

JOINT EXPLANATORY STATEMENT FOR
CERTAIN PROVISIONS CONTAINED IN
THE AMENDMENT TO H.R. 1627, AS AMENDED

The Amendment to H.R. 1627, as passed by the House on May 23, 2011, reflects a Compromise Agreement reached by the House and Senate Committees on Veterans' Affairs (hereinafter, "the Committees") on provisions within the following bills reported during the 112th Congress: H.R. 1627; S. 277; S. 914; S. 951; H.R. 802; H.R. 1484; H.R. 2074; H.R. 2302; H.R. 2349; H.R. 2433; H.R. 4299; and several free-standing provisions.

S. 277, as amended, was reported favorably out of the Senate Committee on August 1, 2011; S. 914, as amended, was reported favorably out of the Senate Committee on October 11, 2011; and S. 951, as amended, was reported favorably out of the Senate Committee on July 18, 2011 (hereinafter, "Senate Bills"). H.R. 802, as amended, passed the House on June 1, 2011; H.R. 1484, as amended, passed the House on May 31, 2011; H.R. 2074, as amended, passed the House on October 11, 2011; H.R. 2302, as amended, passed the House on October 11, 2011; H.R. 2349, as amended, passed the House on October 11, 2011; and H.R. 2433, as amended, passed the House on October 12, 2011 (hereinafter, "House Bills").

The Committees have prepared the following explanation of certain provisions contained in the amendment to H.R. 1627, as amended, to reflect a Compromise Agreement between the Committees. Differences between the provisions contained in the Compromise Agreement and the related provisions of the House Bills and the Senate Bills are noted in this document, except for clerical corrections, conforming changes made necessary by the Compromise Agreement, and minor drafting, technical, and clarifying changes.

TITLE I – HEALTH CARE MATTERS

HOSPITAL CARE AND MEDICAL SERVICES FOR VETERANS STATIONED AT CAMP LEJEUNE, NORTH CAROLINA.

Current Law

In a few specific instances, Congress has acted to provide benefits and health care to veterans who may have been exposed to environmental hazards during their military service. On a few occasions, Congress has extended health care and benefits to the children of servicemembers and veterans based on a concern that they were born more susceptible to certain diseases or conditions because of a parent's exposure to an in-service environmental hazard.

Senate Bill

S. 277, as amended, would provide health care benefits through the Department of Veterans Affairs (hereinafter, "VA" or "the Department"), starting in fiscal year (hereinafter, "FY") 2013, to certain veterans for any illness that is attributable to the contaminated drinking water on Camp Lejeune. The bill would provide health care benefits to spouses and dependents of veterans for conditions associated with exposure to the contaminated drinking water on Camp

Lejeune. The bill would also direct the Secretary of the Department of Defense (hereinafter, “DOD”) to transfer funds to VA to cover the costs of the health care provided to these veterans and their families. In order to pay for the increase in funding for providing health care to veterans and their families, the bill would decrease DOD spending by consolidating its commissaries and exchanges.

House Bill

The House Bills contain no similar provision.

Compromise Agreement

Section 102 of the Compromise Agreement would provide health care benefits through VA to certain veterans and family members who lived aboard Camp Lejeune during the period the drinking water was contaminated and have certain illnesses or conditions. VA would reimburse family members for health care services provided under this section as a final payer to other third party health care plans. The Compromise Agreement directs VA to report annually on the number of veterans and family members who were provided hospital care and medical services under the Compromise Agreement; the illnesses, conditions, and disabilities for which care and services were provided under the Compromise Agreement; the number of veterans and family members who applied for care and services under the Compromise Agreement but were subsequently denied (including information on the reasons for denial); and the number of veterans and family members who applied for care and services and are awaiting a decision from VA.

The Committees understand that it may take VA some time to implement this section; however, the Committees anticipate the process should be executed as expeditiously as possible to enable eligible veterans and their family members to receive needed care and medical services.

AUTHORITY TO WAIVE COLLECTION OF COPAYMENTS FOR TELEHEALTH AND TELEMEDICINE VISITS OF VETERANS.

Current Law

Pursuant to section 1710(g) of title 38, United States Code (hereinafter, “U.S.C.”), VA is required to collect copayments from veterans, who are not otherwise exempted from such copayments under section 1710(a) of title 38, U.S.C., for medical services provided by VA.

Senate Bill

Section 101 of S. 914, as reported, would amend subchapter III of chapter 17 of title 38, U.S.C., by adding a new section 1722B. The new section would authorize VA to waive collections of copayments from veterans for the utilization of telehealth or telemedicine.

House Bill

The House Bills contain no similar provision.

Compromise Agreement

Section 103 of the Compromise Agreement reflects the Senate Bill. The Committees expect that, despite the loss of copayments, the resulting reduction in hospitalizations and in the length of stay per hospitalization will allow VA to deliver health care to veterans in a substantially more efficient and cost-effective manner. In addition to this cost avoidance, veterans' quality of life should increase through more effective management of chronic medical conditions and reduced time spent in medical facilities.

TEMPORARY EXPANSION OF PAYMENTS AND ALLOWANCES FOR BENEFICIARY TRAVEL IN CONNECTION WITH VETERANS RECEIVING CARE FROM VET CENTERS.

Current Law

Section 111 of title 38, U.S.C., authorizes VA to reimburse beneficiaries for travel to VA facilities in connection with care, subject to certain restrictions, at a rate of 41.5 cents per mile.

Senate Bill

Section 103 of S. 914, as reported, would clarify that VA is authorized to pay travel benefits to veterans receiving care at Vet Centers pursuant to existing authority under section 111(a) of title 38, U.S.C. It would also require VA to submit a report to Congress, no later than one year after the enactment of the Senate Bill, on the feasibility and advisability of paying travel benefits to veterans receiving care at Vet Centers. Finally, this section of the Senate Bill would authorize such sums as may be necessary be appropriated for the Department to pay such expenses and allowances for the one-year period following the enactment of the Senate Bill.

House Bill

The House Bills contain no similar provision.

Compromise Agreement

Section 104 of the Compromise Agreement reflects the Senate Bill with a modification to limit the authority to a temporary three-year expansion, and a modification that would limit eligibility for reimbursement under the temporary expansion to only veterans who live in highly rural areas. The Committees note that Vet Centers offer valuable services to veterans but those services are inaccessible to some veterans living in highly rural areas. For instance, an eligible individual living in Glasgow, Montana has to travel five hours each way to receive care at the nearest Vet Center, which is located in Billings, Montana. Another example is an eligible individual living in Liberal, Kansas has to travel four hours each way to receive care at the nearest Vet Center, which is located in Wichita, Kansas.

CONTRACTS AND AGREEMENTS FOR NURSING HOME CARE.

Current Law

Section 1745(a)(1) of title 38, U.S.C., requires VA to pay the cost of nursing home care in a State home to veterans in need of such care due to a service-connected disability or with a service-connected disability rated at 70 percent or greater. Section 1745(a)(2) establishes such cost as the lesser of either a prevailing rate determined by VA or the actual cost of care in a State home. Section 1745(a)(3) establishes that such payment shall constitute payment in full.

Senate Bill

Section 109 of S. 914, as reported, would require VA to enter into contracts or agreements with State homes, based on a methodology developed in consultation with State homes, to pay for nursing home care provided to certain veterans with service-connected disabilities, and would apply to care provided on or after January 1, 2012.

House Bill

Section 3 of H.R. 2074, as amended, contains a similar provision.

Compromise Agreement

Section 105 of the Compromise Agreement generally reflects this provision except the Compromise Agreement adjusts the effective date from January 1, 2012, to the date 180 days after the date of enactment. The Compromise Agreement also includes a provision that would require VA, at the request of a State home, to offer to enter into a contract or agreement that replicates the reimbursement methodology that was in effect on the day before enactment.

The Committees note that State homes are significantly under compensated by the current reimbursement framework. VA has been aware of and actively assisting with the development of these provisions. The Committees expect VA to make the negotiation and execution of these contracts a top priority— and further expect that no State home will be without a contract on the date that this provision goes into effect. This includes the immediate development of the contract language required under subsection (c)(2) of this section of the Compromise Agreement.

The Committees further expect that VA and the State homes will negotiate equitably and agree upon several elements of all contracts or agreements under this section. First, that reimbursement will be not only adequate but will also reflect the reasonable cost of care provided. Second, that the services for which VA will make reimbursement will be mutually acceptable. Finally, that the contracts will provide appropriately for updating, revising, or renegotiating the contracts as payment rates or other circumstances change.

COMPREHENSIVE POLICY ON REPORTING AND TRACKING SEXUAL ASSAULT INCIDENTS AND OTHER SAFETY INCIDENTS.

Current Law

There is no similar provision in current law.

Senate Bill

The Senate Bills contain no similar provision.

House Bill

Section 2 of H.R. 2074, as amended, would amend chapter 17 of title 38, U.S.C., to require VA to develop, by March 1, 2012, a comprehensive policy on sexual assault and other safety incidents to include the: (1) development of clear and comprehensive criteria with respect to the reporting of sexual assault incidents and other safety incidents for both clinical personnel and law enforcement personnel; (2) establishment of an accountable oversight system within VA to report and track sexual assault incidents for all alleged or suspected forms of abuse and unsafe acts; (3) systematic information sharing of reported sexual assault incidents, and a centralized reporting, tracking, and monitoring system to ensure each case is fully investigated and victims receive appropriate treatment; (4) use of specific “risk assessment tools” to examine any danger related to sexual assault that a veteran may pose while being treated, including clear guidance on the collection of information relating to the legal history of the veteran; (5) mandatory training of employees on safety awareness and security; and (6) establishment of physical security precautions including appropriate surveillance and panic alarm systems that are operable and regularly tested. This section of the House Bill would also require VA to report to the Committees on the development of the policy not later than 30 days after enactment, and to report on the implementation of such policy not later than 60 days after it is put in place and not later than October 1 of each subsequent year.

Compromise Agreement

Section 106 of the Compromise Agreement generally reflects the House Bill but it modifies the date the comprehensive policy is required to be in place from March 1, 2012, to September 30, 2012. The Compromise Agreement also requires VA, in developing the comprehensive policy and risk assessment tools, to consider the effects on veterans’ use of mental health and substance abuse treatments, and the ability of VA to refer veterans to such services.

REHABILITATIVE SERVICES FOR VETERANS WITH TRAUMATIC BRAIN INJURY.

Current Law

Sections 1710C and 1710D of title 38, U.S.C., direct VA to provide comprehensive care in accordance with individualized rehabilitation plans to veterans with traumatic brain injury (hereinafter, “TBI”). Although these sections of law do not provide a definition of the word “rehabilitation,” the phrase “rehabilitative services” is defined in section 1701(8) of title 38,

U.S.C., for VA health-care purposes as professional, counseling, and guidance services and treatment programs that are necessary to restore, to the maximum extent possible, the physical, mental, and psychological functioning of an ill or disabled person.

Senate Bill

Section 105 of S. 914, as reported, would amend section 1710C of title 38, U.S.C., to include (1) the goal of maximizing the individual's independence, and (2) improving such veteran's behavioral functioning. Section 105 would also require the inclusion of rehabilitative services in (1) a VA comprehensive program of long-term care for veterans with TBI, and (2) cooperative agreements for the use of non-VA facilities for veterans' rehabilitation from TBI within a program of individualized rehabilitation and reintegration plans for veterans with TBI.

