

Calendar No. 540

109TH CONGRESS
2^D SESSION

S. 2694

[Report No. 109-297]

To amend title 38, United States Code, to remove certain limitations on attorney representation of claimants for veterans benefits in administrative proceedings before the Department of Veterans Affairs, and for other purposes.

IN THE SENATE OF THE UNITED STATES

MAY 2, 2006

Mr. CRAIG (for himself, Mr. GRAHAM, Mrs. HUTCHISON, Mr. JEFFORDS, Mr. CHAMBLISS, and Ms. MURKOWSKI) introduced the following bill; which was read twice and referred to the Committee on Veterans' Affairs

JULY 27 (legislative day, JULY 26), 2006

Reported by Mr. CRAIG, with an amendment and an amendment to the title

[Strike out all after the enacting clause and insert the part printed in *italic*]

A BILL

To amend title 38, United States Code, to remove certain limitations on attorney representation of claimants for veterans benefits in administrative proceedings before the Department of Veterans Affairs, and for other purposes.

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

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Veterans’ Choice of
3 Representation Act of 2006”.

4 **SEC. 2. ATTORNEY REPRESENTATION IN VETERANS BENE-**
5 **FITS CLAIMS CASES BEFORE THE DEPART-**
6 **MENT OF VETERANS AFFAIRS.**

7 (a) **QUALIFICATIONS AND STANDARDS OF CONDUCT**
8 **FOR INDIVIDUALS RECOGNIZED AS AGENTS OR ATTOR-**
9 **NEYS.—**

10 (1) **ADDITIONAL QUALIFICATIONS AND STAND-**
11 **ARDS FOR AGENTS AND ATTORNEYS GENERALLY.—**

12 Subsection (a) of section 5904 of title 38, United
13 States Code, is amended—

14 (A) by inserting “(1)” after “(a)”;

15 (B) by striking the second sentence; and

16 (C) by adding at the end the following new
17 paragraphs:

18 “(2) The Secretary may prescribe in regulations
19 qualifications and standards of conduct for individuals rec-
20 ognized under this section, including the following:

21 “(A) A requirement that, before being recog-
22 nized, an individual—

23 “(i) show that such individual is of good
24 moral character and in good repute, is qualified
25 to render claimants valuable service, and is oth-

1 erwise competent to assist claimants in pre-
2 senting claims; and

3 “(ii) has such level of experience and spe-
4 cialized training as the Secretary shall specify.

5 “(B) A requirement that the individual follow
6 such standards of conduct as the Secretary shall
7 specify.

8 “(3) The Secretary may prescribe in regulations re-
9 strictions on the amount of fees that an agent or attorney
10 may charge a claimant for services rendered in the prepa-
11 ration, presentation, and prosecution of a claim before the
12 Department.

13 “(4)(A) The Secretary may, on a periodic basis, col-
14 lect from individuals recognized as agents or attorneys
15 under this section a registration fee.

16 “(B) The Secretary shall prescribe the amount and
17 frequency of collection of such fees. The amount of such
18 fees may include an amount, as specified by the Secretary,
19 necessary to defray the costs of the Department in recog-
20 nizing individuals under this section, in administering the
21 collection of such fees, in administering the payment of
22 fees under subsection (d), and in conducting oversight of
23 agents or attorneys.

24 “(C) Amounts so collected shall be deposited in the
25 account from which amounts for such costs were derived;

1 merged with amounts in such account, and available for
 2 the same purpose, and subject to the same conditions and
 3 limitations, as amounts in such account.”.

4 (2) APPLICABILITY TO REPRESENTATIVES OF
 5 VETERANS SERVICE ORGANIZATIONS.—Section
 6 5902(b) of such title is amended—

7 (A) by redesignating paragraphs (1) and
 8 (2) as subparagraphs (A) and (B), respectively;
 9 (B) by inserting “(1)” after “(b)”; and
 10 (C) by adding at the end the following new
 11 paragraph:

12 “(2) An individual recognized under this section shall
 13 be subject to suspension under section 5904(b) of this title
 14 on the same basis as an individual recognized under sec-
 15 tion 5904(a) of this title.”.

16 (3) APPLICABILITY TO INDIVIDUALS RECOG-
 17 NIZED FOR PARTICULAR CLAIMS.—Section 5903 of
 18 such title is amended—

19 (A) by inserting “(a) IN GENERAL.—” be-
 20 fore “The Secretary”; and

21 (B) by adding at the end the following new
 22 subsection:

23 “(b) SUSPENSION.—An individual recognized under
 24 this section shall be subject to suspension under section

1 5904(b) of this title on the same basis as an individual
2 recognized under section 5904(a) of this title.”.

3 (b) ~~ADDITIONAL BASES FOR SUSPENSION OF INDI-~~
4 ~~VIDUALS.~~—Subsection (b) of section 5904 of such title is
5 amended—

6 (1) by inserting “and sections 5902 and 5903
7 of this title” after “under this section”;

8 (2) in paragraph (4), by striking “or” at the
9 end;

10 (3) in paragraph (5), by striking the period and
11 inserting a semicolon; and

12 (4) by adding at the end the following new
13 paragraphs:

14 “(6) has failed to conduct himself or herself
15 with due regard for the non-adversarial nature of
16 any proceeding before the Department;

17 “(7) has presented frivolous claims, issues, or
18 arguments to the Department; or

19 “(8) has failed to comply with any other condi-
20 tion specified by the Secretary in regulations pre-
21 scribed by the Secretary for purposes of this sub-
22 section.”.

23 (c) ~~REPEAL OF LIMITATION ON HIRING AGENTS OR~~
24 ~~ATTORNEYS.~~—Subsection (c) of section 5904 of such title
25 is amended by striking paragraph (1).

1 (d) MODIFICATION OF REQUIREMENTS TO FILE AT-
 2 TORNEY FEE AGREEMENTS.—Such subsection is further
 3 amended—

4 (1) by redesignating paragraph (2) as para-
 5 graph (1); and

6 (2) in that paragraph, as so redesignated—

7 (A) by striking “in a case referred to in
 8 paragraph (1) of this subsection”;

9 (B) by striking “after the Board first
 10 makes a final decision in the case”;

11 (C) by striking “with the Board at such
 12 time as may be specified by the Board” and in-
 13 serting “with the Secretary pursuant to regula-
 14 tions prescribed by the Secretary”; and

15 (D) by striking the second and third sen-
 16 tences.

17 (e) ATTORNEY FEES.—Such subsection is further
 18 amended by inserting after paragraph (1), as redesignated
 19 by subsection (d)(1) of this section, the following new
 20 paragraph (2):

21 “(2)(A) The Secretary, upon the Secretary’s own mo-
 22 tion or at the request of the claimant, may review a fee
 23 agreement filed pursuant to paragraph (1) and may order
 24 a reduction in the fee called for in the agreement if the
 25 Secretary finds that the fee is excessive or unreasonable.

1 “(B) A finding or order of the Secretary under sub-
2 paragraph (A) may be reviewed by the Board of Veterans’
3 Appeals under section 7104 of this title.”.

4 (f) REPEAL OF PENALTY FOR CERTAIN ACTS.—Sec-
5 tion 5905 of such title is amended by striking “(1)” and
6 all that follows through “(2)”.

7 (g) EFFECTIVE DATE.—

8 (1) IN GENERAL.—The amendments made by
9 this section shall take effect six months after the
10 date of the enactment of this Act.

11 (2) REGULATIONS.—The Secretary shall pre-
12 scribe the regulations, if any, to be prescribed under
13 the amendments made by subsection (a) not later
14 than the date specified in paragraph (1).

15 (3) CLAIMS.—The amendments made by sub-
16 sections (b), (c), (d), and (e) shall apply to claims
17 submitted on or after the date specified in para-
18 graph (1).

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

20 (a) *SHORT TITLE.*—This Act may be cited as the “Vet-
21 *erans’ Choice of Representation and Benefits Enhancement*
22 *Act of 2006*”.

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

Sec. 1. Short title; table of contents.

TITLE I—VETERANS' REPRESENTATION

Sec. 101. Attorney representation in veterans benefits cases before the Department of Veterans Affairs.

TITLE II—MEMORIAL AFFAIRS

Sec. 201. Eligibility of Indian tribal organizations for grants for the establishment of veterans cemeteries on trust lands.

Sec. 202. Removal of remains of Russell Wayne Wagner from Arlington National Cemetery.

Sec. 203. Provision of government markers for marked graves of veterans at private cemeteries.

TITLE III—EDUCATION MATTERS

Sec. 301. Expansion of education programs eligible for accelerated payment of educational assistance under the Montgomery GI bill.

Sec. 302. Accelerated payment of survivors' and dependents' educational assistance for certain programs of education.

Sec. 303. Reimbursement of expenses for State approving agencies in the administration of educational benefits.

Sec. 304. Modification of requirement for reporting on educational assistance program.

TITLE IV—HEALTH MATTERS

Sec. 401. Parkinson's Disease Research, Education, Clinical Centers, and Multiple Sclerosis Centers of Excellence.

Sec. 402. Repeal of term of office for the Under Secretary for Health and the Under Secretary for Benefits.

Sec. 403. Modifications to existing State home authorities.

Sec. 404. Office of Rural Health.

Sec. 405. Pilot program on improvement of caregiver assistance services.

TITLE V—HOMELESS VETERANS ASSISTANCE

Sec. 501. Reaffirmation of National goal to end homelessness among veterans.

Sec. 502. Sense of Congress on the response of the Federal Government to the needs of homeless veterans.

Sec. 503. Authority to make grants for comprehensive service programs for homeless veterans.

Sec. 504. Extension of treatment and rehabilitation for seriously mentally ill and homeless veterans.

Sec. 505. Extension of authority for transfer of properties obtained through foreclosure of home mortgages.

Sec. 506. Extension of funding for grant program for homeless veterans with special needs.

Sec. 507. Extension of funding for homeless veteran service provider technical assistance program.

Sec. 508. Additional element in annual report on assistance to homeless veterans.

Sec. 509. Advisory committee on homeless veterans.

