted housing. The amount of the grant may be no more than \$250,000 per year.

*Section 14. Child care; President's Budget*

This section would provide reimbursement for certified child care assistance for single parents participating in the Vocational Rehabilitation and Employment (VR&E) program; are the sole caretaker of the child and would not otherwise be able to afford childcare. The total amount would not exceed \$2,000 per month for each month that the veteran is participating in the VR&E program.

This section would also require the Secretary of the VA to report in the President's budget request the percentage of veterans who received the VR&E assistance and became employed, and the percentage of veterans who received VR&E assistance and achieved independence in daily living.

*Section 15. Increase in amount of reporting fee payable to educational institutions that enroll veterans receiving educational assistance*

This section would increase the amount of reporting fees payable to educational institutions that enroll veterans receiving educational assistance from \$7 to \$16 and from \$11 to \$16.

*Section 16. Modification of advance payment of initial educational assistance or subsistence allowance*

This section would modify the way VA charges a veteran's entitlement for advance payment of educational assistance. This section would take the advance payment of educational assistance, from the final months of benefits, thereby causing no break in educational benefits.

*Section 17. Increase in amount of subsistence allowance payable to veterans participating in vocational rehabilitation program*

This section would increase the amount of subsistence allowance payable to veterans participating in VR&E by 5.2 percent.

*Section 18. Expansion of availability of employment assistance allowance for veterans using employment services*

This section would provide veterans who have completed VR&E with a living allowance for three months after completing the VR&E program.

*Section 19. Promoting jobs for service-disabled veterans teaching in rural areas*

This section would provide a \$500 per month subsistence allowance to rural veterans, with a service-connected disability, seeking

full-time employment as a teacher in an accredited elementary or secondary school. This section also authorizes \$15,000,000 for fiscal year 2010 and for each fiscal year thereafter.

*Section 21. Promoting jobs for veterans through the use of sole-source contracts by the Department of Veterans Affairs for purposes of meeting the contracting goals and preferences of the Department of Veterans Affairs for small business concerns owned and controlled by veterans*

This section would require the VA Secretary to meet veteran-owned small contracting goals by amending the word “may” to “shall.”

*Sections 22. Veterans entrepreneurial development summit*

This section would authorize appropriations for the VA to hold a yearly veterans entrepreneurial development summit.

*Section 23. Increase in the amount of specially adapted housing assistance authorized to be provided by the Secretary of Veterans Affairs*

This section would increase the maximum amount of Specially Adapted Housing Assistance for two grants. The Paraplegic Housing grant would increase from \$63,780 to \$65,780 and the Adaptive Housing grant would change from \$12,756 to \$13,756.

*Section 24. Department of Veterans Affairs housing loans for construction of energy efficient dwellings*

This section authorizes the Secretary of Veterans Affairs to guarantee housing loans for the construction of energy efficient dwellings, and for other purposes.

*Section 25. Pilot program on specially adapted housing assistance for veterans residing temporarily in housing owned by a family member*

This section prohibits the amount of assistance afforded under the Temporary Residence Adaptation grant program from counting toward the dollar amount limitations under the SHA or SAH grant programs. This pilot program would be available to the first 25 veterans who apply for the two grants in fiscal year 2011.

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3(e) of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

**TITLE 38, UNITED STATES CODE**

\* \* \* \* \*

**PART I—GENERAL PROVISIONS**

\* \* \* \* \*

**CHAPTER 7—EMPLOYEES**

Sec.							
701.	Placement of employees in military installations.	*	*	*	*	*	*
712.	<i>Internship program.</i>	*	*	*	*	*	*

**§ 712. Internship program**

(a) *INTERNSHIP PROGRAM.*—The Secretary may carry out an internship program through which the Secretary shall award internships to up to 2,000 veterans each year in accordance with this section. The recipient of an internship under this section shall be employed in the Veterans Benefits Administration for the duration of the internship.

(b) *ELIGIBILITY.*—To be eligible to receive an internship under this section a veteran shall have completed a rehabilitation program under chapter 31 of this title. In awarding internships under this section, the Secretary shall give a preference to a veteran who has completed a program of long-term education or training, as determined by the Secretary.

(c) *SALARY; BENEFITS.*—(1) Each recipient of an internship under this section shall be paid at a rate determined by the Secretary, except that such rate shall be at least the maximum annual rate of basic pay payable for grade GS-3 of the General Schedule under section 5332 of title 5, United States Code, and shall not exceed the maximum annual rate of basic pay payable for grade GS-5 of such schedule. Payments under this paragraph shall be derived from amounts available in the “General operating expenses” account of the Department.

(2) Each such recipient shall be entitled to leave on the same basis as employees of the Department who are paid at the same annual rate, except that such recipient may not be reimbursed for any unused leave at the end of the internship.