House Bill

Section 4 of H.R. 2074, as amended, contains a similar provision.

Compromise Agreement

Section 107 of the Compromise Agreement contains this provision.

TELECONSULTATION AND TELEMEDICINE.

Current Law

There is no similar provision in current law.

Senate Bill

Section 102(a) of S. 914, as reported, would amend subchapter I of chapter 17 of title 38, U.S.C., by adding a new section 1709, which would require VA to create a system for consultation and assessment of mental health, TBI, and other conditions through teleconsultation when a VA medical facility is unable to do so independently.

Section 102(b) of the Senate Bill would require VA to offer opportunities for training in telemedicine to medical residents in facilities that have and utilize telemedicine, consistent with medical residency program standards established by the Accreditation Council for Graduate Medical Education.

Section 102(c) of the Senate Bill would require VA to modify the Veterans Equitable Resource Allocation (hereinafter, "VERA") system to include teleconsultation, teleretinal imaging, telemedicine, and telehealth coordination services. VA would also be required to assess, within one year of modifying the VERA system, the effect on the utilization of telehealth technologies and determine whether additional incentives are necessary to promote their utilization. VA would also be required to include telemedicine visits when calculating facility workload.

House Bill

The House Bills contain no comparable provision.

Compromise Agreement

Section 108 of the Compromise Agreement reflects subsections (a) and (b) of the Senate Bill with a modification to specify that the implementation of the teleconsultation program does not preclude the referral of veterans to third-party providers under VA's existing fee-basis or contracting authority.

USE OF SERVICE DOGS ON PROPERTY OF THE DEPARTMENT OF VETERANS AFFAIRS.

Current Law

Section 901 of title 38 authorizes VA to prescribe rules to govern conduct on Department property, which is defined as land and buildings under the Department's jurisdiction and not under the control of the Administrator of General Services. Section 1714(c) of title 38, U.S.C., authorizes VA to provide service dogs to veterans who, in order of precedence, are hearing impaired, have spinal cord injuries, or are mentally ill.

Senate Bill

Section 104 of S. 914, as reported, would amend section 1714 of title 38, U.S.C., by adding a new subsection (e), which would require VA to admit full access to all service animals accompanying individuals at every VA facility according to the same regulations that govern the admission of the public to such facilities. The provision would apply not only to service dogs as provided for in section 1714(c) of title 38, U.S.C., but would also include trained service animals that accompany individuals with disabilities not specified by that subsection. Further, VA would be authorized to prohibit service animals from roaming or running free and to require the animals to wear harnesses or leashes and be under the control of an individual at all times while at a Department owned or funded facility.

House Bill

Section 5 of H.R. 2074, as amended, would amend section 901 of title 38, U.S.C., by adding a new subsection (f), which would prohibit VA from refusing to allow the use of service dogs in any facility or on any property owned or funded by the Department.

Compromise Agreement

Section 109 of the Compromise Agreement reflects the House Bill with a modification to specify that the provision applies only to service dogs that have been trained by entities that have been accredited for such work by an appropriate accrediting entity.

RECOGNITION OF RURAL HEALTH RESOURCE CENTERS IN OFFICE OF RURAL HEALTH.

Current Law

Section 7308 of title 38, U.S.C., establishes the Office of Rural Health within the Office of the Under Secretary for Health and sets the functions of such Office as: conducting, coordinating, promoting, and disseminating research into issues affecting rural veterans; working with all Department personnel and offices to develop, refine, and promulgate policies, best practices, lessons learned, and successful programs to improve care and services for rural veterans; designating a rural health coordinator within each Veterans Integrated Service Network; and performing other duties as appropriate.

Senate Bill

Section 106(a) of S. 914, as reported, would create a new section 7330B in title 38, U.S.C., which would require VA, acting through the Director of the Office of Rural Health, to establish and operate centers of excellence for rural health research, education, and clinical activities.

Those centers would be required to perform one or more of the following functions: collaborate with the Veterans Health Administration's Office of Research and Development on rural health research; develop specific models for the Department to furnish care to rural veterans; develop innovative clinical activities and systems of care for rural veterans; and provide education and training on rural health issues for health care professionals.

Section 106(b) of the Senate Bill would further amend title 38, U.S.C., by adding a new subsection (d) to section 7308, which would codify the existence and describe the purposes of rural health resource centers. Rural health resource centers would be required to work to improve the Office of Rural Health's understanding of challenges faced by rural veterans, identify disparities in the availability of health care to rural veterans, create programs to enhance the delivery of health care to rural veterans, and develop best practices and products for VA to use in providing services to rural veterans.

Finally, section 106(c) of the Senate Bill would designate the VA Medical Center (hereinafter, "VAMC") in Fargo, North Dakota, as a center of excellence for rural health research, education, and clinical activities.

House Bill

The House Bills contain no similar provision.

Compromise Agreement

Section 110 of the Compromise Agreement reflects section 106(b) of the Senate Bill.

IMPROVEMENTS FOR RECOVERY AND COLLECTION OF AMOUNTS FOR DEPARTMENT OF VETERANS AFFAIRS MEDICAL CARE COLLECTIONS FUND.

Current Law

Section 1729A of title 38, U.S.C., creates within the Treasury the VA Medical Care Collections Fund (hereinafter, "MCCF") in which amounts recovered or collected under several VA collections authorities are to be deposited.

Senate Bill

Section 111 of S. 914, as reported, would require VA to develop and implement, within 180 days of enactment of the Senate Bill, a plan to ensure accurate and full collections by the VA health care system, pursuant to existing authorities for billing and collections. The amounts collected would be required to be deposited in the MCCF. This provision would further require the following elements to be included in the plan: an effective process to identify billable fee claims, effective and practicable policies and procedures to ensure billing and collection using current authorities, training of employees responsible for billing or collection of funds to enable them to comply with the provisions of this section, fee revenue goals for the Department, and an effective monitoring system to ensure the Department meets fee revenue goals and complies with such policies and procedures.

House Bill

The House Bills contain no similar provision.

Compromise Agreement

Section 111 of the Compromise Agreement reflects the Senate Bill.

EXTENSION OF AUTHORITY FOR COPAYMENTS.

Current Law

In relevant part, section 1710(f)(2) of title 38, U.S.C., states that a veteran who is furnished hospital care or nursing home care under this section and who is required to agree to pay a designated amount to the United States in order to be furnished such care, shall be liable to the United States for an amount equal to the lesser of the cost of furnishing such care, the amount determined under paragraph (3) of the section, or \$10 for every day the veteran receives hospital care and \$5 for every day the veteran receives nursing home care, before September 30, 2012.

Senate Bill

The Senate Bills contain no similar provision.

House Bill

The House Bills contain no similar provision.

Compromise Agreement

The Compromise Agreement amends section 1710(f)(2)(B) of title 38, U.S.C., by extending the date of liability from before September 30, 2012, to before September 30, 2013.

EXTENSION OF AUTHORITY FOR RECOVERY OF COST OF CERTAIN CARE AND SERVICES.

Current Law

In relevant part, section 1729(a)(2)(E) of title 38, U.S.C., provides that, in any case in which a veteran is furnished care or services under chapter 17 of such title for a non-service-connected disability, the United States has the right to recover or collect reasonable charges for such care or services (as determined by VA) from a third party to the extent that the veteran (or the provider of the care or services) would be eligible to receive payment for such care or services furnished before October 1, 2012, from such third party if the care or services had not been furnished by a department or agency of the United States.

Senate Bill

The Senate Bills contain no similar provision.

House Bill

The House Bills contain no similar provision.

Compromise Agreement

Section 113 of the Compromise Agreement amends section 1729(a)(2)(E) of title 38, U.S.C., by extending the date of liability from before October 1, 2012, to before October 1, 2013.

TITLE II – HOUSING MATTERS

TEMPORARY EXPANSION OF ELIGIBILITY FOR SPECIALLY ADAPTED HOUSING ASSISTANCE FOR CERTAIN VETERANS WITH DISABILITIES CAUSING DIFFICULTY WITH AMBULATING.

Current Law

Section 2101(a) of title 38, U.S.C., provides VA with the authority to assist disabled veterans in acquiring suitable housing with special fixtures or movable facilities made necessary by the veteran's disability.

Under section 2101(a)(2), a permanently and totally disabled veteran who has A) loss, or loss of use, of both lower extremities to the degree that locomotion without the aid of braces, crutches, canes or a wheelchair is precluded; or B) a disability due to blindness in both eyes, having light perception plus the loss, or loss of use, of one lower extremity; or C) a disability due to loss, or loss of use, of one lower extremity with residuals of organic disease or the loss, or loss of use, of one upper extremity that affects balance or propulsion to preclude locomotion without the aid of braces, crutches, canes or a wheelchair; or D) a disability due to the loss, or loss of use, of both upper extremities such as to preclude use of the arms at or above the elbows; or E) a disability due to a severe burn injury, is entitled to grant assistance for housing adaptations.

Senate Bill

The Senate Bills contain no comparable provision.

House Bill

The House Bills contain no similar provision.

Compromise Agreement

Section 201 of the Compromise Agreement would temporarily add certain severe injuries and dismemberment disabilities that affect ambulation to the eligibility criteria for the specially adapted housing program under section 2101(a) of title 38, U.S.C., for those veterans 1) who served on or after September 11, 2001, and 2) became permanently disabled on or after that same date. This expansion of authority would expire on September 30, 2013, and require that VA receive grant applications prior to that date in order to receive consideration.

Because of advances in medical technology, many individuals are surviving traumatic events which past generations of military personnel were not able to survive. However, as a result of these traumatic events, these individuals are left with specific types of physical losses and injuries which often affect their ability to ambulate without assistance. For example, some individuals are returning from the current conflicts with varying degrees of impairment that impact mobility due to the loss or loss of use of one limb, such as a single above the knee amputation.

The Committee intends that this provision assist those individuals with balance problems resulting from traumatic injuries that affect their ability to ambulate. The Committees believe that there are numerous home adaptations available which would maximize physical abilities and enhance the quality of life for individuals with these types of injuries. While these individuals would clearly benefit from home adaptations, VA cannot assist these individuals with home modifications because of existing statutory limitations. Changes to these provisions are necessary in order for VA to be responsive to the growing numbers of these different types of injuries.

Some of these adaptations include: adding a new bathroom or adapting existing bathroom fixtures with features such as grab bars, bath transfer benches, or high-rise toilets; providing non-slip flooring for balance-related issues; and installing special kitchen and laundry appliances (with locations and controls in optimal reach zone) to address safety issues.

EXPANSION OF ELIGIBILITY FOR SPECIALLY ADAPTED HOUSING ASSISTANCE FOR VETERANS WITH VISION IMPAIRMENT.

Current Law

Under current law, section 2101(b) of title 38, U.S.C., a veteran with a permanent and total service-connected disability due to blindness in both eyes has to have visual acuity of 5/200 or less in order to qualify for certain adaptive housing assistance grants.

According to the National Eye Institute, visual acuity is defined as the eye's ability to distinguish object details and shape with good contrast, using the smallest identifiable object that can be seen at a specified distance. It is measured by use of an eye chart and recorded as test distance/target size. Visual acuity of 5/200 means that an individual must be 5 feet away from an eye chart to see a letter that an individual with normal vision could see from 200 feet.

While VA had used the 5/200 or less standard of visual acuity for blindness over the last several decades, a consensus definition of what constitutes “legal blindness” has emerged.