Sec. 510. Rental assistance vouchers for Veterans Affairs supported housing program.

Sec. 511. Financial assistance for supportive services for very low-income veteran families in permanent housing.

TITLE VI—MISCELLANEOUS BENEFITS

Sec. 601. Residential cooperative housing units.

Sec. 602. Increase in supplemental insurance for totally disabled veterans.

Sec. 603. Reauthorization of use of certain information from other agencies.

Sec. 604. Clarification of correctional facilities covered by certain provisions of law.

**TITLE I—VETERANS’
REPRESENTATION**

SEC. 101. ATTORNEY REPRESENTATION IN VETERANS BENEFITS CASES BEFORE THE DEPARTMENT OF VETERANS AFFAIRS.

(a) QUALIFICATIONS AND STANDARDS OF CONDUCT FOR INDIVIDUALS RECOGNIZED AS AGENTS OR ATTORNEYS.—

(1) ADDITIONAL QUALIFICATIONS AND STANDARDS FOR AGENTS AND ATTORNEYS GENERALLY.—
Subsection (a) of section 5904 of title 38, United States Code, is amended—

(A) by inserting “(1)” after “(a)”;

(B) by striking the second sentence; and

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

“(2) The Secretary may prescribe in regulations qualifications and standards of conduct for individuals recognized under this section, including a requirement that, before being recognized, an individual—

“(A) show that such individual is of good moral character and in good repute, is qualified to render

1 *claimants valuable service, and is otherwise com-*
2 *petent to assist claimants in presenting claims;*

3 *“(B) has such level of experience and specialized*
4 *training as the Secretary shall specify; and*

5 *“(C) certifies to the Secretary that the individual*
6 *has satisfied any qualifications and standards pre-*
7 *scribed by the Secretary under this section.*

8 *“(3) The Secretary may prescribe in regulations rea-*
9 *sonable restrictions on the amount of fees that an agent or*
10 *attorney may charge a claimant for services rendered in*
11 *the preparation, presentation, and prosecution of a claim*
12 *before the Department.*

13 *“(4)(A) The Secretary may, on a periodic basis, collect*
14 *a registration fee from individuals recognized as agents or*
15 *attorneys under this section.*

16 *“(B) The Secretary shall prescribe the amount and fre-*
17 *quency of collection of such fees. The amount of such fees*
18 *may include an amount, as specified by the Secretary, nec-*
19 *essary to defray the costs to the Department in recognizing*
20 *individuals under this section, in administering the collec-*
21 *tion of such fees, in administering the payment of fees under*
22 *subsection (d), and in conducting oversight of agents or at-*
23 *torneys.*

24 *“(C) Amounts so collected shall be deposited in the ac-*
25 *count from which amounts for such costs were derived,*

1 merged with amounts in such account, and available for
2 the same purpose, and subject to the same conditions and
3 limitations, as amounts in such account.”.

4 (2) *APPLICABILITY TO REPRESENTATIVES OF*
5 *VETERANS SERVICE ORGANIZATIONS.*—Section
6 5902(b) of such title is amended—

7 (A) by redesignating paragraphs (1) and
8 (2) as subparagraphs (A) and (B), respectively;
9 (B) by inserting “(1)” after “(b)”; and
10 (C) by adding at the end the following new
11 paragraph:

12 “(2) An individual recognized under this section shall
13 be subject to the provisions of section 5904(b) of this title
14 on the same basis as an individual recognized under section
15 5904(a) of this title.”.

16 (3) *APPLICABILITY TO INDIVIDUALS RECOGNIZED*
17 *FOR PARTICULAR CLAIMS.*—Section 5903 of such title
18 is amended—

19 (A) by inserting “(a) *IN GENERAL.*—” be-
20 fore “The Secretary”; and

21 (B) by adding at the end the following new
22 subsection:

23 “(b) *SUSPENSION.*—An individual recognized under
24 this section shall be subject to the provisions of section

1 5904(b) of this title on the same basis as an individual rec-
2 ognized under section 5904(a) of this title.”.

3 (b) *ADDITIONAL BASES FOR SUSPENSION OF INDIVID-*
4 *UALS.*—Subsection (b) of section 5904 of such title is
5 amended—

6 (1) in paragraph (4), by striking “or” at the
7 end;

8 (2) in paragraph (5), by striking the period and
9 inserting a semicolon; and

10 (3) by adding at the end the following new para-
11 graphs:

12 “(6) has presented frivolous claims, issues, or ar-
13 guments to the Department; or

14 “(7) has failed to comply with any other condi-
15 tion specified by the Secretary in regulations pre-
16 scribed by the Secretary for purposes of this sub-
17 section.”.

18 (c) *REPEAL OF LIMITATION ON HIRING AGENTS OR*
19 *ATTORNEYS.*—Subsection (c) of section 5904 of such title
20 is amended by striking paragraph (1).

21 (d) *MODIFICATION OF REQUIREMENTS TO FILE AT-*
22 *TORNEY FEE AGREEMENTS.*—Such subsection is further
23 amended—

24 (1) by redesignating paragraph (2) as para-
25 graph (1); and

1 (2) *in that paragraph, as so redesignated—*

2 (A) *by striking “in a case referred to in*
3 *paragraph (1) of this subsection”;*

4 (B) *by striking “after the Board first makes*
5 *a final decision in the case”;*

6 (C) *by striking “with the Board at such*
7 *time as may be specified by the Board” and in-*
8 *serting “with the Secretary pursuant to regula-*
9 *tions prescribed by the Secretary”; and*

10 (D) *by striking the second and third sen-*
11 *tences.*

12 (e) *ATTORNEY FEES.—Such subsection is further*
13 *amended by inserting after paragraph (1), as redesignated*
14 *by subsection (d)(1) of this section, the following new para-*
15 *graph (2):*

16 “(2)(A) *The Secretary, upon the Secretary’s own mo-*
17 *tion or at the request of the claimant, may review a fee*
18 *agreement filed pursuant to paragraph (1) and may order*
19 *a reduction in the fee called for in the agreement if the Sec-*
20 *retary finds that the fee is excessive or unreasonable.*

21 “(B) *A finding or order of the Secretary under sub-*
22 *paragraph (A) may be reviewed by the Board of Veterans’*
23 *Appeals under section 7104 of this title.”.*

1 (f) *REPEAL OF PENALTY FOR CERTAIN ACTS.*—Section
 2 5905 of such title is amended by striking “(1)” and all that
 3 follows through “(2)”.

4 (g) *EFFECTIVE DATE.*—

5 (1) *IN GENERAL.*—The amendments made by
 6 this section shall take effect six months after the date
 7 of the enactment of this Act.

8 (2) *REGULATIONS.*—The Secretary shall pre-
 9 scribe the regulations, if any, to be prescribed under
 10 the amendments made by subsection (a) not later
 11 than the date specified in paragraph (1).

12 (3) *CLAIMS.*—The amendments made by sub-
 13 sections (b), (c), (d), and (e) shall apply to claims
 14 submitted on or after the date specified in paragraph
 15 (1).

16 **TITLE II—MEMORIAL AFFAIRS**

17 **SEC. 201. ELIGIBILITY OF INDIAN TRIBAL ORGANIZATIONS** 18 **FOR GRANTS FOR THE ESTABLISHMENT OF** 19 **VETERANS CEMETERIES ON TRUST LANDS.**

20 Section 2408 of title 38, United States Code, is amend-
 21 ed by adding at the end the following new subsection:

22 “(f)(1) The Secretary may make grants under this sub-
 23 section to any tribal organization to assist the tribal orga-
 24 nization in establishing, expanding, or improving veterans’

1 *cemeteries on trust land owned by, or held in trust for, the*
2 *tribal organization.*

3 “(2) *Grants under this subsection shall be made in the*
4 *same manner, and under the same conditions, as grants*
5 *to States are made under the preceding provisions of this*
6 *section.*

7 “(3) *In this subsection:*

8 “(A) *The term ‘tribal organization’ has the*
9 *meaning given that term in section 3765(4) of this*
10 *title.*

11 “(B) *The term ‘trust land’ has the meaning*
12 *given that term in section 3765(1) of this title.”.*

13 **SEC. 202. REMOVAL OF REMAINS OF RUSSELL WAYNE WAG-**
14 **NER FROM ARLINGTON NATIONAL CEME-**
15 **TERY.**

16 (a) *FINDINGS.—Congress makes the following findings:*

17 (1) *Arlington National Cemetery is a National*
18 *Shrine that memorializes the honorable service of men*
19 *and women who have defended the freedoms that all*
20 *the people of the United States enjoy.*

21 (2) *The inclusion among the honored dead of the*
22 *remains of persons who have committed particularly*
23 *notorious, heinous acts brings dishonor to the deceased*
24 *and disrespect to their loved ones.*

1 (3) *The removal of the remains of a person who*
2 *has committed a heinous act would not be an act of*
3 *punishment against that person, but rather an act*
4 *that would preserve the sacredness of cemetery*
5 *grounds.*

6 (4) *In November of 1997, section 2411 of title 38,*
7 *United States Code, was enacted to, among other*
8 *things, deny burial eligibility in Arlington National*
9 *Cemetery to any person convicted of a State capital*
10 *crime for which the person was sentenced to death or*
11 *life imprisonment without parole. In January of*
12 *2006, section 2411 of such title was amended by sec-*
13 *tion 662 of the National Defense Authorization Act*
14 *for Fiscal Year 2006 (Public Law 109–163) to remove*
15 *parole eligibility as a loophole through which con-*
16 *victed capital offenders could retain eligibility for in-*
17 *terment at Arlington National Cemetery.*

18 (5) *According to Arlington National Cemetery*
19 *officials, the remains of only one capital offender,*
20 *Russell Wayne Wagner, have been interred in Arling-*
21 *ton National Cemetery since November of 1997.*

22 (b) *REMOVAL OF REMAINS.—*

23 (1) *REMOVAL.—The Secretary of the Army shall*
24 *remove the remains of Russell Wayne Wagner from*
25 *Arlington National Cemetery.*