(3) The Secretary shall furnish hospital care, medical services, and nursing home care to each recipient of an internship under this section on the same basis as a veteran described in subsection (B) of paragraph (2) of subsection (a) of section 1710 of this title unless the recipient is eligible for such care and services under subparagraph (A) of such paragraph or under paragraph (1) of such subsection.

(4) The recipient of an internship under this section may receive an allowance under section 3108 of this title if such recipient is entitled to such an allowance.

(d) *DURATION.*—No internship under this section shall exceed 12 months in duration.

(e) *OUTREACH.*—The Secretary shall notify each participant in a rehabilitation program under chapter 31 of this title of the internship program under this section.

\* \* \* \* \*

**PART II—GENERAL BENEFITS**

\* \* \* \* \*

**CHAPTER 20—BENEFITS FOR HOMELESS VETERANS**

SUBCHAPTER I—PURPOSE; DEFINITIONS; ADMINISTRATIVE MATTERS

Sec.  
2001. Purpose.

\* \* \* \* \*

SUBCHAPTER III—TRAINING AND OUTREACH

\* \* \* \* \*

2021A. *Homeless women veterans and homeless veterans with children reintegration grant program.*

\* \* \* \* \*

SUBCHAPTER III—TRAINING AND OUTREACH

\* \* \* \* \*

**§2021A. Homeless women veterans and homeless veterans with children reintegration grant program**

(a) *GRANTS.*—Subject to the availability of appropriations provided for such purpose, the Secretary of Labor shall make grants to programs and facilities that the Secretary determines provide dedicated services for homeless women veterans and homeless veterans with children.

(b) *USE OF FUNDS.*—Grants under this section shall be used to provide job training, counseling, placement services (including job readiness and literacy and skills training) and child care services to expedite the reintegration of homeless women veterans and homeless veterans with children into the labor force.

(c) *REQUIREMENT TO MONITOR EXPENDITURES OF FUNDS.*—(1) The Secretary of Labor shall collect such information as that Secretary considers appropriate to monitor and evaluate the distribution and expenditure of funds appropriated to carry out this section. The information shall include data with respect to the results or outcomes of the services provided to each homeless veteran under this section.

(2) Information under paragraph (1) shall be furnished in such form and manner as the Secretary of Labor may specify.

(d) *ADMINISTRATION THROUGH THE ASSISTANT SECRETARY OF LABOR FOR VETERANS' EMPLOYMENT AND TRAINING.*—The Secretary of Labor shall carry out this section through the Assistant Secretary of Labor for Veterans' Employment and Training.

(e) *BIENNIAL REPORT TO CONGRESS.*—The Secretary of Labor shall include as part of the report required under section 2021(d) of this title an evaluation of the grant program under this section, which shall include an evaluation of services furnished to veterans under this section and an analysis of the information collected under subsection (c).

(f) *APPROPRIATED FUNDS.*—(1) In addition to any amount authorized to be appropriated to carry out section 2021 of this title, there is authorized to be appropriated to carry out this section \$10,000,000 for each of fiscal years 2011 through 2016.

(2) Funds appropriated to carry out this section shall remain available until expended. Funds obligated in any fiscal year to carry

out this section may be expended in that fiscal year and the succeeding fiscal year.

\* \* \* \* \*

**CHAPTER 21—SPECIALLY ADAPTED HOUSING FOR DISABLED VETERANS**

Sec  
2101. Acquisition and adaptation of housing: eligible veterans.

\* \* \* \* \*

2108. *Specially adapted housing assistive technology grant program.*

**§ 2101. Acquisition and adaptation of housing: eligible veterans**

(a) \* \* \*

(b) ADAPTATIONS TO RESIDENCE OF VETERAN.—(1) \* \* \*

(2) A veteran is described in this paragraph if the veteran is entitled to compensation under chapter 11 of this title for a permanent and total service-connected disability that meets any of the following criteria:

(A) The disability is due to blindness in both eyes [with 5/200 visual acuity or less.] *with central visual acuity of 20/200 or less in the better eye with the use of standard correcting lenses (for purposes of this subparagraph, an eye which is accompanied by a limitation in the fields of vision such that the widest diameter of the visual field subtends an angle no greater than 20 degrees shall be treated as having a central visual acuity of 20/200 or less).*

\* \* \* \* \*

**§ 2102. Limitations on assistance furnished**

(a) \* \* \*

(b) Except as provided in section 2104(b) of this title, the assistance authorized by section 2101(b) of this title shall be limited to the lesser of—

(1) \* \* \*

(2) **[\$12,000]** \$13,756.

\* \* \* \* \*

(d)(1) The aggregate amount of assistance available to an individual under sections 2101(a) and 2102A of this title shall be limited to **[\$60,000]** \$65,780.

(2) The aggregate amount of assistance available to an individual under sections 2101(b) and 2102A of this title shall be limited to **[\$12,000]** \$13,756.