This consensus definition is the statutory definition used for the Social Security disability insurance program and the Supplemental Security Income program and is less stringent than VA’s standard, encompassing individuals with lesser degrees of vision impairment. The American Medical Association has espoused this definition since 1934 and defines blindness as a “central visual acuity of 20/200 or less in the better eye with corrective glasses, or central visual acuity of more than 20/200 if there is a visual field defect in which the peripheral field is contracted to such an extent that the widest diameter of the visual field subtends an angular distance no greater than 20 degrees in the better eye.”

Recognizing this consensus definition, Public Law (hereinafter, “P.L.”) 110-157, the Dr. James Allen Veteran Vision Equity Act of 2007, amended the criteria for receiving special monthly compensation to allow veterans who are very severely disabled as the result of blindness, and other severe disabilities, to be eligible to receive a higher rate of disability compensation if their visual acuity in both eyes is 20/200 or less.

Senate Bill

Section 306 of S. 914, as reported, would amend section 2101(b) of title 38, U.S.C., by requiring central visual acuity of 20/200 or less in the better eye with the use of a standard correcting lens. It also provides that an eye with 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 as having a central visual acuity of 20/200 or less.

House Bill

The House Bills contain no similar provision.

Compromise Agreement

Section 202 of the Compromise Agreement reflects the Senate Bill.

REVISED LIMITATIONS ON ASSISTANCE FURNISHED FOR ACQUISITION AND ADAPTATION OF HOUSING FOR DISABLED VETERANS.

Current Law

Since 1948, VA has provided adaptive housing assistance grants to eligible individuals who have certain service-connected disabilities to construct an adapted home or modify an existing home to accommodate their disabilities. Today, VA provides adaptive housing assistance primarily through two programs—Specially Adapted Housing (hereinafter, “SAH”) and Special Home Adaptation (hereinafter, “SHA”). Both programs are codified under chapter 21 of title 38, U.S.C.

The SAH grant program provides financial assistance to veterans and servicemembers who are entitled to compensation for permanent and total service-connected disability due to the loss or loss of use of multiple limbs, blindness and limb loss, or a severe burn injury. Eligible individuals may receive up to three SAH grants totaling no more than 50 percent of the cost of a specially adapted house, up to the aggregate maximum amount for FY 2011 of \$63,780. This amount is adjusted annually based on a cost-of-construction index. Grants may be used to construct a house or remodel an existing house, or they may be applied against the unpaid principal mortgage balance of a specially adapted house. The SHA grant program, which is similar to SAH but is for individuals with other disabilities, may be used for slightly different purposes and cannot exceed \$12,756 during FY 2011. This amount is also adjusted annually based on a cost-of-construction index.

P.L. 109-233, the Veterans' Housing Opportunity and Benefits Improvement Act of 2006, authorized VA to expand its previously existing adaptive housing assistance grants to include eligible individuals temporarily living in a home owned by a family member. The Temporary Residence Adaptation (hereinafter, “TRA”) benefit, codified at section 2102A of title 38, U.S.C., allows veterans to apply for a grant to adapt the home of a family member with whom they are temporarily residing. The benefit was extended to active duty servicemembers with the passage of P.L. 110-289, the Housing and Economic Recovery Act of 2008. The TRA grant program enables veterans and servicemembers eligible under the SAH and SHA programs to use up to \$14,000 and \$2,000, respectively, to modify a family member's home.

Under current law, section 2102(d) of title 38, U.S.C., each TRA grant counts as one of the three grants allowed under either SAH or SHA. TRA grants also count toward the maximum allowable FY 2011 amount of \$63,780 under SAH and \$12,756 under SHA.

The Government Accountability Office's (hereinafter, "GAO") congressionally-mandated reports on the TRA grant program noted the limited participation in the TRA program. GAO found that one of the reasons for the low usage was that veterans often choose to wait to take advantage of benefits to adapt their own home because the TRA grant amount counts against the overall amount available to an individual under the SAH or SHA grant programs. One potential solution GAO identified would be no longer counting TRA grants against the maximum funds available under SAH and SHA.

Senate Bill

Section 307 of S. 914, as reported, would amend section 2102(d) of title 38 to exclude the TRA grant from the aggregate limitations on assistance furnished to an eligible veteran or servicemember pursuant to section 2102 of title 38, U.S.C. TRA grants would no longer be counted against the maximum funds available under SAH and SHA grants.

House Bill

The House Bills contain no similar provision.

Compromise Agreement

Section 203 of the Compromise Agreement reflects the Senate Bill. The Committees believe this change would increase participation in the TRA grant program.

IMPROVEMENTS TO ASSISTANCE FOR DISABLED VETERANS RESIDING IN HOUSING OWNED BY A FAMILY MEMBER.

Current Law

P.L. 109-233, the Veterans' Housing Opportunity and Benefits Improvement Act of 2006, authorized VA to expand its previously existing adaptive housing assistance grants, known as TRA grants, to include eligible individuals temporarily living in a home owned by a family member. The benefit was extended to active duty servicemembers with the passage of P.L. 110-289, the Housing and Economic Recovery Act of 2008.

Under current law, section 2102A of title 38, U.S.C., the TRA grant program allows veterans and servicemembers eligible under the SAH and SHA programs to use up to \$14,000 and \$2,000, respectively, to modify a family member's home. The TRA grant program is scheduled to expire on December 31, 2012.

Section 101 of P.L. 109-233 also required the GAO to submit a report to Congress on VA's implementation of the TRA grant program. The interim report, "Veterans Affairs: Implementation of Temporary Residence Adaptation Grants" (GAO-09-637R), and the final report, "Opportunities Exist to Improve Potential Recipients' Awareness of the Temporary Residence Adaptation Grant" (GAO-10-786) (hereinafter, "GAO Reports"), both noted limited participation in the TRA program. The interim report examined a number of reasons for the low

usage, and noted that veterans often choose to wait to take advantage of benefits to adapt their own home because the TRA grant counts against the overall amount available to an individual under the SAH or SHA grant program. One of the potential solutions GAO identified was to increase the maximum benefit available under SAH and SHA.

Senate Bill

Section 305 of S. 914, as reported, would amend section 2102A of title 38, U.S.C., by increasing the amount of assistance available for individuals with permanent and total service-connected disabilities that meet the criteria of section 2101(a)(2) of title 38, U.S.C., from \$14,000 to \$28,000. It would increase the amount of assistance available for individuals with permanent and total service-connected disabilities that meet the criteria of section 2101(b)(2) of title 38, U.S.C., from \$2,000 to \$5,000.

It would add a new paragraph to section 2102A that would provide for automatic annual adjustments to the maximum grant amounts, based on a cost-of-construction index already in effect for other SAH and SHA grants authorized under chapter 21 of title 38, U.S.C. Finally, the Senate bill would amend section 2102A of title 38, U.S.C., by extending VA's authority to provide assistance under the TRA grant program until December 31, 2021.

House Bill

Section 2 of H.R. 4299 would amend section 2102A of title 38, U.S.C., by striking "December 31, 2012" and inserting "December 31, 2014."

Compromise Agreement

Section 204 of the Compromise Agreement generally follows the Senate Bill except the authority to provide TRA grants is extended to 2022.

DEPARTMENT OF VETERANS AFFAIRS HOUSING LOAN GUARANTEES FOR SURVIVING SPOUSES OF CERTAIN TOTALLY DISABLED VETERANS.

Current Law

VA currently provides that surviving spouses of veterans whose deaths were not service-connected, but who had service-connected disabilities that were permanent and total for at least 10 years immediately preceding their deaths, are eligible to receive a monthly dependency and indemnity compensation (hereinafter, "DIC") payment from VA. However, surviving spouses of such veterans are not eligible for the VA home loan guaranty benefit administered by VA.

Senate Bill

The Senate Bills contain no similar provision.

House Bill

Section 502 of H.R. 2433, as amended, would amend section 3701(b) of title 38, U.S.C., to extend eligibility for the VA Home Loan guaranty benefit to surviving spouses of veterans whose deaths were not service-connected, but who had service-connected disabilities that were permanent and total for at least 10 years immediately preceding their deaths.

Compromise Agreement

Section 205 of the Compromise Agreement reflects the House Bill.

OCCUPANCY OF PROPERTY BY DEPENDENT CHILD OF VETERAN FOR PURPOSES OF MEETING OCCUPANCY REQUIREMENT FOR DEPARTMENT OF VETERANS AFFAIRS HOUSING LOANS.

Current Law

Current law, section 3704(c)(2) of title 38, U.S.C., states that, “[i]n any case in which a veteran is in active-duty status as a member of the Armed Forces and is unable to occupy a property because of such status, the occupancy requirements [for purposes of obtaining a VA-backed home loan] shall be considered to be satisfied if the spouse of the veteran occupies the property...and the spouse makes the certification required by paragraph (1) of this subsection.” Under current law, a single veteran with a dependent child is disqualified from obtaining a VA-backed home loan if he or she is on active-duty status, because he or she does not have a spouse to satisfy occupancy requirements.

Senate Bill

Section 303 of S. 914, as reported, would add to section 3704(c)(2) a provision allowing a veteran's dependent child who occupies, or will occupy, the property as a home to satisfy the occupancy requirements. To qualify them for a VA-backed home loan, the veteran's attorney-in-fact or a legal guardian of the veteran's dependent child must make the certification required by section 3704(c)(1) of title 38.

House Bill

The House Bills contain no similar provision.

Compromise Agreement

Section 206 of the Compromise Agreement reflects the Senate Bill. The Committees believe this provision would allow single-parent veterans performing active-duty service to obtain a VA-guaranteed home loan in situations where a veteran's dependent child will be occupying the home with an approved guardian. The Committees also intend that this provision apply to situations where veterans, married to each other, are both deployed.

MAKING PERMANENT PROJECT FOR GUARANTEEING OF ADJUSTABLE RATE MORTGAGES.

Current law

Section 3707(a) of title 38, U.S.C., authorizes the guaranty of adjustable rate mortgages for veterans. The authority for VA to guaranty such mortgages is set to expire at the end of FY 2012.

House Bill

Section 501 of H.R. 2433, as amended, would amend section 3707(a) to reauthorize the adjustable rate mortgages until the end of FY 2014.

Senate Bill

The Senate Bills contain no similar provision.

Compromise Agreement

Section 207 of the Compromise Agreement would make this authority permanent.

MAKING PERMANENT PROJECT FOR INSURING HYBRID ADJUSTABLE RATE MORTGAGES.

Current law

Section 3707A(a) of title 38, U.S.C., authorizes the guaranty of hybrid adjustable rate mortgages for veterans. The authority for VA to guaranty such mortgages is set to expire at the end of FY 2012.

House Bill

Section 501 of H.R. 2433, as amended, would amend section 3707A(a) to reauthorize hybrid adjustable rate mortgages until the end of FY 2014.

Senate Bill

The Senate Bills contain no similar provision.

Compromise Agreement

Section 208 of the Compromise Agreement would make this authority permanent.

WAIVER OF LOAN FEE FOR INDIVIDUALS WITH DISABILITY RATINGS ISSUED DURING PRE-DISCHARGE PROGRAMS.