1 (2) *NOTIFICATION OF NEXT-OF-KIN.*—*The Sec-*
 2 *retary of the Army shall—*

3 (A) *notify the next-of-kin of record for Rus-*
 4 *sell Wayne Wagner of the impending removal of*
 5 *his remains; and*

6 (B) *upon removal, relinquish the remains to*
 7 *the next-of-kin of record for Russell Wayne Wag-*
 8 *ner or, if the next-of-kin of record for Russell*
 9 *Wayne Wagner is unavailable, arrange for an*
 10 *appropriate disposition of the remains.*

11 **SEC. 203. PROVISION OF GOVERNMENT MARKERS FOR**
 12 **MARKED GRAVES OF VETERANS AT PRIVATE**
 13 **CEMETERIES.**

14 (a) *IN GENERAL.*—*Section 502(d) of the Veterans Edu-*
 15 *cation and Benefits Expansion Act of 2001 (Public Law*
 16 *107–103; 38 U.S.C. 2306 note), as amended by section 203*
 17 *of the Veterans Benefits Act of 2002 (Public Law 107–330),*
 18 *is amended by striking “September 11, 2001” and inserting*
 19 *“November 1, 1990”.*

20 (b) *REPEAL OF EXPIRATION OF AUTHORITY.*—*Sub-*
 21 *section (d) of section 2306 of title 38, United States Code,*
 22 *is amended by striking paragraph (3).*

23 (c) *PROVISION OF HEADSTONE OR MARKER.*—

24 (1) *IN GENERAL.*—*Subsection (d) of such section*
 25 *2306 is further amended—*

1 (A) in paragraph (1)—

2 (i) in the first sentence, by striking
3 “Government marker” and inserting “Gov-
4 ernment headstone or marker”; and

5 (ii) in the second sentence, by inserting
6 “headstone or” before “marker” each place
7 it appears; and

8 (B) in paragraph (2), by inserting “head-
9 stone or” before “marker”.

10 (2) CONFORMING AMENDMENT.—Subsection
11 (g)(3) of such section 2306 is amended by inserting
12 “headstone or” before “marker”.

13 (d) PLACEMENT OF HEADSTONE OR MARKER.—The
14 second sentence of subsection (d)(1) of such section 2306,
15 as amended by subsection (c)(1)(A)(ii) of this section, is
16 further amended by inserting before the period the fol-
17 lowing: “, or, if placement on the grave is impossible or
18 impracticable, as close as possible to the grave within the
19 grounds of the cemetery in which the grave is located”.

20 (e) DELIVERY OF HEADSTONE OR MARKER.—Sub-
21 section (d)(2) of such section 2306, as amended by sub-
22 section (c)(1)(B) of this section, is further amended by in-
23 serting before the period the following: “or to a receiving
24 agent for delivery to the cemetery”.

1 (f) *REPEAL OF OBSOLETE REPORT REQUIREMENT.*—
 2 Subsection (d) of such section 2306 is further amended by
 3 striking paragraph (4).

4 (g) *SCOPE OF HEADSTONES AND MARKERS FUR-*
 5 *NISHED.*—Subsection (d) of such section 2306 is further
 6 amended by inserting after paragraph (2) the following new
 7 paragraph (3):

8 “(3) *In furnishing headstones and markers under this*
 9 *subsection, the Secretary shall permit the individual mak-*
 10 *ing the request for a headstone or marker to select among*
 11 *any headstone or marker in the complete product line of*
 12 *Government headstones and markers.”.*

13 (h) *RETROACTIVE EFFECTIVE DATE.*—The amend-
 14 ments made by subsections (a) through (g) shall take effect
 15 as if included in the enactment of section 502 of the Vet-
 16 erans Education and Benefits Expansion Act of 2001 (Pub-
 17 lic Law 107–103; 115 Stat. 976).

18 **TITLE III—EDUCATION MATTERS**

19 **SEC. 301. EXPANSION OF EDUCATION PROGRAMS ELIGIBLE** 20 **FOR ACCELERATED PAYMENT OF EDU-** 21 **CATIONAL ASSISTANCE UNDER THE MONT-** 22 **GOMERY GI BILL.**

23 (a) *IN GENERAL.*—Subsection (b) of section 3014A of
 24 title 38, United States Code, is amended by striking para-
 25 graph (1) and inserting the following new paragraph (1):

1 “(1) enrolled in either—

2 “(A) an approved program of education
3 that leads to employment in a high technology
4 occupation in a high technology industry (as de-
5 termined pursuant to regulations prescribed by
6 the Secretary); or

7 “(B) an approved program of education
8 lasting less than two years that (as so deter-
9 mined) leads to employment in—

10 “(i) the transportation sector of the
11 economy;

12 “(ii) the construction sector of the
13 economy;

14 “(iii) the hospitality sector of the econ-
15 omy; or

16 “(iv) the energy sector of the econ-
17 omy.”.

18 (b) *CONFORMING AMENDMENTS.*—

19 (1) *HEADING AMENDMENT.*—*The heading of such*
20 *section is amended to read as follows:*

21 **“§ 3014A. Accelerated payment of basic educational**
22 **assistance”.**

23 (2) *CLERICAL AMENDMENT.*—*The item relating*
24 *to such section in the table of sections at the begin-*

1 *ning of chapter 30 of such title is amended to read*
 2 *as follows:*

“3014A. Accelerated payment of basic educational assistance.”.

3 *(c) EFFECTIVE DATE.—The amendments made by this*
 4 *section shall take effect on October 1, 2007. Such amend-*
 5 *ments shall only apply to enrollments that begin on or after*
 6 *such date.*

7 *(d) SUNSET.—The amendments made by this section*
 8 *shall expire on September 30, 2011.*

9 **SEC. 302. ACCELERATED PAYMENT OF SURVIVORS’ AND DE-**
 10 **PENDENTS’ EDUCATIONAL ASSISTANCE FOR**
 11 **CERTAIN PROGRAMS OF EDUCATION.**

12 *(a) IN GENERAL.—Subchapter IV of chapter 35 of title*
 13 *38, United States Code, is amended by inserting after sec-*
 14 *tion 3532 the following new section:*

15 **“§ 3532A. Accelerated payment of educational assist-**
 16 **ance allowance**

17 *“(a) The educational assistance allowance payable*
 18 *under section 3531 of this title with respect to an eligible*
 19 *person described in subsection (b) may, upon the election*
 20 *of such eligible person, be paid on an accelerated basis in*
 21 *accordance with this section.*

22 *“(b) An eligible person described in this subsection is*
 23 *an individual who is—*

24 *“(1) enrolled in either—*

1 “(A) an approved program of education
2 that leads to employment in a high technology
3 occupation in a high technology industry (as de-
4 termined pursuant to regulations prescribed by
5 the Secretary); or

6 “(B) an approved program of education
7 lasting less than two years that (as so deter-
8 mined) leads to employment in the—

9 “(i) transportation sector of the econ-
10 omy;

11 “(ii) construction sector of the econ-
12 omy;

13 “(iii) hospitality sector of the economy;
14 or

15 “(iv) energy sector of the economy; and

16 “(2) charged tuition and fees for the program of
17 education that, when divided by the number of
18 months (and fractions thereof) in the enrollment pe-
19 riod, exceeds the amount equal to 200 percent of the
20 monthly rate of educational assistance allowance oth-
21 erwise payable with respect to the individual under
22 section 3531 of this title.

23 “(c)(1) The amount of the accelerated payment of edu-
24 cational assistance payable with respect to an eligible per-

1 son making an election under subsection (a) for a program
2 of education shall be the lesser of—

3 “(A) the amount equal to 60 percent of the estab-
4 lished charges for the program of education; or

5 “(B) the aggregate amount of educational assist-
6 ance allowance to which the individual remains enti-
7 tled under this chapter at the time of the payment.

8 “(2) In this subsection, the term ‘established charges’,
9 in the case of a program of education, means the actual
10 charges (as determined pursuant to regulations prescribed
11 by the Secretary) for tuition and fees which similarly
12 circumstanced nonveterans enrolled in the program of edu-
13 cation would be required to pay. Established charges shall
14 be determined on the following basis:

15 “(A) In the case of an individual enrolled in a
16 program of education offered on a term, quarter, or
17 semester basis, the tuition and fees charged the indi-
18 vidual for the term, quarter, or semester.

19 “(B) In the case of an individual enrolled in a
20 program of education not offered on a term, quarter,
21 or semester basis, the tuition and fees charged the in-
22 dividual for the entire program of education.

23 “(3) The educational institution providing the pro-
24 gram of education for which an accelerated payment of edu-
25 cational assistance allowance is elected by an eligible person

1 *under subsection (a) shall certify to the Secretary the*
2 *amount of the established charges for the program of edu-*
3 *cation.*

4 “(d) *An accelerated payment of educational assistance*
5 *allowance made with respect to an eligible person under this*
6 *section for a program of education shall be made not later*
7 *than the last day of the month immediately following the*
8 *month in which the Secretary receives a certification from*
9 *the educational institution regarding—*

10 “(1) *the person’s enrollment in and pursuit of*
11 *the program of education; and*

12 “(2) *the amount of the established charges for the*
13 *program of education.*

14 “(e)(1) *Except as provided in paragraph (2), for each*
15 *accelerated payment of educational assistance allowance*
16 *made with respect to an eligible person under this section,*
17 *the person’s entitlement to educational assistance under this*
18 *chapter shall be charged the number of months (and any*
19 *fraction thereof) determined by dividing the amount of the*
20 *accelerated payment by the full-time monthly rate of edu-*
21 *cational assistance allowance otherwise payable with re-*
22 *spect to the person under section 3531 of this title as of*
23 *the beginning date of the enrollment period for the program*
24 *of education for which the accelerated payment is made.*

1 “(2) If the monthly rate of educational assistance al-
2 lowance otherwise payable with respect to an eligible person
3 under section 3531 of this title increases during the enroll-
4 ment period of a program of education for which an acceler-
5 ated payment of educational assistance allowance is made
6 under this section, the charge to the person’s entitlement
7 to educational assistance under this chapter shall be deter-
8 mined by prorating the entitlement chargeable, in the man-
9 ner provided for under paragraph (1), for the periods cov-
10 ered by the initial rate and increased rate, respectively, in
11 accordance with regulations prescribed by the Secretary.