\* \* \* \* \*

**§ 2108. *Specially adapted housing assistive technology grant program***

(a) *AUTHORITY TO MAKE GRANTS.—The Secretary shall make grants to encourage the development of new assistive technologies for specially adapted housing.*

(b) *APPLICATION.—A person or entity seeking a grant under this section shall submit to the Secretary an application for the grant in such form and manner as the Secretary shall specify.*

(c) *GRANT FUNDS.*—Each grant awarded under this section shall be in an amount of not more than \$250,000 per year.

(d) *USE OF FUNDS.*—The recipient of a grant under this section shall use the grant to develop assistive technologies for use in specially adapted housing.

(e) *REPORT.*—Not later than March 1 of each year following a year in which the Secretary makes a grant, the Secretary shall submit to Congress a report containing information related to each grant awarded under this section during the preceding calendar year, including—

- (1) the name of the grant recipient;
- (2) the amount of the grant; and
- (3) the goal of the grant.

(f) *FUNDING.*—From amounts authorized to be appropriated to the Department for each fiscal year for which the Secretary is authorized to make a grant under this section, \$1,500,000 shall be available for that fiscal year for the purposes of the program under this section.

(g) *TERMINATION.*—The authority to make a grant under this section shall terminate on the date that is five years after the date of the enactment of this section.

\* \* \* \* \*

**PART III—READJUSTMENT AND RELATED BENEFITS**

\* \* \* \* \*

**CHAPTER 30—ALL-VOLUNTEER FORCE EDUCATIONAL ASSISTANCE PROGRAM**

\* \* \* \* \*

**SUBCHAPTER IV—TIME LIMITATION FOR USE OF ELIGIBILITY AND ENTITLEMENT; GENERAL AND ADMINISTRATIVE PROVISIONS**

\* \* \* \* \*

**§ 3032. Limitations on educational assistance for certain individuals**

(a) \* \* \*

\* \* \* \* \*

(e)(1) Notwithstanding subsection (a) of this section, each individual who is pursuing a program of education consisting exclusively of flight training approved as meeting the requirements of section 3034(d) of this title shall be paid an educational assistance allowance under this chapter in the amount equal to **[60 percent]** 75 percent of the established charges for tuition and fees which similarly circumstanced nonveterans enrolled in the same flight course are required to pay.

\* \* \* \* \*



**CHAPTER 31—TRAINING AND REHABILITATION FOR VETERANS WITH SERVICE-CONNECTED DISABILITIES**

Sec.

3100. Purposes.

\* \* \* \* \*

3123. *Child care assistance for single parents.*

3124. *Information included in support of President's budget.*

\* \* \* \* \*

**§ 3108. Allowances**

(a)(1) \* \* \*

[(2) In any case in which the Secretary determines, at the conclusion of such veteran's pursuit of a vocational rehabilitation program under this chapter, that such veteran has been rehabilitated to the point of employability, such veteran shall be paid a subsistence allowance, as prescribed in this section for full-time training for the type of program that the veteran was pursuing, for two months while satisfactorily following a program of employment services provided under section 3104(a)(5) of this title.]

*(2) In the case of a veteran with a service-connected disability who the Secretary determines has reached a point of employability and who is participating only in a program of employment services provided under section 3104(a)(5) of this title, the Secretary shall pay the veteran a subsistence allowance as prescribed in this section for three months while the veteran is satisfactorily pursuing such program.*

\* \* \* \* \*

(b)(1) Except as otherwise provided in this section, the Secretary shall determine the subsistence allowance to be paid to a veteran under this chapter in accordance with the following table, which shall be the monthly amount shown in column II, III, IV, or V (whichever is applicable as determined by the veteran's dependency status) opposite the appropriate type of program being pursued as specified in column I:

Column I	Column II	Column III	Column IV	Column V
	No dependents	One dependent	Two dependents	More than two dependents
Institutional training:				The amount in column IV, plus the following for each dependent in excess of two:
Full-time .....	\$366	\$454	\$535	\$39
Three-quarter-time.	275	341	400	30
Half-time .....	184	228	268	20
Farm cooperative, apprentice, or other on-job training:				
Full-time .....	320	387	446	29
Extended evaluation:				
Full-time .....	366	454	535	39

Column I	Column II	Column III	Column IV	Column V
Type of program	No dependents	One dependent	Two dependents	More than two dependents
Independent living training:				
Full-time .....	366	454	535	39
Three-quarter-time.	275	341	400	30
Half-time .....	184	228	268	20

  

Column I	Column II	Column III	Column IV	Column V
Type of program	No dependents	One dependent	Two dependents	More than two dependents
.....	.....	.....	.....	The amount in column IV, plus the following for each dependent in excess of two:
Full-time .....	\$576.01	\$714.50	\$841.98	\$61.37
Three-quarter time ...	\$432.80	\$536.65	\$629.50	\$47.19
Half-time .....	\$289.59	\$358.81	\$421.77	\$31.49
*	*	*	*	*

**§ 3123. Child care assistance for single parents**

(a) *IN GENERAL.*—Pursuant to regulations prescribed by the Secretary to carry out this section, the Secretary shall provide reimbursements for the actual cost of child care provided by a licensed provider to a veteran who—

- (1) is participating in a vocational rehabilitation program under this chapter;
- (2) is the sole caretaker of a child; and
- (3) would not otherwise be able to afford such child care.