Current Law

Under current law, section 3729(c) of title 38, U.S.C., a housing loan fee may not be collected if a veteran is rated eligible to receive compensation as a result of a pre-discharge VA disability examination and rating. The time period between pre-discharge ratings and release from active-duty service can be quite long. During that time, many disabled servicemembers utilize their VA home loan benefit. Under current law, servicemembers who are rated eligible to receive compensation solely as the result of a pre-discharge review of existing medical evidence and not as the result of a VA examination are required to pay the housing loan fees until they have been discharged or released from active duty.

Senate Bill

Section 304 of S. 914, as reported, would amend section 3729(c) of title 38, U.S.C., by adding a provision that waives the collection of housing loan fees from a servicemember rated eligible to receive compensation based on a pre-discharge review of existing medical evidence that results in the issuance of a memorandum rating.

House Bill

The House Bills contain no similar provision.

Compromise Agreement

Section 209 of the Compromise Agreement reflects the Senate Bill. The Committees believe this provision would ensure that all servicemembers eligible to receive compensation as the result of a pre-discharge program are eligible for the housing loan fee waiver, regardless of whether the eligibility was the result of an examination or a review of existing evidence.

MODIFICATION OF AUTHORITIES FOR ENHANCED-USE LEASES OF REAL PROPERTY.

Current Law

Subchapter V of chapter 81 of title 38, U.S.C., provides VA with authority to enter into enhanced-use leases (hereinafter, "EULs"). EULs allow VA to lease underutilized real property to third-parties, so long as it will be used for a purpose that complements the mission of VA. VA was permitted to accept monetary or in-kind consideration for EULs and to spend any money collected on medical care via the MCCF. This authority expired on December 31, 2011.

Senate Bill

The Senate Bills contain no similar provision.

House Bill

The House Bills contain no similar provision.

Compromise Agreement

Section 210 of the Compromise Agreement would reauthorize VA's EUL authority until December 31, 2023. The Compromise Agreement also would make several changes to VA's authority, including permitting EULs only for the purpose of creating programs to assist veterans who are homeless or at risk of homelessness, requiring VA to receive approval for future EULs from the Office of Management and Budget, prohibiting VA from receiving any type of in-kind consideration for leased property, and forbidding federal entities from leasing property from a lessee when that property is already subject to an EUL.

The Compromise Agreement also would require a report to Congress 120 days after enactment and annually thereafter, and include the key changes made to the administration of the program to address deficiencies identified by VA's Office of Inspector General in a February 29, 2012, report titled "Audit of the Enhanced-Use Lease Program." The Committees note, with significant concern, the findings of the Office of Inspector General and expect VA to ensure substantial improvements are made to the management of the EUL program.

TITLE III – HOMELESS MATTERS

ENHANCEMENT OF COMPREHENSIVE SERVICE PROGRAMS.

Current Law

Section 2011 of title 38, U.S.C., sets forth the authority, criteria, and requirements for VA's grant program. The law requires VA to establish criteria and requirements for grants awarded under this section. Eligible entities for these grants are restricted to public or nonprofit private entities with the capacity to administer these grants effectively who demonstrate that adequate financial support will be available to carry out the project for which the grant is sought consistent with the plans, specifications, and schedule submitted by the applicant. An eligible entity must also agree to meet, as well as have the capacity to meet, the applicable criteria and requirements established by VA. Subsection (b) specifies the kinds of projects for which the grants are available, including the expansion, remodeling, and alteration of existing buildings. Subsection (c) of this section stipulates that funds may not be used to support operation costs and may not exceed 65 percent of the estimated cost of the project concerned. In addition, the grants may not be used to support operational costs and the amount of the grant may not exceed 65 percent of the estimated cost of the project concerned.

Section 2012 of title 38, U.S.C., sets forth the authority for VA's per diem program. The law requires VA to provide to recipients of grants under section 2011 of title 38, U.S.C., per diem payments for services furnished to any homeless veteran whom VA has referred to the grant recipient or authorized the provision of services. The per diem rate is defined as the

estimated daily cost of care, not in excess of the per diem rate for VA's State Home Per Diem Program.

Senate Bill

Section 201 of S. 914, as reported, would authorize grant funds to be used for new construction and stipulates that the Department cannot deny a grant on the basis that the entity proposes to use funding from other public or private sources, including entities that are Low-Income Housing Tax Credit recipients controlled by eligible nonprofits. This provision also would require VA, a year after enactment, to complete a study on grant and per diem payment methods within the comprehensive service grant and per diem programs, and issue a report to Congress on the findings therein.

House Bill

The House Bills contain no similar provision.

Compromise Agreement

Section 301 of the Compromise Agreement reflects the Senate Bill.

MODIFICATION OF AUTHORITY FOR PROVISION OF TREATMENT AND REHABILITATION TO CERTAIN VETERANS TO INCLUDE PROVISION OF TREATMENT AND REHABILITATION TO HOMELESS VETERANS WHO ARE NOT SERIOUSLY MENTALLY ILL.

Current Law

Section 2031 of title 38, U.S.C., authorizes VA to provide outreach services, care, treatment, rehabilitative services, and certain therapeutic transitional housing assistance to veterans suffering from serious mental illness, including such veterans who are also homeless.

Senate Bill

Section 203 of S. 914, as reported, would modify the authority for the provision of treatment, rehabilitation, and other services to certain veterans to include the provision of such services to homeless veterans who are not seriously mentally ill.

House Bill

The House Bills contain no similar provision.

Compromise Agreement

Section 302 of the Compromise Agreement reflects the Senate Bill.

MODIFICATION OF GRANT PROGRAM FOR HOMELESS VETERANS WITH SPECIAL NEEDS.

Current Law

Section 2061 of title 38, U.S.C., authorizes VA to operate a grant program for homeless veterans with special needs. Section 2061(b) defines homeless veterans with special needs as: 1) women, including women who have care of minor dependents; 2) frail elderly; 3) terminally ill; or 4) chronically mentally ill.

Senate Bill

Section 202 of S. 914, as reported, would include male homeless veterans with minor dependents as an additional population with special needs for the purpose of receiving per diem payments to provide services. It would also authorize recipients of special needs grants to provide services directly to a dependent of a homeless veteran with special needs who is under the care of such veteran while receiving services from the grant recipient. Section 202 also authorizes the provision of grants to entities that are eligible for, but not currently in receipt of, funding under VA's Comprehensive Service Programs.

House Bill

The House Bills contain no similar provision.

Compromise Agreement

Section 303 of the Compromise Agreement reflects the Senate Bill.

COLLABORATION IN PROVISION OF CASE MANAGEMENT SERVICES TO HOMELESS VETERANS IN SUPPORTED HOUSING PROGRAM.

Current Law

The Housing and Urban Development-Veterans Affairs Supportive Housing Program (hereinafter, "HUD-VASH") is a cooperative partnership between HUD and VA that provides long-term case management, supportive services, and permanent housing support for eligible homeless veterans. Section 2003(b) of title 38, U.S.C., requires VA to ensure that there are adequate case managers available for veterans who receive section 8 vouchers under the HUD-VASH program.

Senate Bill

Section 209 of S. 914, as reported, would require VA to consider entering into contracts or agreements with State or local governments, tribal organizations, or nonprofit organizations to collaborate in the provision of case management services to veterans in the supported housing program.

Section 209 of S. 914, as reported, also would require a report to Congress 545 days after enactment and not less frequently than once each year thereafter. This report would include, but would not be limited to, a description of any consideration to contract for case management; a description of the entities with whom VA entered into contracts; a description of the veterans served via contract; an assessment of contract performance; and recommendations for legislative or administrative action for the improvement of collaboration in the provision of case management services under the HUD-VASH program.

House Bill

The House Bills contain no similar provision.

Compromise Agreement

Section 304 of the Compromise Agreement generally reflects the Senate Bill with the addition of technical changes in subsection (b) that ensure veterans who meet eligibility criteria when entering the program and who are receiving case management from a contract provider can continue to receive case management from that same entity after they are placed into housing.

EXTENSIONS OF PREVIOUSLY FULLY-FUNDED AUTHORITIES AFFECTING HOMELESS VETERANS.

Current Law

Under section 2013 of title 38, U.S.C., funds are authorized to be appropriated for comprehensive service programs for homeless veterans. \$250 million is authorized to be appropriated for the program in FY 2012, but only \$150 million is authorized to be appropriated for FY 2013.

Under section 2021 of title 38, U.S.C., \$50 million is authorized to be appropriated for the Homeless Veterans Reintegration Program (hereinafter, "HVRP") for FY 2012. There are no funds authorized to be appropriated for this program in FY 2013.

Under section 2044 of title 38, U.S.C., \$100 million is authorized to be appropriated in FY 2012 for financial assistance for supportive services for very low-income veteran families in permanent housing. There are no funds authorized to be appropriated for this program in FY 2013.

Under section 2061 of title 38, U.S.C., \$5 million is authorized to be appropriated annually for the grant program for homeless veterans with special needs between FY 2007 and FY 2012. There are no funds authorized to be appropriated for this program in FY 2013.

Senate Bill

Section 201 of S. 914, as reported, would increase the authorization of appropriations to \$250 million for the comprehensive service programs for homeless veterans in FY 2012.

Section 206 of S. 914, as reported, would extend through FY 2012 the existing \$50 million authorization of appropriations for HVRP.

Section 207 of S. 914, as reported, would authorize the appropriation of \$100 million for financial assistance for supportive services for very low-income veteran families in permanent housing in FY 2012.

Section 208 of S. 914, as reported, would authorize the appropriation of \$5 million for the grant program for homeless veterans with special needs in FY 2012.

House Bill

The House Bills contain no similar provision.

Compromise Agreement

Section 305 of the Compromise Agreement would increase the authorization of appropriations to \$250 million for comprehensive service programs for homeless veterans in FY 2013 and \$150 million for every fiscal year after and including FY 2014.

Section 305 of the Compromise Agreement would extend through FY 2013 the existing \$50 million authorization of appropriations for HVRP.

Section 305 of the Compromise Agreement would authorize the appropriation of \$300 million for financial assistance for supportive services for very low-income veteran families in permanent housing in FY 2013.

Section 305 of the Compromise Agreement would authorize the appropriation of \$5 million for the grant program for homeless veterans with special needs in FY 2013.

TITLE IV – EDUCATION MATTERS

AGGREGATE AMOUNT OF EDUCATIONAL ASSISTANCE AVAILABLE TO INDIVIDUALS WHO RECEIVE BOTH SURVIVORS' AND DEPENDENTS' EDUCATIONAL ASSISTANCE AND OTHER VETERANS AND RELATED EDUCATIONAL ASSISTANCE.

Current Law

Under chapter 35 of title 38, U.S.C., certain survivors and dependents of individuals who die or are disabled while on active duty are eligible for educational assistance benefits. Section 3511(a)(1) provides that each eligible person is entitled to the equivalent of 45 months of full-time benefits.

P.L. 110-252, the Post-9/11 Veterans Educational Assistance Act of 2008, codified at chapter 33 of title 38, established a new program of educational assistance for individuals who served on active duty after September 11, 2001. This Act established a program of educational assistance in which individuals may earn up to a maximum of 36 months of full-time benefits.

Further, under section 3695 of title 38, U.S.C., an individual who is eligible for assistance under two or more specific educational programs may not receive in excess of the equivalent of 48 months of full-time benefits. This means that an eligible survivor or dependent who is entitled to receive education benefits under the chapter 35 program, who uses all 45 months of those benefits to obtain a college education, and who subsequently decides to enter the military, would only be able to earn the equivalent of three months of benefits under P.L. 110-252.