12 “(f) The Secretary may not make an accelerated pay-
13 ment of educational assistance allowance under this section
14 for a program of education with respect to an eligible per-
15 son who has received an advance payment under section
16 3680(d) of this title for the same enrollment period.

17 “(g) The Secretary shall prescribe regulations to carry
18 out this section. The regulations shall include requirements,
19 conditions, and methods for the request, issuance, delivery,
20 certification of receipt and use, and recovery of overpay-
21 ment of an accelerated payment of educational assistance
22 allowance under this section. The regulations may include
23 such elements of the regulations prescribed under section
24 3014A of this title as the Secretary considers appropriate
25 for purposes of this section.”.

1 (b) *CLERICAL AMENDMENT.*—*The table of sections at*
 2 *the beginning of chapter 35 of such title is amended by in-*
 3 *serting after the item relating to section 3532 the following*
 4 *new item:*

 “3532A. Accelerated payment of educational assistance allowance.”.

5 (c) *EFFECTIVE DATE.*—*The amendments made by this*
 6 *section shall take effect on October 1, 2007. Such amend-*
 7 *ments shall only apply to enrollments that begin on or after*
 8 *such date.*

9 (d) *SUNSET.*—*The amendments made by this section*
 10 *shall expire on September 30, 2011.*

11 **SEC. 303. REIMBURSEMENT OF EXPENSES FOR STATE AP-**
 12 **PROVING AGENCIES IN THE ADMINISTRATION**
 13 **OF EDUCATIONAL BENEFITS.**

14 Section 3674(a) of title 38, United States Code, is
 15 amended—

16 (1) in paragraph (2)(A), by inserting “and is
 17 authorized to make additional payments subject to the
 18 availability of appropriations,” after “readjustment
 19 benefits,”; and

20 (2) in paragraph (4), by striking the first sen-
 21 tence and inserting “The total amount authorized and
 22 available under this section for any fiscal year may
 23 not exceed \$19,000,000, except that the total amount
 24 made available for purposes of this section from
 25 amounts available for the payment of readjustment

1 *benefits may not exceed \$19,000,000 for fiscal years*
 2 *2006 and 2007, \$13,000,000 for fiscal years 2008 and*
 3 *2009, \$8,000,000 for each of fiscal years 2010 through*
 4 *2013, and \$13,000,000 for fiscal year 2014 and each*
 5 *subsequent fiscal year.”.*

6 **SEC. 304. MODIFICATION OF REQUIREMENT FOR REPORT-**
 7 **ING ON EDUCATIONAL ASSISTANCE PRO-**
 8 **GRAM.**

9 *(a) EXTENSION.—Subsection (d) of section 3036 of*
 10 *title 38, United States Code, is amended by striking “Janu-*
 11 *ary 1, 2005” and inserting “January 1, 2011”.*

12 *(b) DATE OF SUBMITTAL.—Subsection (a) of such sec-*
 13 *tion is amended by inserting “, on January 1,” after “two*
 14 *years”.*

15 *(c) INTERIM REPORT.—The Secretary of Defense and*
 16 *the Secretary of Veterans Affairs shall each submit to Con-*
 17 *gress a report containing the information required by sec-*
 18 *tion 3036 of title 38, United States Code, not later than*
 19 *six months after the date of the enactment of this Act.*

20 **TITLE IV—HEALTH MATTERS**

21 **SEC. 401. PARKINSON’S DISEASE RESEARCH, EDUCATION,**
 22 **CLINICAL CENTERS, AND MULTIPLE SCLE-**
 23 **ROSIS CENTERS OF EXCELLENCE.**

24 *(a) REQUIREMENT FOR ESTABLISHMENT OF CEN-*
 25 *TERS.—*

1 (1) *IN GENERAL.*—Subchapter II of chapter 73 of
 2 title 38, United States Code, is amended by adding
 3 at the end the following new section:

4 **“§ 7329. Parkinson’s disease research, education, and**
 5 **clinical centers and multiple sclerosis**
 6 **centers of excellence**

7 “(a) *DESIGNATION.*—The Secretary, upon the rec-
 8 ommendation of the Under Secretary for Health and pursu-
 9 ant to the provisions of this section, shall—

10 “(1) designate—

11 “(A) at least 6 Department health care fa-
 12 cilities as the locations for centers of Parkinson’s
 13 disease research, education, and clinical activi-
 14 ties and (subject to the appropriation of suffi-
 15 cient funds for such purpose); and

16 “(B) at least 2 Department health care fa-
 17 cilities as the locations for Multiple Sclerosis
 18 Centers of Excellence (subject to the appropri-
 19 ation of sufficient funds for such purpose); and

20 “(2) establish and operate such centers at such
 21 locations in accordance with this section.

22 “(b) *EXISTING FACILITIES; GEOGRAPHIC DISTRIBUTION.*—In designating locations for centers under sub-
 23 section (a), the Secretary, upon the recommendation of the
 24 Under Secretary for Health, shall—
 25

1 “(1) designate each Department health care facil-
2 ity that, as of January 1, 2005, was operating a Par-
3 kinson’s Disease Research, Education, and Clinical
4 Center or a Multiple Sclerosis Center of Excellence
5 unless the Secretary, on the recommendation of the
6 Under Secretary for Health, determines that such fa-
7 cility—

8 “(A) does not meet the requirements of sub-
9 section (c);

10 “(B) has not demonstrated effectiveness in
11 carrying out the established purposes of such cen-
12 ter; or

13 “(C) has not demonstrated the potential to
14 carry out such purposes effectively in the reason-
15 ably foreseeable future; and

16 “(2) assure appropriate geographic distribution
17 of such facilities.

18 “(c) *MINIMUM REQUIREMENTS.*—The Secretary may
19 not designate a health care facility as a location for a center
20 under subsection (a) unless—

21 “(1) the peer review panel established under sub-
22 section (d) determines that the proposal submitted by
23 such facility is among those proposals which meet the
24 highest competitive standards of scientific and clin-
25 ical merit; and

1 “(2) the Secretary, upon the recommendation of
2 the Under Secretary for Health, determines that the
3 facility has (or may reasonably be anticipated to de-
4 velop)—

5 “(A) an arrangement with an accredited
6 medical school which provides education and
7 training in neurology and with which such facil-
8 ity is affiliated under which residents receive
9 education and training in innovative diagnosis
10 and treatment of chronic neurodegenerative dis-
11 eases and movement disorders, including Parkin-
12 son’s disease, or in the case of Multiple Sclerosis
13 Centers, multiple sclerosis disease;

14 “(B) the ability to attract the participation
15 of scientists who are capable of ingenuity and
16 creativity in health-care research efforts;

17 “(C) a policymaking advisory committee
18 composed of consumers and appropriate health
19 care and research representatives of the facility
20 and of the affiliated school or schools to advise
21 the directors of such facility and such center on
22 policy matters pertaining to the activities of
23 such center during the period of the operation of
24 such center;

1 “(D) the capability to conduct effectively
2 evaluations of the activities of such center;

3 “(E) the capability to coordinate, as part of
4 an integrated national system, education, clin-
5 ical, and research activities within all facilities
6 with such centers;

7 “(F) the capability to jointly develop a con-
8 sortium of providers with interest in treating
9 neurodegenerative diseases, including Parkin-
10 son’s disease, and other movement disorders, or
11 multiple sclerosis in the case of Multiple Scle-
12 rosis Centers, at facilities without such centers in
13 order to ensure better access to state of the art
14 diagnosis, care, and education for
15 neurodegenerative disorders, or in the case of
16 Multiple Sclerosis Centers, autoimmune disease
17 affecting the central nervous system throughout
18 the health care system; and

19 “(G) the capability to develop a national
20 repository in the health care system for the col-
21 lection of data on health services delivered to vet-
22 erans seeking care for neurodegenerative diseases,
23 including Parkinson’s disease, and other move-
24 ment disorders, or in the case of Multiple Scle-

1 *rosis Centers, autoimmune disease affecting the*
2 *central nervous system.*

3 “(d) *PANEL.—(1) The Under Secretary for Health*
4 *shall establish a panel to assess the scientific and clinical*
5 *merit of proposals that are submitted to the Secretary for*
6 *the establishment of new centers under this section.*

7 “(2)(A) *The membership of the panel shall consist of*
8 *experts in neurodegenerative diseases, including Parkin-*
9 *son’s disease and other movement disorders, and, in the case*
10 *of Multiple Sclerosis Centers, experts in autoimmune dis-*
11 *ease affecting the central nervous system.*

12 “(B) *Members of the panel shall serve as consultants*
13 *to the Department for a period of no longer than 2 years*
14 *except in the case of panelists asked to serve on the initial*
15 *panel as specified in subparagraph (C).*

16 “(C) *In order to ensure panel continuity, half of the*
17 *members of the first panel shall be appointed for a period*
18 *of 3 years and half for a period of 2 years.*

19 “(3) *The panel shall review each proposal submitted*
20 *to the panel by the Under Secretary and shall submit its*
21 *views on the relative scientific and clinical merit of each*
22 *such proposal to the Under Secretary.*

23 “(4) *The panel shall not be subject to the Federal Advi-*
24 *sory Committee Act.*

1 “(e) *ADEQUATE FUNDING.*—*Before providing funds for*
2 *the operation of any such center at a health care facility*
3 *other than a health care facility designated under subsection*
4 *(b)(1), the Secretary shall ensure that—*

5 “(1) *the Parkinson’s disease center at each facil-*
6 *ity designated under subsection (b)(1) is receiving*
7 *adequate funding to enable such center to function ef-*
8 *fectively in the areas of Parkinson’s disease research,*
9 *education, and clinical activities; and*

10 “(2) *in the case of a new Multiple Sclerosis Cen-*
11 *ter, that existing centers are receiving adequate fund-*
12 *ing to enable such centers to function effectively in the*
13 *areas of multiple sclerosis research, education, and*
14 *clinical activities.*