(b) *AMOUNT AND DURATION.*—The amount of the reimbursement for the actual cost for child care under this section shall be not more than \$2,000 per month for each month the veteran is participating in a vocational rehabilitation program under this chapter.

**§ 3124. Information included in support of President’s budget**

The Secretary shall include in documents submitted to Congress by the Secretary in support of the President’s budget for each fiscal year submitted under section 1105 of title 31, United States Code, the following:

- (1) For the calendar year preceding the submission—
  - (A) the percentage of veterans receiving assistance under this chapter who became employed; and
  - (B) the percentage of veterans receiving assistance under this chapter who achieved independence in daily living.
- (2) Any changes made by the Secretary in measuring or calculating the performance of the department under this chapter.

\* \* \* \* \*

**CHAPTER 34—VETERANS’ EDUCATIONAL ASSISTANCE**

\* \* \* \* \*

SUBCHAPTER IV—PAYMENTS TO ELIGIBLE VETERANS;  
VETERAN-STUDENT SERVICES

\* \* \* \* \*

§ 3485. Work-study allowance

(a)(1) \* \* \*

\* \* \* \* \*

(4) For the purposes of this section, the term “qualifying work-study activity” means any of the following:

(A) The outreach services program under chapter 63 of this title as carried out under the supervision of a Department employee or, during the period preceding **June 30, 2010** *June 30, 2020*, outreach services to servicemembers and veterans furnished by employees of a State approving agency.

\* \* \* \* \*

(C) The provision of hospital and domiciliary care and medical treatment under chapter 17 of this title, including, during the period preceding **June 30, 2010** *June 30, 2020*, the provision of such care to veterans in a State home for which payment is made under section 1741 of this title.

\* \* \* \* \*

(F) During the period preceding **June 30, 2010** *June 30, 2020*, an activity relating to the administration of a national cemetery or a State veterans’ cemetery.

(G) *The following activities carried out at the offices of Members of Congress for such Members:*

*(i) The distribution of information to members of the Armed Forces, veterans, and their dependents about the benefits and services under laws administered by the Secretary and other appropriate governmental and non-governmental programs.*

*(ii) The provision of assistance in ascertaining the status of claims (including appeals) for benefits under laws administered by the Secretary, as well as other constituent services for veterans as the Secretary determines appropriate.*

\* \* \* \* \*

**CHAPTER 36—ADMINISTRATION OF EDUCATIONAL BENEFITS**

SUBCHAPTER I—STATE APPROVING AGENCIES

Sec  
3670. Scope of approval.

\* \* \* \* \*

SUBCHAPTER II—MISCELLANEOUS PROVISIONS

\* \* \* \* \*  
3698. *Assistance allowance for rural veteran teachers.*

\* \* \* \* \*

SUBCHAPTER II—MISCELLANEOUS PROVISIONS

**§ 3677. Approval of training on the job**

(a) \* \* \*

(b)(1) The training establishment offering training which is desired to be approved for the purposes of this chapter must submit to the appropriate State approving agency a written application for approval which, in addition to furnishing such information as is required by the State approving agency, contains a certification that—

- (A) the wages to be paid the eligible veteran or person (i) upon entrance into training, are not less than wages paid non-veterans in the same training position and are at least 50 per centum of the wages paid for the job for which the veteran or person is to be trained, and (ii) such wages will be increased in regular periodic increments until, not later than the last full month of the training period, they will be at least **[85 per centum]** *60 percent* of the wages paid for the job for which such eligible veteran or person is being trained; and

**[**Effective October 1, 2013 (pursuant to section 10(b)(1) of H.R. 5360, as reported), section 3677(b)(1)(A)(ii) of title 38, United States Code (as amended by section 10(a)(1) of H.R. 5360), is amended as follows:**]**

\* \* \* \* \*

(b)(1) The training establishment offering training which is desired to be approved for the purposes of this chapter must submit to the appropriate State approving agency a written application for approval which, in addition to furnishing such information as is required by the State approving agency, contains a certification that—

- (A) the wages to be paid the eligible veteran or person (i) upon entrance into training, are not less than wages paid non-veterans in the same training position and are at least 50 per centum of the wages paid for the job for which the veteran or person is to be trained, and (ii) such wages will be increased in regular periodic increments until, not later than the last full month of the training period, they will be at least **[60 percent]** *85 percent* of the wages paid for the job for which such eligible veteran or person is being trained; and