Senate Bill

Section 702 of S. 914, as reported, would amend section 3695 of title 38, U.S.C., to provide that an individual entitled to benefits under chapter 35 will not be subject to the 48-month limitation. However, the maximum aggregate period of benefits an individual may receive under chapter 35 and certain other educational assistance programs listed at section 3695 of title 38, U.S.C., would be capped at 81 months.

Section 702 would also revive a period of entitlement to education benefits in situations where such benefits were reduced by the 48-month limitation. The maximum period of assistance for individuals with revived benefits would also be capped at 81 months.

House Bill

The House Bills contain no similar provision.

Compromise Agreement

Section 401 of the Compromise Agreement reflects the Senate Bill.

ANNUAL REPORTS ON POST-9/11 EDUCATIONAL ASSISTANCE PROGRAM AND SURVIVORS' AND DEPENDENTS' EDUCATIONAL ASSISTANCE PROGRAM.

Current Law

Under section 3036 of title 38, U.S.C., DOD and VA, both bi-annually report to Congress on the effectiveness of the Montgomery GI Bill (hereinafter, "MGIB") Program in meeting the statutory objectives of the program.

Senate Bill

The Senate Bills contain no similar provision.

House Bill

Section 504 of H.R. 2433, as amended, would require DOD and VA to annually submit to Congress reports on the effectiveness of the Post-9/11 GI Bill. The section would require DOD's report to measure what effect the level of GI Bill benefits has on DOD's ability to recruit and maintain qualified active-duty personnel. This section would also require VA to report on the level of utilization of benefits under all education programs administered by VA, the number of credit hours, certificates, degrees, and other qualifications earned by students under the GI Bill, and VA's recommendations on ways to improve the benefit for servicemembers, veterans, and their dependents. This section also repeals section 3036 of title 38, U.S.C., which requires the current biennially report on the MGIB program.

Compromise Agreement

Section 402 of the Compromise Agreement generally reflects the House Bill with some minor modifications. With the advent of the Post-9/11 GI Bill, and the resulting reduction in the participation in the MGIB, the Committees believe it is time to refocus this report on the Post-9/11 GI Bill.

The Compromise Agreement provides VA increased flexibility in determining what additional type of data on student outcomes can be included in the report and specifies that the first reports are due by November 1, 2013.

The Committees believe that, with the significant investment, estimated to be as much as \$60 to \$80 billion over the first 10 years, Congress needs to be able to determine whether provisions of the Post-9/11 GI Bill are meeting their intended outcomes.

TITLE V – BENEFITS MATTERS

AUTOMATIC WAIVER OF AGENCY OF ORIGINAL JURISDICTION REVIEW OF NEW EVIDENCE.

Current Law

Current law precludes the Board of Veterans' Appeals (hereinafter, "Board") initial consideration of evidence submitted in connection with a claim, unless the claimant waives the right to initial consideration by the Agency of Original Jurisdiction (hereinafter, "AOJ"). Evidence first must be considered by the AOJ in order to preserve a claimant's statutory right under section 7104 of title 38, U.S.C., to one review on appeal.

Senate Bill

Section 404 of S. 914, as reported, would amend section 7105 of title 38, U.S.C., by creating a new subsection, (e), to incorporate an automatic waiver of the right to initial consideration of certain evidence by the AOJ. The evidence subject to the waiver is evidence in connection with the issue or issues with which disagreement has been expressed, and which is submitted by the claimant, or his or her representative, to the AOJ or the Board concurrently with

or after the filing of a substantive appeal. Such evidence would be subject to initial consideration by the Board, unless the appellant or his or her representative requests, in writing, that the AOJ initially consider the evidence. The request would be required to be submitted with the evidence. These changes would take effect 180 days after enactment and apply with respect to claims for which a substantive appeal is filed on or after that date.

House Bill

Section 2 of H.R. 1484 would direct the Board to consider evidence submitted by a claimant after a substantive appeal has been filed unless the claimant elects to have the evidence considered first by the AOJ.

Compromise Agreement

Section 501 of the Compromise Agreement reflects the language of the Senate Bill.

AUTHORITY FOR CERTAIN PERSONS TO SIGN CLAIMS FILED WITH SECRETARY OF VETERANS AFFAIRS ON BEHALF OF CLAIMANTS.

Current Law

Under current law, section 5101 of title 38, U.S.C., VA lacks specific authority to authorize a court-appointed representative or caregiver to sign an application form allowing the adjudication of the claim to proceed.

Senate Bill

Section 704 of S. 914, as reported, would authorize certain individuals to sign claims filed with VA on behalf of claimants who are under age 18, are mentally incompetent, or are physically unable to sign a form.

House Bill

The House Bills contain no similar provision.

Compromise Agreement

Section 502 of the Compromise Agreement generally follows the Senate Bill but with the addition of a new section, 502(a)(2)(A)(iii), in order to clarify that if a person signs a form on behalf of a claimant, the claimant's social security number must be submitted in addition to the social security number or tax identification number of the individual signing the form on behalf of the claimant.

IMPROVEMENT OF PROCESS FOR FILING JOINTLY FOR SOCIAL SECURITY AND DEPENDENCY AND INDEMNITY COMPENSATION.

Current Law

Under current law, section 5105 of title 38, U.S.C., VA and the Social Security Administration (hereinafter, “SSA”) are required to develop and use joint applications for survivors who apply for both dependency and indemnity compensation DIC and Social Security survivor benefits. Section 5105 further provides that, if such a joint application form is filed with either VA or SSA, it will be deemed an application for both DIC and Social Security benefits.

Senate Bill

Section 705 of S. 914, as reported, would amend section 5105 of title 38, U.S.C., to permit – but not require – the development of a joint form for SSA and VA survivor benefits. This provision also would amend section 5105 so that any form indicating an intent to apply for survivor benefits would be deemed an application for both DIC and Social Security benefits. This is intended to codify VA’s practice under which any indication of intent to apply for Social Security survivor benefits also is treated as an application for VA DIC benefits.

House Bill

The House Bills contain no similar provision.

Compromise Agreement

Section 503 of the Compromise Agreement reflects the Senate Bill.

AUTHORIZATION OF USE OF ELECTRONIC COMMUNICATION TO PROVIDE NOTICE TO CLAIMANTS FOR BENEFITS UNDER LAWS ADMINISTERED BY THE SECRETARY OF VETERANS AFFAIRS.

Current Law

Section 5103 of title 38, U.S.C., requires VA to issue a notice to claimants of further evidence needed to substantiate a claim, referred to as a VCAA notice because of its requirement under the Veterans Claims Assistance Act of 2000. Section 5103 further requires VA to issue a separate written notice to claimants upon receipt of any subsequent claim, regardless of whether the information contained is different from any prior notices issued. The VCAA notice also outlines VA’s duty to assist the claimant in obtaining evidence, including what steps VA will take, and explains the role the claimant can play to ensure all relevant evidence is submitted for consideration. The VCAA notice explains how a disability rating and effective date will be determined, and each VCAA notice contains a VCAA Notice Response Form, which identifies the date of claim and provides a brief explanation regarding the submission of any additional information or evidence.

Senate Bill

The Senate Bills contain no similar provision.

House Bill

Section 4 of H.R. 2349, as amended, would remove the requirement that the VCAA notice be sent only after receipt of a claim, thereby allowing VA to put notice on claims application forms as is currently done with the Department's 526-EZ form for Fully Developed Claims (hereinafter, "FDCs"). VA must ensure that veterans are adequately informed about their right to submit an informal claim for the purpose of establishing an earlier effective date in rewriting new application forms. Such information is currently included on the 526-EZ form for those filing under the FDC program, and it should similarly be included for those submitting standard non-FDC forms to ensure that veterans do not lose any benefit.

Section 4 of H.R. 2349, as amended, authorizes VA to use the most effective means available for communication, including electronic or written communication, and removes the requirement that VA send a notice for a subsequent claim if the issue is already covered under a previous claim and notice. However, under this section, VA must still send a notice if over one year has passed since any notice was last sent to the claimant. According to VA, the subsequent reduction in claims processing times by this section can range from 30 to 40 days, which provides a positive step toward reducing the claims backlog.

The requirement that VA issue a separate written VCAA notice upon receipt of any subsequent claim presents two issues that contribute to the claims backlog. The first is that, in many cases, VA is forced to take a redundant step of producing the exact same notice it has already provided to the veteran, which increases the processing time without affecting the outcome of the claim. The second issue is that the notices provided by VA must be in writing and mailed through the postal system. Because it is not authorized to do so, VA cannot utilize the speed and efficiency provided by electronic mail, even if that were the claimant's preferred method of communication regarding the claim. This restriction of VA's means of communication prevents it from utilizing a widely-used and accepted form of efficient and timely correspondence. Section 4 of H.R. 2349, as amended, directly addresses those inefficiencies.

Section 4 of H.R. 2349, as amended, also authorizes VA to waive the requirements for issuing a VCAA notice when "the Secretary may award the maximum benefit in accordance with this title based on the evidence of record." This provision will eliminate delays that occur when a VCAA notice would be sent in connection with claims for which VA will award a benefit, and when such notice has little likelihood of leading to a higher level of benefit. This section contains no requirement limiting correspondence to electronic mail.

Compromise Agreement

Section 504 of the Compromise Agreement generally follows the House's position with a minor change in the language of paragraph (5)(B) of H.R. 2349. The House-passed language in paragraph (5)(B) reads "For purposes of this paragraph, the term 'maximum benefit' means the highest evaluation assignable in accordance with the evidence of record, as long as such

evaluation is supported by such evidence of record at the time the decision is rendered.” Per the Compromise Agreement, this language is changed to “For purposes of this paragraph, the term ‘maximum benefit’ means the highest evaluation assignable in accordance with the evidence of record, as long as such evidence is adequate for rating purposes and sufficient to grant the earliest possible effective date in accordance with section 5110 of this title.” This revised definition of “maximum benefit” clarifies that VA must have evidence that is sufficient to meet all aspects of the rating schedule for each condition.

DUTY TO ASSIST CLAIMANTS IN OBTAINING PRIVATE RECORDS.

Current Law

Section 5103A of title 38, U.S.C., outlines VA’s duty to assist claimants in obtaining evidence needed to substantiate a claim. Under current law, VA must make “reasonable efforts” to obtain private medical records on behalf of a claimant who adequately identifies and authorizes VA to obtain them. What constitutes a “reasonable effort” by VA to obtain private medical records on behalf of a claimant is undefined.

Senate Bill

The Senate Bills contain no similar provision.

House Bill

Section 5 of H.R. 2349, as amended, authorizes VA to waive its duty to assist requirement when “the Secretary may award the maximum benefit in accordance with this title based on the evidence of record.” The effect of this provision would prevent both the claimant and VA from having to collect further evidence that would have no impact on the claim. Under the revised definition of “maximum” benefit, it is clear that before VA can make such an award, it must have evidence that is sufficient to meet all aspects of the rating schedule for each condition.

Section 5 of H.R. 2349, as amended, also adds a provision to encourage claimants to take a proactive role in the claims process. By encouraging “claimants to submit relevant private medical records of the claimant to the Secretary if such submission does not burden the claimant,” the collection of evidence necessary to render a decision can be greatly facilitated.