15 “(f) *AUTHORIZATION OF APPROPRIATIONS.*—(1) *There*
16 *are authorized to be appropriated such sums as may be nec-*
17 *essary for the support of the research and education activi-*
18 *ties of the centers established under subsection (a).*

19 “(2) *The Under Secretary for Health shall allocate to*
20 *such centers from other funds appropriated generally for the*
21 *Department medical services account and medical and*
22 *prosthetics research account, as appropriate, such amounts*
23 *as the Under Secretary for Health determines appropriate.*

24 “(g) *FUNDING ELIGIBILITY AND PRIORITY FOR PAR-*
25 *KINSON’S DISEASE RESEARCH.*—*Activities of clinical and*

1 *scientific investigation at each center established under sub-*
 2 *section (a) for Parkinson’s disease shall—*

3 “(1) *be eligible to compete for the award of fund-*
 4 *ing from funds appropriated for the Department med-*
 5 *ical and prosthetics research account; and*

6 “(2) *receive priority in the award of funding*
 7 *from such account to the extent funds are awarded to*
 8 *projects for research in Parkinson’s disease and other*
 9 *movement disorders.*

10 “(h) *FUNDING ELIGIBILITY AND PRIORITY FOR MUL-*
 11 *TIPLE SCLEROSIS RESEARCH.—Activities of clinical and*
 12 *scientific investigation at each center established under sub-*
 13 *section (a) for multiple sclerosis shall—*

14 “(1) *be eligible to compete for the award of fund-*
 15 *ing from funds appropriated for the Department med-*
 16 *ical and prosthetics research account; and*

17 “(2) *receive priority in the award of funding*
 18 *from such account to the extent funds are awarded to*
 19 *projects for research in multiple sclerosis and other*
 20 *movement disorders.”.*

21 (2) *CLERICAL AMENDMENT.—The table of sec-*
 22 *tions at the beginning of chapter 73 of title 38,*
 23 *United States Code, is amended by inserting after the*
 24 *item relating to section 7328 the following new item:*

“7329. *Parkinson’s disease research, education, and clinical centers and multiple sclerosis centers of excellence.”.*

1 (b) *EFFECTIVE DATE.*—*The amendments made by sub-*
 2 *section (a) shall take effect on October 1, 2006.*

3 **SEC. 402. REPEAL OF TERM OF OFFICE FOR THE UNDER**
 4 **SECRETARY FOR HEALTH AND THE UNDER**
 5 **SECRETARY FOR BENEFITS.**

6 (a) *UNDER SECRETARY FOR HEALTH.*—

7 (1) *IN GENERAL.*—*Section 305 of title 38,*
 8 *United States Code, is amended by striking subsection*
 9 *(c).*

10 (2) *CONFORMING AMENDMENT.*—*Subsection (d)*
 11 *of such section is redesignated as subsection (c).*

12 (b) *UNDER SECRETARY FOR BENEFITS.*—

13 (1) *IN GENERAL.*—*Section 306 of title 38,*
 14 *United States Code, is amended by striking subsection*
 15 *(c).*

16 (2) *CONFORMING AMENDMENT.*—*Subsection (d)*
 17 *of such section is redesignated as subsection (c).*

18 **SEC. 403. MODIFICATIONS TO EXISTING STATE HOME AU-**
 19 **THORITIES.**

20 (a) *NURSING HOME CARE AND PRESCRIPTION MEDI-*
 21 *CATIONS IN STATE HOMES FOR VETERANS WITH SERVICE-*
 22 *CONNECTED DISABILITIES.*—

23 (1) *NURSING HOME CARE.*—*Subchapter V of*
 24 *chapter 17 of title 38, United States Code, is amended*
 25 *by adding at the end the following new section:*

1 **“§1745. Nursing home care and medications for vet-**
2 **erans with service-connected disabilities**

3 “(a)(1) *The Secretary shall pay each State home for*
4 *nursing home care at the rate determined under paragraph*
5 *(2), where such care is provided to any veteran as follows:*

6 “(A) *Any veteran in need of such care for a serv-*
7 *ice-connected disability.*

8 “(B) *Any veteran who—*

9 “(i) *has a service-connected disability rated*
10 *at 70 percent or more; and*

11 “(ii) *is in need of such care.*

12 “(2) *The rate determined under this paragraph with*
13 *respect to a State home is the lesser of—*

14 “(A) *the applicable or prevailing rate payable in*
15 *the geographic area in which the State home is lo-*
16 *cated, as determined by the Secretary, for nursing*
17 *home care furnished in a non-Department nursing*
18 *home (as that term is defined in section 1720(e)(2));*
19 *or*

20 “(B) *a rate not to exceed the daily cost of care,*
21 *as determined by the Secretary, following a report to*
22 *the Secretary by the director of the State home.*

23 “(3) *Payment by the Secretary under paragraph (1)*
24 *to a State home for nursing home care provided to a veteran*
25 *described in that paragraph constitutes payment in full to*
26 *the State home for such care furnished to that veteran.”.*

1 (2) *PROVISION OF PRESCRIPTION MEDICINES.—*

2 *Such section, as so added, is further amended by add-*
3 *ing at the end the following new subsection:*

4 “(b) *The Secretary shall furnish such drugs and medi-*
5 *cines as may be ordered on prescription of a duly licensed*
6 *physician as specific therapy in the treatment of illness or*
7 *injury to any veteran as follows:*

8 “(1) *Any veteran who—*

9 “(A) *is not being provided nursing home*
10 *care for which payment is payable under sub-*
11 *section (a); and*

12 “(B) *is in need of such drugs and medicines*
13 *for a service-connected disability.*

14 “(2) *Any veteran who—*

15 “(A) *has a service-connected disability rated*
16 *at 50 percent or more;*

17 “(B) *is not being provided nursing home*
18 *care for which payment is payable under sub-*
19 *section (a); and*

20 “(C) *is in need of such drugs and medi-*
21 *cines.”.*

22 (3) *CONFORMING AMENDMENTS.—*

23 (A) *CRITERIA FOR PAYMENT.—Section*
24 *1741(a)(1) of such title is amended by striking*

1 *“The” and inserting “Except as provided in sec-*
 2 *tion 1745 of this title, the”.*

3 (B) *ELIGIBILITY FOR NURSING HOME*
 4 *CARE.—Section 1710(a)(4) of such title is*
 5 *amended—*

6 (i) *by striking “and” before “the re-*
 7 *quirement in section 1710B of this title”;*
 8 *and*

9 (ii) *by inserting “, and the require-*
 10 *ment in section 1745 of this title to provide*
 11 *nursing home care and prescription medi-*
 12 *cines to veterans with service-connected dis-*
 13 *abilities in State homes” after “a program*
 14 *of extended care services”.*

15 (4) *CLERICAL AMENDMENT.—The table of sec-*
 16 *tions at the beginning of chapter 17 of such title is*
 17 *amended by inserting after the item relating to sec-*
 18 *tion 1744 the following new item:*

“1745. Nursing home care and medications for veterans with service-connected disabilities.”.

19 (5) *EFFECTIVE DATE.—The amendments made*
 20 *by this subsection shall take effect 90 days after the*
 21 *date of the enactment of this Act.*

22 (b) *IDENTIFICATION OF VETERANS IN STATE*
 23 *HOMES.—Such chapter is further amended—*

1 (1) *in section 1745, as added by subsection*
 2 *(a)(1) of this section, by adding at the end the fol-*
 3 *lowing new subsection:*

4 “*(c) Any State home that requests payment or reim-*
 5 *bursement for services provided to a veteran under this sec-*
 6 *tion shall provide to the Secretary such information as the*
 7 *Secretary considers necessary to identify each individual*
 8 *veteran eligible for payment under such section.”; and*

9 (2) *in section 1741, by adding at the end the fol-*
 10 *lowing new subsection:*

11 “*(f) Any State home that requests payment or reim-*
 12 *bursement for services provided to a veteran under this sec-*
 13 *tion shall provide to the Secretary such information as the*
 14 *Secretary considers necessary to identify each individual*
 15 *veteran eligible for payment under such section.”.*

16 (c) *AUTHORITY TO TREAT CERTAIN HEALTH FACILI-*
 17 *TIES AS STATE HOMES.—*

18 (1) *AUTHORITY.—Subchapter III of chapter 81*
 19 *of title 38, United States Code, is amended by adding*
 20 *at the end the following new section:*

21 “**§ 8138. Treatment of certain health facilities as State**
 22 **homes**

23 “*(a) The Secretary may treat a health facility, or cer-*
 24 *tain beds in a health facility, as a State home for purposes*

1 *of subchapter V of chapter 17 of this title if the following*
2 *requirements are met:*

3 “(1) *The facility, or certain beds in such facility,*
4 *meets the standards for the provision of nursing home*
5 *care that is applicable to State homes, as prescribed*
6 *by the Secretary under section 8134(b) of this title,*
7 *and such other standards relating to the facility, or*
8 *certain beds in such facility, as the Secretary may re-*
9 *quire.*

10 “(2) *The facility, or certain beds in such facility,*
11 *is licensed or certified by the appropriate State and*
12 *local agencies charged with the responsibility of li-*
13 *censing or otherwise regulating or inspecting State*
14 *home facilities.*

15 “(3) *The State demonstrates in an application to*
16 *the Secretary that, but for the treatment of a facility*
17 *(or certain beds in such facility), as a State home*
18 *under this subsection, a substantial number of vet-*
19 *erans residing in the geographic area in which the fa-*
20 *ility is located who require nursing home care will*
21 *not have access to such care.*

22 “(4) *The Secretary determines that the treatment*
23 *of the facility, or certain beds in such facility, as a*
24 *State home best meets the needs of veterans for nurs-*

1 *ing home care in the geographic area in which the fa-*
2 *cility is located.*

3 *“(5) The Secretary approves the application sub-*
4 *mitted by the State with respect to the facility, or cer-*
5 *tain beds in such facility.*

6 *“(b) The Secretary may not treat a health facility, or*
7 *certain beds in a health facility, as a State home under*
8 *subsection (a) if the Secretary determines that such treat-*
9 *ment would increase the number of beds allocated to the*
10 *State in excess of the limit on the number of beds provided*
11 *for by regulations prescribed under section 8134(a) of this*
12 *title.*

13 *“(c) The number of beds occupied by veterans in a*
14 *health facility for which payment may be made under sub-*
15 *chapter V of chapter 17 of this title by reason of subsection*
16 *(a) shall not exceed—*

17 *“(1) 100 beds in the aggregate for all States; and*

18 *“(2) in the case of any State, the difference be-*
19 *tween—*

20 *“(A) the number of veterans authorized to*
21 *be in beds in State homes in such State under*
22 *regulations prescribed under section 8134(a) of*
23 *this title; and*

24 *“(B) the number of veterans actually in*
25 *beds in State homes (other than facilities or cer-*

1 *tain beds treated as State homes under sub-*
 2 *section (a)) in such State under regulations pre-*
 3 *scribed under such section.*

4 “(d) *The number of beds in a health facility in a State*
 5 *that has been treated as a State home under subsection (a)*
 6 *shall be taken into account in determining the unmet need*
 7 *for beds for State homes for the State under section*
 8 *8134(d)(1) of this title.*

9 “(e) *The Secretary may not treat any new health fa-*
 10 *cilities, or any new certain beds in a health facility, as a*
 11 *State home under subsection (a) after September 30, 2009.*”.