\* \* \* \* \*

**§ 3680. Payment of educational assistance or subsistence allowances**

(a) \* \* \*

\* \* \* \* \*

(d) **ADVANCE PAYMENT OF INITIAL EDUCATIONAL ASSISTANCE OR SUBSISTENCE ALLOWANCE.—(1)** \* \* \*

- (2) Subject to the provisions of this subsection, and under regulations which the Secretary shall prescribe, an eligible veteran or eligible person shall be paid an educational assistance allowance or subsistence allowance, as appropriate, advance payment. Such advance payment shall be made in an amount equivalent to the allowance for the month or fraction thereof in which pursuit of the program will commence, plus the allow-

ance for the succeeding month. In the case of a person on active duty, who is pursuing a program of education, the advance payment shall be in a lump sum based upon the amount payable for the entire quarter, semester, or term, as applicable. *For purposes of the entitlement to educational assistance of the veteran or person receiving an advance payment under this subsection, the advance payment shall be charged against the final month of the entitlement of the person or veteran and, if necessary, the penultimate such month. In no event may any veteran or person receive more than one advance payment under this subsection during any academic year.* In no event shall an advance payment be made under this subsection to a veteran or person intending to pursue a program of education on less than a half-time basis. An advance payment may not be made under this subsection to any veteran or person unless the veteran or person requests such payment and the Secretary finds that the educational institution at which such veteran or person is accepted or enrolled has agreed to, and can satisfactorily, carry out the provisions of paragraphs (4)(B) and (C) and (5) of this subsection. The application for advance payment, to be made on a form prescribed by the Secretary, shall—

(A) \* \* \*

\* \* \* \* \*

**§ 3684. Reports by veterans, eligible persons, and institutions; reporting fee**

(a)(1) Except as provided in paragraph (2) of this subsection, the veteran or eligible person and the educational institution offering a course in which such veteran or eligible person is enrolled under chapter 31, 34, ~~35,~~ 35, or 36 of this title shall, without delay, report to the Secretary, in the form prescribed by the Secretary, such enrollment and any interruption or termination of the education of each such veteran or eligible person. The date of such interruption or termination will be the last date of pursuit, or, in the case of correspondence training, the last date a lesson was serviced by a school.

\* \* \* \* \*

(c) The Secretary may pay to any educational institution, or to the sponsor of a program of apprenticeship, furnishing education or training under either this chapter or chapter 31, 34, or 35 of this title, a reporting fee which will be in lieu of any other compensation or reimbursement for reports or certifications which such educational institution or joint apprenticeship training committee is required to submit to the Secretary by law or regulation. Such reporting fee shall be computed for each calendar year by multiplying ~~[\$7]~~ \$16 by the number of eligible veterans or eligible persons enrolled under this chapter or chapter 31, 34, or 35 of this title, or ~~[\$11]~~ \$16 in the case of those eligible veterans and eligible persons whose educational assistance checks are directed in care of each institution for temporary custody and delivery and are delivered at the time of registration as provided under section 3680(d)(4) of this title, during the calendar year. The reporting fee shall be paid to

such educational institution or joint apprenticeship training committee as soon as feasible after the end of the calendar year for which it is applicable. No reporting fee payable to an educational institution under this subsection shall be subject to offset by the Secretary against any liability of such institution for any overpayment for which such institution may be administratively determined to be liable under section 3685 of this title unless such liability is not contested by such institution or has been upheld by a final decree of a court of appropriate jurisdiction. The reporting fee payable under this subsection shall be paid from amounts appropriated for readjustment benefits.

\* \* \* \* \*

**§ 3692. Advisory committee**

(a) \* \* \*

\* \* \* \* \*

(c) The committee shall remain in existence until [December 31, 2009] *December 31, 2020.*

\* \* \* \* \*

**§ 3698. Assistance allowance for rural veteran teachers**

(a) *REDUCING ADMINISTRATIVE BURDEN.—The Secretary may pay to a rural veteran teacher a monthly assistance allowance of \$500.*

(b) *DURATION.—The aggregate period for which the Secretary may pay a rural veteran teacher a monthly assistance allowance under subsection (a) may not exceed 24 months.*

(c) *RURAL VETERAN TEACHER DEFINED.—In this section, the term “rural veteran teacher” means a veteran who—*

*(1) is discharged from service in the Armed Forces under honorable conditions;*

*(2) is employed to teach full-time at an accredited elementary or secondary school that is located in a rural area (as determined by the Bureau of the Census);*

*(3) on the date on which the veteran applies for a monthly assistance allowance under subsection (a), is enrolled in an accredited course leading to certification as a teacher;*

*(4) has not been previously employed to teach full-time at an accredited elementary or secondary school; and*

*(5) is entitled to compensation under section 1110 of this title.*

(d) *AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section \$15,000,000 for fiscal year 2012 and each fiscal year thereafter.*

\* \* \* \* \*

**CHAPTER 37—HOUSING AND SMALL BUSINESS LOANS**

SUBCHAPTER I—GENERAL

Sec.  
3701. Definitions.