Section 5 of H.R. 2349, as amended, is intended to reduce the number of situations wherein VA spends unnecessary time and resources to pursue private medical records that may already have been submitted in the claimant’s file, may not exist, may not be obtainable, are not relevant to the claim, or even if obtained, are highly unlikely to change the rating that would otherwise be assigned based on the evidence of record. VA would continue to have an obligation to obtain or assist veterans in obtaining relevant medical records, both public and private; however, this provision clarifies that the purpose of the duty to assist should be limited to situations where it will actually assist veterans in substantiating their claims. In addition, a claimant’s knowledge of where certain medical records may be located is invaluable to claim

development. In many cases a claimant can identify, obtain, and submit that evidence more quickly than if the Department received a claim and subsequently had to locate and request those same records.

Compromise Agreement

Section 505 of the Compromise Agreement generally follows the House's position with a minor change in the language of paragraph (2)(B) of H.R. 2349. The House-passed language in paragraph (2)(B) reads "For purposes of this paragraph, the term 'maximum benefit' means the highest evaluation assignable in accordance with the evidence of record, as long as such evaluation is supported by such evidence of record at the time the decision is rendered." Per the Compromise Agreement, this language is changed to "For purposes of this paragraph, the term 'maximum benefit' means the highest evaluation assignable in accordance with the evidence of record, as long as such evidence is adequate for rating purposes and sufficient to grant the earliest possible effective date in accordance with section 5110 of this title." This revised definition of "maximum benefit" clarifies that VA must have evidence that is sufficient to meet all aspects of the rating schedule for each condition.

AUTHORITY FOR RETROACTIVE EFFECTIVE DATE FOR AWARDS OF DISABILITY COMPENSATION IN CONNECTION WITH APPLICATIONS THAT ARE FULLY-DEVELOPED AT SUBMITTAL.

Current Law

Under section 221 of Public Law 110-389, the Veterans' Benefits Improvement Act of 2008, VA was required to conduct a pilot project to test "the feasibility and advisability of providing expeditious treatment of fully developed compensation or pension claims." After carrying out that pilot at 10 VA regional offices, VA expanded the FDC process to all VA regional offices. Under section 5110(a) of title 38, U.S.C., the effective date of an award of disability compensation generally is the date on which VA received the application for those benefits. Although there are exceptions to that general rule, none of the exceptions would allow a retroactive effective date for veterans who file FDCs.

Senate Bill

Section 402 of S. 914, as reported, would amend section 5110 of title 38, U.S.C., to provide that the effective date of an award of disability compensation to a veteran who submitted an FDC would be based on the facts found, but would not be earlier than 1 year before the date on which VA received the veteran's application. That change would take effect on the date of enactment and would not be applied to claims filed after September 30, 2012.

House Bill

The House Bills contain no comparable provision.

Compromise Agreement

Section 506 of the Compromise Agreement generally follows the Senate bill. However, a retroactive effective date will only be available for original claims that are fully-developed upon submittal. The changes will be effective 1 year after the date of enactment, and the changes will not apply with respect to claims filed after the date that is three years after the date of enactment.

MODIFICATION OF MONTH OF DEATH BENEFIT FOR SURVIVING SPOUSES OF VETERANS WHO DIE WHILE ENTITLED TO COMPENSATION OR PENSION.

Current Law

Under current law, veterans' benefits for a specific month are paid in the month following the month to which they are attributable. No benefits are owed to a veteran for the month in which a veteran dies. However, if the veteran had a surviving spouse, the month of death provision in current law, section 5310 of title 38, U.S.C., provides that the amount of benefits that the veteran would have received had the veteran not died, is payable to the surviving spouse.

Section 5310 also provides that, if the benefit payable to a surviving spouse as death compensation, DIC, or death pension is less than the amount that the veteran would have received for that month but for the veteran's death, the greater benefit would be paid for the month of death.

Senate Bill

Section 403 of S. 914, as reported, would amend current law in order to clarify that a surviving spouse of a veteran who is receiving compensation or pension from VA, is due the amount of benefits the veteran would have received for the entire month of the veteran's death, regardless of whether the surviving spouse is otherwise entitled to survivor benefits. Also, if at the time of death, the veteran had a claim pending for compensation or pension that was subsequently granted, the surviving spouse would be eligible for any benefits or additional benefits due as accrued benefits for the month of death.

House Bill

The House Bills contain no similar provision.

Compromise Agreement

Section 507 of the Compromise Agreement reflects the Senate Bill.

INCREASE IN RATE OF PENSION FOR DISABLED VETERANS MARRIED TO ONE ANOTHER AND BOTH OF WHOM REQUIRE REGULAR AID AND ATTENDANCE.

Current Law

Veterans of a period of war who meet income, net worth, and other eligibility criteria are eligible to receive a pension based upon need. The pension amount is based upon the number of veteran dependents. Additional benefits are paid if the veteran has a disability which results in housebound status or a need for aid and attendance. In general, when a veteran is married to another veteran, the pension benefits paid are the same as for a veteran who is married to a non-veteran. However, in cases where one or both members of a veteran couple is housebound and/or in need of aid and attendance, the additional amounts paid are computed separately for each veteran and then added to the basic grant.

In 1998, section 8206 of P.L. 105-178, the Transportation Equity Act for the 21st Century, increased the benefit for a veteran who requires aid and attendance by \$600 per year. Because of the way the bill was drafted, the benefit was increased for only one of the veterans in the rare case that a veteran is married to a veteran and both require aid and attendance. The legislative history does not indicate any intent to treat these spouses differently. Therefore, under current law, a veteran who is married to a veteran where both veterans qualify for aid and attendance benefits, the benefit amount for one of the spouses is lower than for the other spouse.

Senate Bill

Section 401 of S. 914, as reported, would increase the benefit paid to married couples where both members of the couple are veterans and both qualify for aid and attendance, so that each member of the married couple receives the full aid and attendance amount.

House Bill

The House Bills contain no similar provision.

Compromise Agreement

Section 508 of the Compromise Agreement generally follows the Senate Bill, but with a slight increase in the amount of the benefit paid to married couples where both members of the couple are veterans, and both qualify for aid and attendance. This increased amount of \$32,433 reflects the current rate needed to equalize the benefit provided to each veteran spouse as a result of the 2012 cost-of-living adjustment applied to the previous shortfall remedy of \$825. This increase was necessary to ensure that the Compromise Agreement adequately reflected the amount necessary to correct the benefit level for each spouse to the amount intended by P.L. 105-178.

EXCLUSION OF CERTAIN REIMBURSEMENTS OF EXPENSES FROM DETERMINATION OF ANNUAL INCOME WITH RESPECT TO PENSIONS FOR VETERANS AND SURVIVING SPOUSES AND CHILDREN OF VETERANS.

Current Law

Veterans of a period of war who meet income, net worth, and other eligibility criteria are eligible to receive a pension based upon need. Under current law, section 1503 of title 38,

U.S.C., reimbursements for any kind of casualty loss are exempt from income determinations for purposes of determining pension eligibility.

Senate Bill

The Senate Bill contains no similar provision.

House Bill

Section 3 of H.R. 2349, as amended, would prevent the offset of pension benefits for veterans, surviving spouses, and children of veterans due to the receipt of payments by insurance, court award, settlement or other means to reimburse expenses incurred after an accident, theft, ordinary loss or casualty loss. Section 3 would also exempt pain and suffering income from pension calculations, but only amounts determined by VA on a case-by-case basis. The House Bill would also extend the authority of VA to verify income information with the Internal Revenue Service (hereinafter, "IRS") to November 18, 2013.

Compromise Agreement

Section 509 of the Compromise Agreement generally follows the House Bill except it does not exclude payments for medical expenses resulting from any accident, theft, loss, or casualty loss or payments for pain and suffering related to an accident, theft, loss, or casualty loss. The Committees believe payments received for pain and suffering should not be excluded from countable income because such payments are not a reimbursement for expenses and such an exclusion would be inconsistent with a needs based program.

The Compromise Agreement does not extend the authority of VA to verify income information with the IRS. This authority was extended until September 30, 2016, by P.L. 112-56.

TITLE VI – MEMORIAL, BURIAL & CEMETERY MATTERS

PROHIBITION ON DISRUPTIONS OF FUNERALS OF MEMBERS OR FORMER MEMBERS OF THE ARMED FORCES.

Current Law

Section 2413 of title 38, U.S.C., restricts the time, place, and manner of demonstrations at funerals for servicemembers or former servicemembers at National Cemetery Administration (hereinafter, "NCA") facilities and Arlington National Cemetery (hereinafter, "ANC").

Section 1388 of title 18, U.S.C., restricts the time, place, and manner of demonstrations at funerals for servicemembers or former servicemembers that take place in cemeteries other than NCA facilities or ANC.

Senate Bill

Section 501 of S. 914, as reported, increases the space and time restrictions, and liability for those protesting at funerals of servicemembers and former servicemembers in both section 2413 of title 38 and section 1388 of title 18, U.S.C. For a full explanation of section 501 of S. 914 please see Senate Report 112-088, the Veterans Programs Improvement Act of 2011.

House Bill

The House Bills contain no similar provision.

Compromise Agreement

Section 601 of the Compromise Agreement reflects the Senate Bill.

CODIFICATION OF PROHIBITION AGAINST RESERVATION OF GRAVESITES AT ARLINGTON NATIONAL CEMETERY.

Current Law

Army Regulation 290-5, Paragraph 2-5, states that ANC selection of specific gravesites or sections is not authorized. Despite a stated policy against preferential treatment and the reservation of gravesites, the Washington Post reported that in recent years ANC had repeatedly provided preferential treatment to VIPs by setting aside select and prestigious gravesites for their future use. An article dated March 20, 2011, titled “Arlington Cemetery struggles with old reservations,” is excerpted in relevant part:

Although [ANC] stopped formally taking reservations in 1962, the practice of reserving choice grave sites continued, if unofficially, under Raymond J. Costanzo, who was superintendent from 1972 to 1990. [John C. Metzler, Jr.], his successor, who ran the cemetery until he was forced to retire last year, also apparently allowed people to pick areas of the cemetery where they wanted to be buried, Army officials said.

The Army, which investigated the matter two decades ago and is looking into it again, has a list from 1990 with “senior officials” who have plots that “were de facto reserved in violation of Army policy,” according to a memo obtained by The Post under the Freedom of Information Act. Some of these officials were driven around the cemetery by Costanzo, who told investigators that he had allowed them to pick their spots.

“I take the position that if there is anything I can do positively for a person, I will try to do that as long as it is not a serious violation of any rule, regulation, or law,” he told investigators at the time.

Media reports regarding preferential treatment of and reservations for certain people, coupled with a 2010 investigation of ANC by the Army Inspector General, reflect a series of problems with the previous management of ANC. As ANC works to build accountability and

transparency in its management and operations, the issue of gravesite reservations remains a paramount concern.

Senate Bill

Section 502 of S. 914, as reported, would codify the Army regulations that ban reserving gravesites and would provide accountability and transparency. The section would amend chapter 24 of title 38, U.S.C., by requiring that not more than one gravesite at ANC be provided to eligible veterans or members of the Armed Forces, unless a waiver is made by the Secretary of the Army as considered appropriate. This requirement would apply with respect to all interments at ANC after the date of the enactment of this section.

Section 502 would also prohibit the reservation of gravesites at ANC for individuals not yet deceased. This prohibition would not apply with respect to the interment of an individual for whom a request for a reserved gravesite was approved by the Secretary of the Army before January 1, 1962, when ANC formally stopped accepting reservations.