12 (2) *CLERICAL AMENDMENT.—The table of sec-*
 13 *tions at the beginning of chapter 81 of such title is*
 14 *amended by inserting after the item relating to sec-*
 15 *tion 8137 the following new item:*

 “8138. *Treatment of certain health facilities as State homes.*”.

16 **SEC. 404. OFFICE OF RURAL HEALTH.**

17 (a) *ESTABLISHMENT.—There is established in the De-*
 18 *partment of Veterans Affairs within the Office of the Under-*
 19 *secretary for Health an office to be known as the “Office*
 20 *of Rural Health” (in this section referred to as the “Of-*
 21 *fice”).*

22 (b) *HEAD.—The Director of the Office of Rural Health*
 23 *shall be the head of the Office. The Director of the Office*
 24 *of Rural Health shall be appointed by the Under Secretary*

1 of Health from among individuals qualified to perform the
2 duties of the position.

3 (c) *FUNCTIONS.*—*The functions of the Office are as fol-*
4 *lows:*

5 (1) *In cooperation with the medical, rehabilita-*
6 *tion, health services, and cooperative studies research*
7 *programs in the Office of Policy and the Office of Re-*
8 *search and Development of the Veterans Health Ad-*
9 *ministration, to assist the Under Secretary for Health*
10 *in conducting, coordinating, promoting, and dissemi-*
11 *nating research into issues affecting veterans living in*
12 *rural areas.*

13 (2) *To work with all personnel and offices of the*
14 *Department of Veterans Affairs to develop, refine, and*
15 *promulgate policies, best practices, lessons learned,*
16 *and innovative and successful programs to improve*
17 *care and services for veterans who reside in rural*
18 *areas of the United States.*

19 (3) *To designate in each Veterans Integrated*
20 *Service Network (VISN) an individual who shall con-*
21 *sult on and coordinate the discharge in such Network*
22 *of programs and activities of the Office for veterans*
23 *who reside in rural areas of the United States.*

24 (4) *To assess, in accordance with subsection (d),*
25 *the effects of the implementation of the fee-basis health*

1 *care program of the Veterans Health Administration*
2 *on the delivery of health care services to veterans who*
3 *reside in rural areas of the United States.*

4 (5) *To perform such other functions and duties*
5 *as the Secretary of Veterans Affairs or the Under Sec-*
6 *retary for Health consider appropriate.*

7 (d) *ASSESSMENT OF FEE-BASIS HEALTH CARE PRO-*
8 *GRAM.—The Director of the Office shall, in consultation*
9 *with the individuals designated under subsection (c)(3),*
10 *conduct an assessment of the effects of the implementation*
11 *of the fee-basis health care program of the Veterans Health*
12 *Administration on the delivery of health care services to vet-*
13 *erans who reside in rural areas of the United States. In*
14 *conducting the assessment, the Director shall—*

15 (1) *evaluate the effects of the fee-basis health care*
16 *program on the delivery of health care services to vet-*
17 *erans who reside in rural areas of the United States;*

18 (2) *identify various mechanisms for expanding*
19 *the program in order to enhance and improve health*
20 *care services for such veterans and determine the fea-*
21 *sibility and advisability of implementing such mecha-*
22 *nisms; and*

23 (3) *for each mechanism determined under para-*
24 *graph (2) to be feasible and advisable to implement,*

1 (4) *Caregiver support services, including edu-*
2 *cation, training, and certification of family members*
3 *in caregiver activities.*

4 (5) *Home care services.*

5 (6) *Respite care.*

6 (7) *Hospice services.*

7 (8) *Any modalities of non-institutional long-*
8 *term care.*

9 (d) *FUNDING.—*

10 (1) *SOURCE OF FUNDS.—In carrying out the*
11 *program required by subsection (a), the Secretary*
12 *shall identify, from funds available to the Department*
13 *of Veterans Affairs for medical care, an amount not*
14 *less than \$5,000,000 to be available for the fiscal year*
15 *that includes the date of the enactment of this Act, to*
16 *carry out the pilot program and to be allocated to fa-*
17 *cilities of the Department pursuant to subsection (e).*
18 *Such amount shall be available without fiscal year*
19 *limitation.*

20 (2) *MINIMUM ALLOCATION OF FUNDS.—In iden-*
21 *tifying available amounts pursuant to paragraph (1),*
22 *the Secretary shall ensure that, after the allocation of*
23 *funds under subsection (e), the total expenditure for*
24 *programs in support of caregiver assistance services is*

1 *not less than \$5,000,000 in excess of the baseline*
2 *amount.*

3 (3) *BASELINE AMOUNT.*—*For purposes of para-*
4 *graph (2), the baseline amount is the amount of the*
5 *total expenditures on programs in support of care-*
6 *giver assistance services for veterans for the most re-*
7 *cent fiscal year for which final expenditure amounts*
8 *are known, adjusted to reflect any subsequent increase*
9 *in applicable costs to support such services through*
10 *the Veterans Health Administration.*

11 (e) *ALLOCATION OF FUNDS TO FACILITIES.*—*The Sec-*
12 *retary shall allocate funds identified pursuant to subsection*
13 *(d)(1) to individual medical facilities of the Department*
14 *in such amounts as the Secretary determines appropriate,*
15 *based upon proposals submitted by such facilities for the*
16 *use of such funds for improvements to the support of the*
17 *provision of caregiver assistance services. Special consider-*
18 *ation should be given to rural facilities, including those*
19 *without a long-term care facility of the Department.*

20 (f) *REPORT.*—*Not later than one year after the date*
21 *of the enactment of this Act, the Secretary shall submit to*
22 *the Committee on Veterans' Affairs of the Senate and the*
23 *Committee on Veterans' Affairs of the House of Representa-*
24 *tives a report on the implementation of this section, includ-*
25 *ing—*

1 (1) a description and assessment of the activities
2 carried out under the pilot program;

3 (2) information on the allocation of funds to fa-
4 cilities of the Department under subsection (d); and

5 (3) a description of the improvements made with
6 funds so allocated to the support of the provision of
7 caregiver assistance services.

8 **TITLE V—HOMELESS VETERANS**
9 **ASSISTANCE**

10 **SEC. 501. REAFFIRMATION OF NATIONAL GOAL TO END**
11 **HOMELESSNESS AMONG VETERANS.**

12 (a) *REAFFIRMATION.*—Congress reaffirms the national
13 goal to end chronic homelessness among veterans within a
14 decade of the enactment of the Homeless Veterans Com-
15 prehensive Assistance Act of 2001 (Public Law 107–95; 115
16 Stat. 903).

17 (b) *REAFFIRMATION OF ENCOURAGEMENT OF COOPER-*
18 *ATIVE EFFORTS.*—Congress reaffirms its encouragement, as
19 specified in the Homeless Veterans Comprehensive Assist-
20 ance Act of 2001 (Public Law 107–95; 115 Stat. 903), that
21 all departments and agencies of the Federal, State, and
22 local governments, quasi-governmental organizations, pri-
23 vate and public sector entities, including community-based
24 organizations, faith-based organizations, and individuals,

1 *work cooperatively to end chronic homelessness among vet-*
2 *erans.*

3 **SEC. 502. SENSE OF CONGRESS ON THE RESPONSE OF THE**
4 **FEDERAL GOVERNMENT TO THE NEEDS OF**
5 **HOMELESS VETERANS.**

6 *It is the sense of Congress that—*

7 *(1) homelessness is a significant problem in the*
8 *veterans community, and veterans are disproportion-*
9 *ately represented among the homeless population;*

10 *(2) while many effective programs assist home-*
11 *less veterans to become, once again, productive and*
12 *self-sufficient members of their communities and soci-*
13 *ety, all the essential services, assistance, and support*
14 *that homeless veterans require are not currently pro-*
15 *vided;*

16 *(3) federally funded programs for homeless vet-*
17 *erans should be held accountable for achieving clearly*
18 *defined results;*

19 *(4) Federal efforts to assist homeless veterans*
20 *should include prevention of homelessness;*

21 *(5) Federal efforts regarding homeless veterans*
22 *should be particularly vigorous where women veterans*
23 *have minor children in their care;*

24 *(6) Federal agencies, particularly the Depart-*
25 *ment of Veterans Affairs, the Department of Labor,*

1 *and the Department of Housing and Urban Develop-*
 2 *ment, should cooperate more fully to address the prob-*
 3 *lem of homelessness among veterans; and*

4 *(7) the programs reauthorized by this title pro-*
 5 *vide important housing and services to homeless vet-*
 6 *erans.*

7 **SEC. 503. AUTHORITY TO MAKE GRANTS FOR COMPREHEN-**
 8 **SIVE SERVICE PROGRAMS FOR HOMELESS**
 9 **VETERANS.**

10 *(a) PERMANENT AUTHORITY.—Section 2011(a) of title*
 11 *38, United States Code, is amended—*

12 *(1) by striking paragraph (2); and*

13 *(2) in paragraph (1)—*

14 *(A) by striking “(1)”; and*

15 *(B) by redesignating subparagraphs (A)*
 16 *through (D) as paragraphs (1) through (4), re-*
 17 *spectively.*

18 *(b) AUTHORIZATION OF APPROPRIATIONS.—The text of*
 19 *section 2013 of such title is amended to read as follows:*

20 *“There is authorized to be appropriated, to carry out this*

21 *subchapter, \$130,000,000 for fiscal year 2007 and each fis-*

22 *cal year thereafter.”.*

1 **SEC. 504. EXTENSION OF TREATMENT AND REHABILITA-**
2 **TION FOR SERIOUSLY MENTALLY ILL AND**
3 **HOMELESS VETERANS.**

4 (a) *EXTENSION OF AUTHORITY FOR GENERAL TREAT-*
5 *MENT.*—Section 2031(b) of title 38, United States Code, is
6 amended by striking “2006” and inserting “2011”.