\* \* \* \* \*

SUBCHAPTER IV—SMALL BUSINESS LOANS

\* \* \* \* \*

3749A. *Loan fee.*

\* \* \* \* \*  
【3751. Termination of program.】  
\* \* \* \* \*

SUBCHAPTER I—GENERAL

\* \* \* \* \*

§ 3703. **Basic provisions relating to loan guaranty and insurance**

(a) \* \* \*

\* \* \* \* \*

(d)(1) \* \* \*

\* \* \* \* \*

【(3) Any real estate housing loan (other than for repairs, alterations, or improvements) shall be secured by a first lien on the realty. In determining whether a loan for the purchase or construction of a home is so secured, the Secretary may disregard a superior lien created by a duly recorded covenant running with the realty in favor of a private entity to secure an obligation to such entity for the homeowner’s share of the costs of the management, operation, or maintenance of property, services or programs within and for the benefit of the development or community in which the veteran’s realty is located, if the Secretary determines that the interests of the veteran borrower and of the Government will not be prejudiced by the operation of such covenant. In respect to any such superior lien to be created after June 6, 1969, the Secretary’s determination must have been made prior to the recordation of the covenant.】

(3)(A) *Any real estate housing loan (other than for repairs, alterations, or improvements) shall be secured by a first lien on the realty. In determining whether a loan is so secured, the Secretary may either disregard or allow for subordination to a superior lien that—*

*(i) is created by a duly recorded covenant running with the realty in favor of—*

*(I) a public entity that provides assistance in response to a major disaster as determined by the President under the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.); or*

*(II) a private entity to secure an obligation to such entity for the homeowner’s share of the costs of the management, operation, or maintenance of property, services, or programs within and for the benefit of the development or community in which the veteran’s realty is located; and*

*(ii) the Secretary determines will not prejudice the interests of the veteran borrower and of the Government by the operation of such a covenant.*

*(B) In respect to a superior lien described by subparagraph (A) that is created after June 6, 1969, the Secretary’s determination must have been made prior to the recordation of the covenant.*

\* \* \* \* \*

SUBCHAPTER II—LOANS

§ 3710. Purchase or construction of homes

(a) \* \* \*

\* \* \* \* \*

(d)(1) **【The Secretary】** (A) *The Secretary* shall carry out a program to demonstrate the feasibility of guaranteeing loans **【for the acquisition of an existing dwelling and the cost of making energy efficiency improvements to the dwelling or for energy efficiency improvements to a dwelling owned and occupied by a veteran. A loan may be guaranteed under this subsection only if it meets the requirements of this chapter, except as those requirements are modified by this subsection.】** *for any of the following purposes:*

(i) *The acquisition of an existing dwelling and the cost of making energy efficiency improvements to the dwelling.*

(ii) *The construction of a new dwelling and the cost of making energy efficiency improvements to the dwelling.*

(iii) *Energy efficiency improvements to a dwelling owned and occupied by a veteran.*

(B) *Except as otherwise provided in this subsection, a loan may be guaranteed under this subsection only if it meets the requirements of this chapter.*

(C) *The Secretary shall determine appropriate energy efficiency standards for purposes of this subsection and shall require that dwellings purchased, constructed, or improved using a loan guaranteed under this subsection meet such standards.*

(2) The cost of energy efficiency measures that may be financed by a loan guaranteed under this section may not exceed the greater of—

**【(A) the cost of the energy efficiency improvements, up to \$3,000; or**

**【(B) \$6,000, if the increase in the monthly payment for principal and interest does not exceed the likely reduction in monthly utility costs resulting from the energy efficiency improvements.】**

*(A) five percent of the total established value of the property, dwelling, and improvements; or*

*(B) \$6,000, or a higher amount specifically provided by the Secretary.*

\* \* \* \* \*

SUBCHAPTER III—ADMINISTRATIVE PROVISIONS

§ 3720. Powers of Secretary

(a) \* \* \*

\* \* \* \* \*

(h)(1)\* \* \*

(2) The Secretary may not under this subsection guarantee the payment of principal and interest on certificates or other securities issued or approved after December 31, **【2011】** 2016.

\* \* \* \* \*



## SUBCHAPTER IV—SMALL BUSINESS LOANS

## § 3741. Definitions

For the purposes of [this subchapter—

[(1) The term disabled veteran] *this subchapter, the term “disabled veteran”* means (A) a veteran who is entitled to compensation under laws administered by the Secretary for a disability rated at 30 percent or more, or (B) a veteran whose discharge or release from active duty was for a disability incurred or aggravated in line of duty.

[(2) The term “veteran of the Vietnam era” means a person (A) who served on active duty for a period of more than 180 days any part of which occurred during the Vietnam era, and who was discharged or released therefrom with other than a dishonorable discharge, or (B) who was discharged or released from active duty for a service-connected disability if any part of such active duty was performed during the Vietnam era.]