A reporting requirement would also be imposed by the section. Not later than 180 days after the enactment of this section, the Army would be required to submit to Congress a report on reservations made for interment at ANC. The report would describe the number of requests for reservations at ANC that were submitted to the Secretary of the Army before January 1, 1962. The report would also describe the number of gravesites at ANC that, on the day before the date of the enactment of this section, were reserved in response to such requests. The number of such gravesites that, on the day before the enactment of this section, were unoccupied would also be included in the report. Additionally, the report would list all reservations for gravesites at ANC that were extended by individuals responsible for the management of ANC in response to requests for such reservations made on or after January 1, 1962.

House Bill

Section 3 of H.R. 1627 contains a similar provision on burial reservations.

Compromise Agreement

Section 602 of the Compromise Agreement reflects the Senate and House Bills. The Committees believe that the inclusion of this provision is necessary to ensure that qualified servicemembers and veterans are honored at ANC without regard to rank or status. In light of the extraordinary sacrifices made by America's men and women in uniform, it is paramount that their burials at ANC occur with integrity, in a manner befitting such sacrifice, and in accordance with Army policy and regulation.

The Compromise Agreement also permits the President to waive the prohibition on burial reservations at Arlington National Cemetery as the President considers appropriate, and requires the President to notify the Committees and the Senate and House Armed Services Committees of any such waiver decision. The Committees expect that decisions to waive the prohibition will be

done only under extraordinary circumstances, i.e., for a Medal of Honor recipient, former President, etc.

EXPANSION OF ELIGIBILITY FOR PRESIDENTIAL MEMORIAL CERTIFICATES TO PERSONS WHO DIED IN THE ACTIVE MILITARY, NAVAL, OR AIR SERVICE.

Current Law

Under current law, section 112 of title 38, U.S.C., eligibility for presidential memorial certificates is limited to survivors of veterans who were discharged from service under honorable conditions. For purposes of this section, under the section 101, title 38, U.S.C., definition of “veteran,” an individual who died in active service, including an individual killed in action, technically is not a veteran because the individual was not “discharged or released” from service. Therefore, under current law, the survivors of such an individual are not eligible for a presidential memorial certificate honoring the memory of the deceased.

Senate Bill

Section 503 of S. 914, as reported, would amend section 112 of title 38 by allowing VA to provide presidential memorial certificates to the next of kin, relatives, or friends of a servicemember who died in active military, naval, or air service.

House Bill

The House Bills contain no similar provision.

Compromise Agreement

Section 603 of the Compromise Agreement reflects the Senate Bill.

REQUIREMENTS FOR THE PLACEMENT OF MONUMENTS IN ARLINGTON NATIONAL CEMETERY.

Current Law

Section 2409 of title 38, U.S.C., allows the Secretary of the Army to set aside areas in ANC to honor military personnel and veterans who are missing in action or whose remains were not available for various other reasons. Section (b) provides for the erection of appropriate memorials or markers to honor such individuals.

Senate Bill

The Senate Bills contain no similar provision.

House Bill

Section 2 of H.R. 1627, as amended, would establish clear and objective criteria for the Secretary of the Army in considering and approving monument requests. It would do this by putting in place a requirement that monuments commemorate the military service of an individual, a group of individuals, or a military event that is at least 25 years old. The purpose of the 25-year requirement would be to ensure that a permanent monument truly stands the test of time and is not commemorating events based on the passions of a moment. H.R. 1627, as amended, would also require that monuments be placed in sections of ANC designated by the Secretary of the Army for that explicit purpose and only on land that is not suitable for burial. The bill would further require that monument construction and placement must be funded by a non-governmental entity using funds from private sources. The Secretary of the Army would be required to consult with the U.S. Commission on Fine Arts before approving the monument design, and the sponsoring entity must issue a study on the suitability and availability of other sites (outside of ANC) where the monument could be placed.

Recognizing the need for flexibility in monument determinations, H.R. 1627, as amended, would permit the Secretary of the Army to waive the 25-year rule (noted above) in the event a monument proposes to commemorate a group of individuals who have made valuable contributions to the Armed Forces for longer than 25 years and those contributions continue, and are expected to continue indefinitely, and such groups have provided service of such a character that it would present a manifest injustice if approval of the monument was not permitted.

Finally, H.R. 1627, as amended, would retain ultimate Congressional oversight of monument placement at ANC by requiring the Secretary of the Army to notify Congress of any decision to approve a monument, along with the stated rationale, before a monument may be placed. Congress would have 60 days to review the decision and, if it chooses, pass a disapproval resolution in order to halt the monument from going forward. If Congress takes no action, the monument would be deemed approved after the 60-day period lapses.

H.R. 1627, as amended, therefore, retains elements of the Department of the Army's existing regulatory framework with respect to monument placement at ANC and builds upon that framework by establishing an objective, transparent, rigorous, and flexible criteria for future monument placement.

Compromise Agreement

Section 604 of the Compromise Agreement generally follows the House Bill except that it requires that the Advisory Committee on Arlington National Cemetery also be consulted prior to a monument being placed in the Cemetery.

TITLE VII – OTHER MATTERS

ASSISTANCE TO VETERANS AFFECTED BY NATURAL DISASTERS.

Current Law

Laws such as P.L. 93-288, the Robert T. Stafford Disaster Relief and Emergency Assistance Act, provide federal assistance to individuals and families affected by natural disasters. However, current law is not specifically tailored to the needs of veterans, particularly veterans with service-connected disabilities affected by such disasters. This means that under current law, targeted assistance is unavailable to those veterans who are particularly vulnerable and most in need of assistance in the event of a natural disaster.

For example, VA adaptive housing assistance grants are available to eligible individuals who have certain service-connected disabilities, to construct an adapted home or to modify an existing home to accommodate their disabilities. However, limitations such as caps on the total amount of assistance available under SAH or SHA grants, may prevent a veteran from receiving additional assistance from VA to repair an adapted home damaged by a natural disaster.

Similarly, under current law, section 3903 of title 38, U.S.C., a veteran may receive a grant for the purchase of an automobile. If that vehicle has been destroyed by a natural or other disaster, current statutory limitations would prevent VA from providing another grant to repair or replace the damaged vehicle.

Senate Bill

Section 701 of S. 914, as reported, would provide certain types of assistance to eligible veterans affected by a natural or other disaster.

Section 701 of S. 914, as reported, would amend chapter 21 of title 38, U.S.C., by adding a new section which would provide assistance to a veteran whose home is destroyed or substantially damaged in a natural or other disaster, and that was previously adapted with assistance through the SAH or SHA grant program. Such assistance would not be subject to the limitations on assistance under section 2102. However, under this section a grant award would not exceed the lesser of the reasonable cost of repairing or replacing the damaged or destroyed home in excess of the available insurance coverage on such home, or the maximum grant amount to which the veteran would have been entitled under the SAH or SHA grant programs had the veteran not obtained the prior grant.

Section 701 would amend section 3108 of title 38, U.S.C., by authorizing VA to extend the payment of a subsistence allowance to qualifying veterans participating in a rehabilitation program under chapter 31 of title 38. The extension would be authorized if the veteran has been displaced as a result of a natural or other disaster while being paid a subsistence allowance. If such circumstances are met, VA would be permitted to extend the payment of a subsistence allowance for up to an additional two months while the veteran is satisfactorily following a program of employment services.

Section 701 also would amend section 3120 of title 38, U.S.C., by waiving the limitation on the number of veterans eligible to receive programs of independent living services and assistance, in any case in which VA determines that an eligible veteran has been displaced as the result of, or has otherwise been adversely affected in the areas covered by, a storm or other disaster.

Section 701 would amend section 3703 of title 38, U.S.C., to allow VA to guarantee a loan, regardless of whether such loan is subordinate to a superior lien created by a public entity that has provided, or will provide, assistance in response to a major disaster.

Additionally, section 701 would amend section 3903, of title 38, U.S.C., 38 by authorizing VA to provide, or to assist in providing, an eligible person receiving assistance through the Automobile Assistance Program with a second automobile. This assistance would be permitted only if VA receives satisfactory evidence that the automobile, previously purchased with assistance through this program, was destroyed as a result of a natural or other disaster, the eligible person bore no fault, and the person would not receive compensation for the loss from a property insurer.

Finally, section 701 would require VA to submit an annual report to Congress detailing the assistance provided or action taken by VA during the last fiscal year pursuant to the authority of this section. Required report provisions would include: a description for each natural disaster for which assistance was provided, the number of cases or individuals in which, or to whom, VA provided assistance, and for each such case or individual, a description of the assistance provided.

House Bill

The House Bills contain no similar provisions.

Compromise Agreement

Section 701 of the Compromise Agreement follows the Senate Bill.

EXTENSION OF CERTAIN EXPIRING PROVISIONS OF LAW.

Current Law

Under section 3720(h) of title 38, U.S.C., VA has the authority to issue, or approve the issuance of, certificates or other securities evidencing an interest in a pool of mortgage loans VA finances on properties it has acquired and guarantee the timely payment of principal and interest on such certificates or other securities. This authority expired on December 31, 2011.

Section 3729(b)(2) of title 38, U.S.C., sets forth a loan fee table that lists funding fees to be paid by beneficiaries, expressed as a percentage of the loan amount, for different types of loans guaranteed by VA. Funding fee rates have varied over the years, but with one exception, have remained constant since 2004. All funding fee rates are set to be reduced on October 1, 2016.

Finally, P.L. 110-389, the Veterans' Benefits Improvement Act of 2008, authorized VA to temporarily guarantee mortgages with higher loan values in recognition of the high cost of housing in several areas of the country. This authorization expired on December 31, 2011.

Senate Bill

Section 15 of S. 951, as reported, would amend the fee schedule set forth in section 3729(b)(2) of title 38, U.S.C., by extending VA's authority to collect certain fees and by adjusting the amount of the fees. Specifically, the section would amend section 3729(b)(2)(B)(ii) by striking "January 1, 2004, and before October 1, 2011" and inserting "October 1, 2011, and before October 1, 2014," and by striking "3.30" both places it appears and inserting "3.00."

The section also would amend section 3729(b)(2)(B)(i) by striking "January 1, 2004" and inserting "October 1, 2011" and by striking "3.00" both places it appears and inserting "3.30." The section would also strike clause (iii) and re-designate clause (iv) as clause (iii). Clause (iii), as re-designated, would be amended by striking "October 1, 2013" and inserting "October 1, 2014."

House Bill

Section 501 of H.R. 2433, as amended, would amend section 3720(h)(2) to extend VA's pooling authority for mortgages until December 31, 2016. The section also would amend the fee schedule set forth in section 3729(b)(2) of title 38, U.S.C., by extending VA's authority to collect certain fees and by adjusting the amount of the fees. Specifically, the section would amend section 3729(b)(2)(A)(iii) and 3729(b)(2)(A)(iv) by striking "November 18, 2011", and inserting "October 1, 2017".

The section also would amend section 3729(b)(2)(B)(i) by striking "November 18, 2011" and inserting "October 1, 2017". The section also would strike clause (ii) and (iii) and re-designate clause (iv) as clause (ii). The section also would amend section 3729(b)(2)(C)(i) and 3729(b)(2)(C)(ii) by striking "November 18, 2011" and inserting "October 1, 2017". The section also would amend section 3729(b)(2)(D)(i) and 3729(b)(2)(D)(ii) by striking "November 18, 2011" and inserting "October 1, 2017".