7 (b) *EXTENSION OF AUTHORITY FOR ADDITIONAL*
8 *SERVICES.*—Section 2033(d) of such title is amended by
9 striking “2006” and inserting “2011”.

10 **SEC. 505. EXTENSION OF AUTHORITY FOR TRANSFER OF**
11 **PROPERTIES OBTAINED THROUGH FORE-**
12 **CLOSURE OF HOME MORTGAGES.**

13 Section 2041(c) of title 38, United States Code, is
14 amended by striking “2008” and inserting “2011”.

15 **SEC. 506. EXTENSION OF FUNDING FOR GRANT PROGRAM**
16 **FOR HOMELESS VETERANS WITH SPECIAL**
17 **NEEDS.**

18 Section 2061(c)(1) of title 38, United States Code, is
19 amended by striking “2003, 2004, and 2005, \$5,000,000”
20 and inserting “2007 through 2011, \$7,000,000”.

21 **SEC. 507. EXTENSION OF FUNDING FOR HOMELESS VET-**
22 **ERAN SERVICE PROVIDER TECHNICAL AS-**
23 **SISTANCE PROGRAM.**

24 Subsection (b) of section 2064 of title 38, United States
25 Code, is amended to read as follows:

1 “(G) the Social Security Administration;
2 and

3 “(H) any other Federal department or
4 agency with which the Secretary coordinates the
5 delivery of housing and services to homeless vet-
6 erans.”.

7 **SEC. 509. ADVISORY COMMITTEE ON HOMELESS VETERANS.**

8 (a) *ADDITIONAL EX OFFICIO MEMBERS.*—Subsection
9 (a)(3) of section 2066 of title 38, United States Code, is
10 amended by adding at the end the following new subpara-
11 graphs:

12 “(E) The Executive Director of the Interagency
13 Council on Homelessness (or a representative of the
14 Executive Director).

15 “(F) The Under Secretary for Health (or a rep-
16 resentative of the Under Secretary after consultation
17 with the Director of the Office of Homeless Veterans
18 Programs).

19 “(G) The Under Secretary for Benefits (or a rep-
20 resentative of the Under Secretary after consultation
21 with the Director of the Office of Homeless Veterans
22 Programs).”.

23 (b) *EXTENSION.*—Subsection (d) of such section is
24 amended by striking “December 31, 2006” and inserting
25 “September 30, 2011”.

1 **SEC. 510. RENTAL ASSISTANCE VOUCHERS FOR VETERANS**
2 **AFFAIRS SUPPORTED HOUSING PROGRAM.**

3 (a) *FUNDING FOR VOUCHERS.*—Section (8)(o)(19)(B)
4 of the United States Housing Act of 1937 (42 U.S.C.
5 1437f(o)(19)(B)) is amended to read as follows:

6 “(B) *AMOUNT.*—The amount specified in
7 this subparagraph is—

8 “(i) for fiscal year 2007, the amount
9 necessary to provide 500 vouchers for rental
10 assistance under this subsection;

11 “(ii) for fiscal year 2008, the amount
12 necessary to provide 1,000 vouchers for
13 rental assistance under this subsection;

14 “(iii) for fiscal year 2009, the amount
15 necessary to provide 1,500 vouchers for
16 rental assistance under this subsection;

17 “(iv) for fiscal year 2010, the amount
18 necessary to provide 2,000 vouchers for
19 rental assistance under this subsection; and

20 “(v) for fiscal year 2011, the amount
21 necessary to provide 2,500 vouchers for
22 rental assistance under this subsection.”.

23 (b) *ELIMINATION OF FUNDING THROUGH INCRE-*
24 *MENTAL ASSISTANCE.*—Subparagraph (C) of section
25 8(o)(19) of the United States Housing Act of 1937 (42
26 U.S.C. 1437f(o)(19)(C)) is repealed.

1 (c) *STUDY OF EFFECTIVENESS OF VOUCHERS.*—

2 (1) *IN GENERAL.*—*For fiscal years 2007 and*
3 *2008, the Secretary of Veterans Affairs shall conduct*
4 *a study of the effectiveness of the voucher program*
5 *under section (8)(o)(19)(B) of the United States*
6 *Housing Act of 1937 (42 U.S.C. 1437f(o)(19)(B)), as*
7 *amended by subsection (a), in meeting the housing*
8 *and case management needs of homeless veterans*
9 *who—*

10 (A) *have a chronic mental illnesses or*
11 *chronic substance use disorder; and*

12 (B) *are participating in continuing treat-*
13 *ment for such mental illness or substance use*
14 *disorder as a condition of receipt of such rental*
15 *assistance.*

16 (2) *COMPARISON.*—*As part of the study required*
17 *by paragraph (1) the Secretary shall compare the re-*
18 *sults of the program described in that paragraph with*
19 *other programs as follows:*

20 (A) *Programs in which the Department of*
21 *Veterans Affairs coordinates the delivery of hous-*
22 *ing and services to homeless veterans.*

23 (B) *Programs for the provision of grants or*
24 *per diem payments to providers of services that*

1 *are designed to meet the needs of homeless vet-*
2 *erans.*

3 (3) *CRITERIA.*—*In conducting the comparison*
4 *required by paragraph (2), the Secretary shall exam-*
5 *ine the following:*

6 (A) *The satisfaction of veterans targeted by*
7 *the programs described in paragraph (2).*

8 (B) *The health status of such veterans.*

9 (C) *For programs that address substance*
10 *use disorders, the reduction in severity of such*
11 *disorders in such veterans.*

12 (D) *The housing provided such veterans*
13 *under such programs.*

14 (E) *The degree to which such veterans are*
15 *encouraged to productive activity by such pro-*
16 *grams.*

17 (4) *REPORT.*—*Not later than March 31, 2009,*
18 *the Secretary shall submit to the Committee on Vet-*
19 *erans' Affairs of the Senate and the Committee on*
20 *Veterans' Affairs of the House of Representatives a re-*
21 *port on the results of the study required by paragraph*
22 *(1).*

1 **SEC. 511. FINANCIAL ASSISTANCE FOR SUPPORTIVE SERV-**
 2 **ICES FOR VERY LOW-INCOME VETERAN FAMI-**
 3 **LIES IN PERMANENT HOUSING.**

4 (a) *PURPOSE.*—*The purpose of this section is to facili-*
 5 *tate the provision of supportive services for very low-income*
 6 *veteran families in permanent housing.*

7 (b) *FINANCIAL ASSISTANCE.*—

8 (1) *IN GENERAL.*—*Subchapter V of chapter 20 of*
 9 *title 38, United States Code, is amended by adding*
 10 *at the end the following new section:*

11 **“§2044. Financial assistance for supportive services**
 12 **for very low-income veteran families in**
 13 **permanent housing**

14 “(a) *DISTRIBUTION OF FINANCIAL ASSISTANCE.*—(1)
 15 *The Secretary shall provide financial assistance to eligible*
 16 *entities approved under this section to provide and coordi-*
 17 *nate the provision of supportive services described in sub-*
 18 *section (b) for very low-income veteran families occupying*
 19 *permanent housing.*

20 “(2) *Financial assistance under this section shall con-*
 21 *sist of per diem payments for each such family for which*
 22 *an approved eligible entity is providing or coordinating the*
 23 *provision of supportive services.*

24 “(3)(A) *Subject to the availability of appropriations*
 25 *provided for such purpose, the Secretary shall provide to*
 26 *each family for which an approved eligible entity is pro-*

1 *viding or coordinating the provision of supportive services*
2 *per diem payments in the amount of the daily cost of care*
3 *estimated by such eligible entity (as adjusted by the Sec-*
4 *retary under subparagraph (C)).*

5 “(B) *In no case may the amount of per diem paid*
6 *under this paragraph exceed the rate of per diem authorized*
7 *for State homes for domiciliary care under subsection*
8 *(a)(1)(A) of section 1741 of this title, as adjusted by the*
9 *Secretary under subsection (c) of such section.*

10 “(C) *The Secretary may adjust the daily cost of care*
11 *estimated by an eligible entity for purposes of this para-*
12 *graph to exclude other sources of income described in sub-*
13 *paragraph (E) that the eligible entity certifies to be correct.*

14 “(D) *Each eligible entity shall provide to the Secretary*
15 *such information with respect to other sources of income*
16 *as the Secretary may require to make the adjustment under*
17 *subparagraph (C).*

18 “(E) *The other sources of income referred to in sub-*
19 *paragraphs (C) and (D) are payments to the eligible entity*
20 *for furnishing services to homeless veterans under programs*
21 *other than under this subchapter, including payments and*
22 *grants from other departments and agencies of the Federal*
23 *Government, from departments or agencies of State or local*
24 *government, and from private entities or organizations.*

1 “(4) *In providing financial assistance under para-*
2 *graph (1), the Secretary shall give preference to entities pro-*
3 *viding or coordinating the provision of supportive services*
4 *for very low-income veteran families who are transitioning*
5 *from homelessness to permanent housing.*