## § 3742. Small business loan program

(a)(1) \* \* \*

(2) Subject to paragraph (3)(A) of this subsection, financial assistance under this section may be provided in the form of [(A) loan guaranties, or (B) direct loans] *loan guaranties*.

(3) The Secretary shall specify in regulations the criteria to be met for a business concern to qualify as a veterans’ small business concern for the purposes of this subchapter. Such regulations shall include requirements—

(A) that at least 51 percent of a business concern must be owned by individuals who are [veterans of the Vietnam era or] disabled veterans in order for such concern to qualify for a loan guaranty [and that at least 51 percent of a business concern must be owned by disabled veterans in order for such concern to qualify for a direct loan]; and

\* \* \* \* \*

(b) The availability of financial assistance under subsection (a) of this section is subject to the following limitations:

[(1) The Secretary may not make a direct loan under this section unless the veterans’ small business concern applying for the loan shows to the satisfaction of the Secretary that the concern is unable to obtain a loan guaranteed by the Department under this section or made or guaranteed by the Small Business Administration.]

[(2)] (1) The Secretary may not guarantee a loan under this section if the loan bears a rate of interest in excess of the maximum rate of interest prescribed under section 3745 of this title.

[(3)] (2) The Secretary may not [make or] guarantee a loan under this section for an amount in excess of \$200,000.

[(4)] (3) The original liability of the Secretary on any loan guaranteed under this section may not exceed 90 percent of the amount of the loan, and such liability shall decrease or increase pro rata with any decrease or increase of the amount of the unpaid portion of the loan, but such liability may not exceed the amount of the original guaranty.

(c) Each loan [made or] guaranteed under this subchapter shall be of such sound value, taking into account the creditworthiness of the veterans' small business concern (and the individual owners) applying for such loan, or so secured as reasonably to assure payment.

(d)[(1) Except as provided in paragraph (2) of this subsection, the] *The* Secretary may not [make or] guarantee a loan under this subchapter to a veterans' small business concern in which an ownership interest is held by a veteran who also has an ownership interest in another small business concern if such ownership interest was considered in qualifying that other concern for an outstanding loan made or guaranteed under this subchapter or the Small Business Act (15 U.S.C. 631 et seq.).

[(2) Paragraph (1) of this subsection shall not apply if 51 percent or more of the business concern seeking a direct or guaranteed loan under this is owned by veterans of the Vietnam era or disabled veterans without including the ownership interest of the veteran whose ownership interest in another small business concern was previously considered in qualifying that other concern for an outstanding guaranteed or direct business loan under this subchapter or the Small Business Act (15 U.S.C. 631 et seq.).]

(e)(1) In order to protect the interest of the United States, upon application by a veterans' small business concern which is the recipient of a loan guaranteed under this subchapter, the Secretary (subject to the provisions of this subsection) may undertake the veterans' small business concern's obligation to make payments under such loan [or, if the loan was a direct loan made by the Secretary, may suspend such obligation]. While such payments are being made by the Secretary pursuant to the undertaking of such obligation [or while such obligation is suspended], no such payment with respect to the loan may be required from the concern.

(2) The Secretary may undertake [or suspend] a veterans' small business concern's obligation under this subsection only if—

(A) such undertaking [or suspension] of the obligation is, in the judgment of the Secretary, necessary to protect the interest of the United States;

(B) with the undertaking [or suspension] of the obligation, the small business concern would, in the judgment of the Secretary, become or remain a viable small business entity; and

\* \* \* \* \*

(3) The period of time for which the Secretary undertakes [or suspends] the obligation on a loan under this subsection may not exceed five years. The Secretary may extend the maturity of any loan on which the Secretary undertakes [or suspends] the obligation under this subsection for a corresponding period of time.

(4)(A) Before the Secretary may undertake [or suspend] a veterans' small business concern's obligation under this subsection, the Secretary shall require the small business concern to execute an agreement to repay the aggregate amount of the payments which were required under the loan during the period for which the obligation was undertaken [or suspended]—

(i) \* \* \*

\* \* \* \* \*

(B) In addition to requiring the small business concern to execute the agreement described in subparagraph (A) of this paragraph, the Secretary shall, before the undertaking [or suspension] of the obligation, take such action and require the small business concern to take such action as the Secretary considers appropriate in the circumstances, including the provision of such security as the Secretary considers necessary or appropriate, to assure that the rights and interest of the United States and any lender will be safeguarded adequately during and after the period in which such obligation is so undertaken [or suspended].