Finally, this section also would amend section 501 of the Veterans Benefits Improvement Act of 2008 to extend the authority to temporarily guarantee mortgages with higher loan values in certain areas of the country until December 31, 2014.

Compromise Agreement

Section 702 of the Compromise Agreement generally follows the House Bill.

REQUIREMENT FOR PLAN FOR REGULAR ASSESSMENT OF EMPLOYEES OF VETERANS BENEFITS ADMINISTRATION WHO HANDLE PROCESSING OF CLAIMS FOR COMPENSATION AND PENSION.

Current Law

Under current law, section 7732A of title 38, U.S.C., VA shall provide for an examination of appropriate employees and managers of the Veterans Benefits Administration (hereinafter, “VBA”) who are responsible for processing claims for compensation and pension benefits under the laws administered by VA. In developing the required examination, VA must consult with appropriate individuals or entities, including examination development experts, interested stakeholders, and employee representatives; and consider the data gathered and produced under section 7731(c)(3) of title 38, U.S.C., which establishes a quality assurance program within VBA.

Senate Bill

The Senate Bills contain no comparable provision.

House Bill

Section 2 of H.R. 2349, as amended, allows for VA to take a more deliberate approach to the skills assessments required by section 7723A of title 38, U.S.C., by requiring biennial assessments of appropriate employees and managers at five regional offices (hereinafter, “ROs”) from 2012 through 2016. The assessments would be required of appropriate employees and managers responsible for processing claims for compensation and pension benefits. If employees or managers receive a less-than-satisfactory score on the assessment exam, VA would be required to provide appropriate remediation training so that the assessment exam could be taken again. If, after remediation, an employee or manager again gets a less-than-satisfactory score, VA would then be required to take appropriate personnel action. Section 2 would authorize \$5 million over five years to carry out the biennial assessments, the results of which VA would be required to report to Congress.

Compromise Agreement

Section 703 of the Compromise Agreement requires VA to submit a plan to the Committees detailing how VA will regularly assess the skills and competencies of appropriate VBA employees and managers, provide training to remediate deficiencies in skills and competencies, reassess skills and competencies following remediation, and take appropriate personnel action following remediation training and reassessment if skills and competencies remain unsatisfactory.

The Committees believe certification testing could be used to more broadly influence the type of training or remediation necessary at the individual employee level in order to improve the accuracy of claims decisions. This Compromise Agreement reflects the Committees’ sensitivities to the concerns expressed by VA regarding the cost and management difficulties associated with annual testing and follow-up remediation of every employee. As a result, it allows VA to provide the Committees with a plan to accomplish the intent of the Committees, which is to use certification testing as a way to influence the type of training and remediation necessary for individual employees, in order to improve the accuracy of claims decisions.

MODIFICATION OF PROVISION RELATING TO REIMBURSEMENT RATE FOR AMBULANCE SERVICES.

Current Law

Section 111(b)(3)(A) of title 38, U.S.C., states that VA shall not reimburse for special modes of travel unless such mode was medically required and authorized in advance by VA or was a medical emergency. Subparagraph (B) states that VA may provide payment to the provider of special transportation and subsequently recover the amount from the beneficiary if they are determined to be ineligible. Subparagraph (C) states that for ambulance services the transportation provider may be paid either the actual charge or the amount determined in the Social Security Act fee schedule, whichever is less.

Senate Bill

The Senate Bills contain no comparable provision.

House Bill

The House Bills contain no comparable provision.

Compromise Agreement

Section 704 of the Compromise Agreement amends section 111(b)(3)(c) of title 38, U.S.C., by striking “under subparagraph (B)” and inserting “to or from a Department facility.”

CHANGE IN COLLECTION AND VERIFICATION OF VETERAN INCOME.

Current Law

Section 1722 of title 38, U.S.C., defines “attributable income” as a veteran’s income from the previous year and sets out guidelines for determining such income.

Senate Bill

The Senate Bills contain no comparable provision.

House Bill

The House Bills contain no comparable provision.

Compromise Agreement

Section 705 of the Compromise Agreement amends section 1722(f)(1) of title 38, U.S.C., by striking “the previous year” and inserting “the most recent year for which information is available”.

DEPARTMENT OF VETERANS AFFAIRS ENFORCEMENT PENALTIES FOR MISREPRESENTATION OF A BUSINESS CONCERN AS A SMALL BUSINESS CONCERN OWNED AND CONTROLLED BY VETERANS OR AS A SMALL BUSINESS CONCERN OWNED AND CONTROLLED BY SERVICE-DISABLED VETERANS.

Current Law

Under 38 U.S.C. 8127(g), the Department is directed to debar for a reasonable period of time any business concern determined by VA to have misrepresented its status as a small business concern owned and controlled by veterans, or as a small business concern owned and controlled by service-disabled veterans.

Senate Bill

Section 703 of S. 914, as reported, would amend section 8127(g) of title 38, U.S.C., by requiring that the Department debar any firm determined by VA to have deliberately misrepresented its status for a period of not less than five years, and that such debarment also would include all principals of the firm for a period of not less than five years. The section also would require the Department to commence any debarment action within 30 days of its determination that the firm misrepresented its status.

House Bill

H.R. 1657 would amend section 8127(g) of title 38, U.S.C., to require that VA debar a company and its principals from contracting with VA for a period of not less than five years, if it is determined that the company has misrepresented its status. H.R. 1657 also requires VA to begin a debarment action by not later than 30 days after determining that the firm misrepresented its status, and to complete the debarment process within 90 days after the finding of misrepresentation.

Compromise Agreement

Section 706 of the Compromise Agreement follows generally both the Senate and House Bills. The Compromise Agreement adopts and clarifies the standard of deliberateness as set forth in section 703 of S. 914, by defining a deliberate misrepresentation as one that is willful and intentional.

QUARTERLY REPORTS TO CONGRESS ON CONFERENCES SPONSORED BY THE DEPARTMENT.

Current Law

There is no provision in current law in regards to reporting to Congress on conferences of VA.

Senate Bill

The Senate Bill contains no similar provisions.

House Bill

Section 1 of H.R. 2302, as amended, amends subchapter I of chapter 5 of title 38, U.S.C., to require VA to provide Congress with information regarding the cost of covered conferences.

Subsection (a) would require that VA submit a quarterly report to the Committees detailing the expenses related to conferences hosted or co-hosted by VA. It also requires that VA submit this quarterly report within 30 days of the end of the quarter.

Subsection (b) would require that the reports include actual expenses for conferences occurring during the previous quarter related to: transportation and parking; per diem payments; lodging; rentals of halls, auditoriums, or other spaces; rental of equipment; refreshments; entertainment; contractors; and brochures or printed material. It also requires that the report include an estimate of the expected conference expenses for the next quarter.

Subsection (c) defines covered conferences that will be included in the report as those that are attended by 50 or more individuals, including one or more employees of VA, or have an estimated cost of at least \$20,000.

Compromise Agreement

Section 707 of the Compromise Agreement follows the House Bill. With a growing deficit, and scarce discretionary funding resources, the Committees are concerned about the significant growth in costs that are not directly related to the mission of providing services and benefits to veterans. While the Committees are concerned with the significant cost of such conferences, this section would not limit VA's travel budget or eliminate any conferences. The Committees understand that it is often advantageous for VA employees to meet face-to-face for training and leadership development, but believe that there must be more transparency and oversight of these meetings.

PUBLICATION OF DATA ON EMPLOYMENT OF CERTAIN VETERANS BY FEDERAL CONTRACTORS.

Current Law

Section 4212 of title 38, U.S.C., requires companies with federal contracts worth \$100,000 or more to have an affirmative action plan to hire veterans and to report certain veteran-related employment data annually to the U.S. Department of Labor (hereinafter, "DoL"). This data is compiled by DoL but there is no requirement to make the data available to the public.

Senate Bill

The Senate Bills contain no similar provisions.

House Bill

Section 3 of H.R. 2302, as amended, amends section 4212(d) of title 38, U.S.C., to require the Department of Labor (hereinafter, “DoL”) to publish on an Internet Web site, reports submitted by government contractors on the results of their affirmative action plans to hire veterans.

Compromise Agreement

Section 708 of the Compromise Agreement follows the House Bill.

VETSTAR AWARD PROGRAM.

Current Law

There is no requirement in current law that VA recognize businesses for their contributions to veterans employment.

Senate Bill

The Senate Bill contains no similar provisions.

House Bill

H.R. 802 amends section 532 of title 38, U.S.C., to direct VA to establish a VetStar award program to annually recognize businesses that have made significant contributions to veterans employment.

Compromise Agreement

Section 709 of the Compromise Agreement follows the House Bill.

EXTENDED PERIOD OF PROTECTIONS FOR MEMBERS OF UNIFORMED SERVICES RELATING TO MORTGAGES, MORTGAGE FORECLOSURE, AND EVICTION.

Current Law

Section 2203 of Public Law 110-289, the Housing and Economic Recovery Act of 2008, amended the Servicemembers Civil Relief Act (hereinafter, “SCRA”), by extending from 90 days to 9 months after military service, the period of protection for servicemembers against mortgage foreclosure, and the time period during which a court may stay proceedings or adjust obligations. These protections were scheduled to expire on December 31, 2010. Public Law

111-346, the Helping Heroes Keep Their Homes Act of 2010, extended the enhanced protections through December 31, 2012.

Senate Bill

Section 302 of S. 914, as reported, would extend from 9 months to 12 months after military service, the period of protection against mortgage foreclosure, and the period in which a court may stay a proceeding or adjust an obligation. It also would require the Comptroller General to report on certain foreclosure protections.

House Bill

Section 1 of H.R. 1263, as amended, would amend section 303 of the SCRA extend mortgage related protections to surviving spouses of servicemembers who die on active duty, or whose death is service-connected. This protection would preclude a lending institution from foreclosing on property owned by the surviving spouse until at least 12 months following the servicemember's death. This provision would be effective with the enactment of this bill and would sunset five years from the date of enactment.

Section 2 of H.R. 1263, as amended, would require all lending institutions covered by the SCRA to designate an employee who is responsible for the institution's compliance with SCRA and who is responsible for providing information to customers covered by the SCRA. Section 2 would require any institution with annual assets of \$10 billion in the previous fiscal year to maintain a toll-free telephone number for their customers. It also would require these institutions to publish this toll-free number on their website.

Section 3 of H.R. 1263, as amended, would amend section 303(b) of the SCRA to extend the protection allowing a court to stay proceedings and adjust obligations related to real or personal property for SCRA covered property from 9 months after the servicemember's period of military service, to 12 months. Section 3 would amend section 303(c) of the SCRA to extend the protection preventing foreclosure or seizure for SCRA covered property from 9 months after the servicemember's period of military service to 12 months. These protections would sunset five years after enactment of the House bill.

Compromise Agreement

Section 710 of the Compromise Agreement generally follows the Senate's position except the agreement includes an effective date 180 days after enactment, and a provision extending the enhanced protections of this Compromise Agreement through December 31, 2014.

It is the Committees' view that inclusion of a sunset provision will continue the enhanced mortgage protections provided by this bill, but also will allow GAO sufficient time to collect information on the impact of these provisions on the financial well-being of servicemembers before allowing the enhanced protections to expire.