(f) *The Secretary shall enter into a contract with an appropriate entity for the purpose of carrying out the program under this subchapter.*

**§ 3743. Liability on loans**

Each individual who has an ownership interest in a veterans' small business concern [that is provided a direct loan under this subchapter, or] that obtains a loan guaranteed under this subchapter[,] shall execute a note or other document evidencing the [direct or] guaranteed business loan, and such individuals shall be jointly and severally liable to the United States [for the amount of such direct loan or, in the case of a guaranteed loan,] for any amount paid by the Secretary on account of such loan.

\* \* \* \* \*

**§ 3746. Maturity of loans**

The maturity of a loan [made or] guaranteed under this subchapter that is used in whole or in part for the construction, conversion, or expansion of facilities or for acquisition of real property may not exceed twenty years plus such additional reasonable time as the Secretary may determine, at the time the loan is made, is required to complete the construction, acquisition, or expansion of such facilities. The maturity of any other loan [made or] guaranteed under this subchapter may not exceed ten years.

\* \* \* \* \*

**§ 3749. Revolving fund**

(a) \* \* \*

(b) Amounts in the fund shall be available to the Secretary without fiscal year limitation for all loan guaranty [and direct loan] operations under this subchapter other than administrative expenses and may not be used for any other purpose.

(c)(1) \* \* \*

(2) There shall be deposited into the fund all amounts received by the Secretary derived from loan operations under this subchapter, including all collection of principal and interest, *fees collected under section 3749A of this title*, and the proceeds from the use of property held or of property sold.

\* \* \* \* \*

[(e) Not later than two years after the termination of the authority of the Secretary to make new commitments for financial assistance under this subchapter the Secretary shall transfer into the

general fund of the Treasury all amounts in the fund except those that the Secretary determines may be required for the liquidation of obligations under this subchapter. All amounts received thereafter derived from loan operations under this subchapter, except so much thereof as the Secretary may determine to be necessary for liquidating outstanding obligations under this subchapter, shall also be so deposited.】

**§ 3749A. Loan Fee**

- (a) *REQUIREMENT OF FEE.—(1) The Secretary—*
  - (A) *collect a fee from each veterans’ small business concern obtaining a loan guaranteed under this subchapter; and*
  - (B) *deposit such fee in the fund established under section 3749 of this title.*
- (2) *No loan may be guaranteed under this subchapter until the fee payable under this section has been remitted to the Secretary.*
- (3) *The fee may be included in the loan guaranteed under this subchapter and paid from the proceeds thereof.*
- (b) *DETERMINATION OF FEE.—The amount of the fee shall be an amount necessary to ensure the solvency of the fund established under section 3749 of this title as determined by the Secretary.*

**§ 3750. Incorporation of other provisions by the Secretary**

The Secretary may provide that the provisions of sections of other subchapters of this chapter that are not otherwise applicable to loans [made or] guaranteed under this subchapter shall be applicable to loans made or guaranteed under this subchapter. The Secretary shall exercise authority under the preceding sentence by regulations prescribed after publication in the Federal Register and a period of not less than thirty days for public comment.

**【§ 3751. Termination of program**

【The Secretary may not make commitments for financial assistance under this subchapter after September 30 1986.】

\* \* \* \* \*

**PART VI—ACQUISITION AND DISPOSITION OF PROPERTY**

\* \* \* \* \*

**CHAPTER 81—ACQUISITION AND OPERATION OF HOSPITAL AND DOMICILIARY FACILITIES; PROCUREMENT AND SUPPLY; ENHANCED-USE LEASES OF REAL PROPERTY**

**SUBCHAPTER I—ACQUISITION AND OPERATION OF MEDICAL FACILITIES**

Sec

8101. Definitions.

\* \* \* \* \*

**SUBCHAPTER II—PROCUREMENT AND SUPPLY**

\* \* \* \* \*

8129. *Veterans entrepreneurial development summit.*

\* \* \* \* \*

SUBCHAPTER II—PROCUREMENT AND SUPPLY

\* \* \* \* \*

**§ 8127. Small business concerns owned and controlled by veterans: contracting goals and preferences**

(a) \* \* \*

\* \* \* \* \*

(c) **SOLE SOURCE CONTRACTS FOR CONTRACTS ABOVE SIMPLIFIED ACQUISITION THRESHOLD.**—For purposes of meeting the goals under subsection (a), and in accordance with this section, a contracting officer of the Department **[may]** *shall* award a contract to a small business concern owned and controlled by veterans using procedures other than competitive procedures if—

(1) \* \* \*

\* \* \* \* \*

**§ 8129. Veterans entrepreneurial development summit**

(a) *VETERANS ENTREPRENEURIAL DEVELOPMENT SUMMIT.*—*The Secretary may hold an event, once every year, to provide networking opportunities, outreach, education, training, and support to small business concerns owned and controlled by veterans, veterans service organizations, and other entities as determined appropriate by the Secretary.*

(b) *AUTHORIZATION OF APPROPRIATIONS.*—*There is authorized to be appropriated to carry out this subsection \$1,000,000 for each of fiscal years 2011 and 2021.*

\* \* \* \* \*