6 “(5) *The Secretary shall ensure that, to the extent*
7 *practicable, financial assistance under this subsection is eq-*
8 *uitably distributed across geographic regions, including*
9 *rural communities and tribal lands.*

10 “(6) *Each entity receiving financial assistance under*
11 *this section to provide supportive services to a very low-*
12 *income veteran family shall notify that family that such*
13 *services are being paid for, in whole or in part, by the De-*
14 *partment.*

15 “(7) *The Secretary may require entities receiving fi-*
16 *ancial assistance under this section to submit a report to*
17 *the Secretary that describes the projects carried out with*
18 *such financial assistance.*

19 “(b) *SUPPORTIVE SERVICES.—The supportive services*
20 *referred to in subsection (a) are the following:*

21 “(1) *Services provided by an eligible entity or*
22 *subcontractors that address the needs of very low-in-*
23 *come veteran families occupying permanent housing,*
24 *including—*

25 “(A) *outreach services;*

1 “(B) health care services, including diag-
2 nosis, treatment, and counseling for mental
3 health and substance abuse disorders and for
4 post-traumatic stress disorder, if such services
5 are not readily available through the Depart-
6 ment medical center serving the geographic area
7 in which the veteran family is housed;

8 “(C) habilitation and rehabilitation serv-
9 ices;

10 “(D) case management services;

11 “(E) daily living services;

12 “(F) personal financial planning;

13 “(G) transportation services;

14 “(H) vocational counseling;

15 “(I) employment and training;

16 “(J) educational services;

17 “(K) assistance in obtaining veterans bene-
18 fits and other public benefits, including health
19 care provided by the Department;

20 “(L) assistance in obtaining income sup-
21 port;

22 “(M) assistance in obtaining health insur-
23 ance;

24 “(N) fiduciary and representative payee
25 services;

1 “(O) legal services to assist the veteran fam-
2 ily with reconsiderations or appeals of veterans
3 and public benefit claim denials and to resolve
4 outstanding warrants that interfere with the
5 family’s ability to obtain or retain housing or
6 supportive services;

7 “(P) child care;

8 “(Q) housing counseling;

9 “(R) other services necessary for maintain-
10 ing independent living; and

11 “(S) coordination of services under this
12 paragraph.

13 “(2) Services described in paragraph (1) that are
14 delivered to very low-income veteran families who are
15 homeless and who are scheduled to become residents of
16 permanent housing within 90 days pending the loca-
17 tion or development of housing suitable for permanent
18 housing.

19 “(3) Services described in paragraph (1) for very
20 low-income veteran families who have voluntarily
21 chosen to seek other housing after a period of tenancy
22 in permanent housing, that are provided, for a period
23 of 90 days after such families exit permanent housing
24 or until such families commence receipt of other hous-
25 ing services adequate to meet their current needs, but

1 *only to the extent that services under this paragraph*
2 *are designed to support such families in their choice*
3 *to transition into housing that is responsive to their*
4 *individual needs and preferences.*

5 “(c) *APPLICATION FOR FINANCIAL ASSISTANCE.—(1)*
6 *An eligible entity seeking financial assistance under sub-*
7 *section (a) shall submit an application to the Secretary in*
8 *such form, in such manner, and containing such commit-*
9 *ments and information as the Secretary determines to be*
10 *necessary to carry out this section.*

11 “(2) *Each application submitted by an eligible entity*
12 *under paragraph (1) shall contain—*

13 “(A) *a description of the supportive services pro-*
14 *posed to be provided by the eligible entity;*

15 “(B) *a description of the types of very low-in-*
16 *come veteran families proposed to be provided such*
17 *services;*

18 “(C) *an estimate of the number of very low-in-*
19 *come veteran families proposed to be provided such*
20 *services;*

21 “(D) *evidence of the experience of the eligible en-*
22 *tity in providing supportive services to very low-in-*
23 *come veteran families; and*

24 “(E) *a description of the managerial capacity of*
25 *the eligible entity to—*

1 “(i) coordinate the provision of supportive
2 services with the provision of permanent hous-
3 ing, by the eligible entity or by other organiza-
4 tions;

5 “(ii) continuously assess the needs of very
6 low-income veteran families for supportive serv-
7 ices;

8 “(iii) coordinate the provision of supportive
9 services with the services of the Department;

10 “(iv) tailor supportive services to the needs
11 of very low-income veteran families; and

12 “(v) continuously seek new sources of assist-
13 ance to ensure the long-term provision of sup-
14 portive services to very low-income veteran fami-
15 lies.

16 “(3) The Secretary shall establish criteria for the selec-
17 tion of eligible entities to be provided financial assistance
18 under this section.

19 “(d) *TECHNICAL ASSISTANCE.*—(1) The Secretary
20 shall provide training and technical assistance to partici-
21 pating eligible entities regarding the planning, develop-
22 ment, and provision of supportive services to very low-in-
23 come veteran families occupying permanent housing.

1 “(2) *The Secretary may provide the training described*
 2 *in paragraph (1) directly or through grants or contracts*
 3 *with appropriate public or nonprofit private entities.*

4 “(e) *FUNDING.—(1) From amounts appropriated to*
 5 *the Department for Medical Care, there shall be available*
 6 *to carry out this section amounts as follows:*

7 “(A) *\$15,000,000 for fiscal year 2007.*

8 “(B) *\$20,000,000 for fiscal year 2008.*

9 “(C) *\$25,000,000 for fiscal year 2009.*

10 “(2) *Not more than \$750,000 may be available under*
 11 *paragraph (1) in any fiscal year to provide technical assist-*
 12 *ance under subsection (d).*

13 “(f) *DEFINITIONS.—In this section:*

14 “(1) *The term ‘consumer cooperative’ has the*
 15 *meaning given such term in section 202 of the Hous-*
 16 *ing Act of 1959 (12 U.S.C. 1701q).*

17 “(2) *The term ‘eligible entity’ means—*

18 “(A) *a private nonprofit organization; or*

19 “(B) *a consumer cooperative.*

20 “(3) *The term ‘homeless’ has the meaning given*
 21 *that term in section 103 of the McKinney-Vento*
 22 *Homeless Assistance Act (42 U.S.C. 11302).*

23 “(4) *The term ‘permanent housing’ means com-*
 24 *munity-based housing without a designated length of*
 25 *stay.*

1 “(5) *The term ‘private nonprofit organization’*
2 *means any of the following:*

3 “(A) *Any incorporated private institution*
4 *or foundation—*

5 “(i) *no part of the net earnings of*
6 *which inures to the benefit of any member,*
7 *founder, contributor, or individual;*

8 “(ii) *which has a governing board that*
9 *is responsible for the operation of the sup-*
10 *portive services provided under this section;*
11 *and*

12 “(iii) *which is approved by the Sec-*
13 *retary as to financial responsibility;*

14 “(B) *A for-profit limited partnership, the*
15 *sole general partner of which is an organization*
16 *meeting the requirements of clauses (i), (ii), and*
17 *(iii) of subparagraph (A).*

18 “(C) *A corporation wholly owned and con-*
19 *trolled by an organization meeting the require-*
20 *ments of clauses (i), (ii), and (iii) of subpara-*
21 *graph (A).*

22 “(D) *A tribally designated housing entity*
23 *(as defined in section 4 of the Native American*
24 *Housing Assistance and Self-Determination Act*
25 *of 1996 (25 U.S.C. 4103)).*

1 “(6)(A) *Subject to subparagraphs (B) and (C),*
 2 *the term ‘very low-income veteran family’ means a*
 3 *veteran family whose income does not exceed 50 per-*
 4 *cent of the median income for the area, as determined*
 5 *by the Secretary in accordance with this paragraph.*

6 “(B) *The Secretary shall make appropriate ad-*
 7 *justments to the income requirement under subpara-*
 8 *graph (A) based on family size.*

9 “(C) *The Secretary may establish an income*
 10 *ceiling higher or lower than 50 percent of the median*
 11 *income for an area if the Secretary determines that*
 12 *such variations are necessary because the area has*
 13 *unusually high or low construction costs, fair market*
 14 *rents (as determined under section 8 of the United*
 15 *States Housing Act of 1937 (42 U.S.C. 1437f)), or*
 16 *family incomes.*

17 “(7) *The term ‘veteran family’ includes a veteran*
 18 *who is a single person and a family in which the*
 19 *head of household or the spouse of the head of house-*
 20 *hold is a veteran.”.*

21 (2) *CLERICAL AMENDMENT.—The table of sec-*
 22 *tions at the beginning of chapter 20 of such title is*
 23 *amended by inserting after the item relating to sec-*
 24 *tion 2043 the following new item:*

“2044. Financial assistance for supportive services for very low-income veteran families in permanent housing.”.

1 (c) *STUDY OF EFFECTIVENESS OF PERMANENT HOUS-*
2 *ING PROGRAM.*—

3 (1) *IN GENERAL.*—*For fiscal years 2007 and*
4 *2008, the Secretary shall conduct a study of the effec-*
5 *tiveness of the permanent housing program under sec-*
6 *tion 2044 of title 38, United States Code, as amended*
7 *by subsection (b), in meeting the needs of very low-*
8 *income veteran families, as that term is defined in*
9 *that section.*

10 (2) *COMPARISON.*—*In the study required by*
11 *paragraph (1), the Secretary shall compare the results*
12 *of the program referred to in that subsection with*
13 *other programs of the Department of Veterans Affairs*
14 *dedicated to the delivery of housing and services to*
15 *veterans.*

16 (3) *CRITERIA.*—*In making the comparison re-*
17 *quired in paragraph (2), the Secretary shall examine*
18 *the following:*

19 (A) *The satisfaction of veterans targeted by*
20 *the programs described in paragraph (2).*

21 (B) *The health status of such veterans.*

22 (C) *The housing provided such veterans*
23 *under such programs.*

1 (D) *The degree to which such veterans are*
 2 *encouraged to productive activity by such pro-*
 3 *grams.*

4 (4) *REPORT.—Not later than March 31, 2009,*
 5 *the Secretary shall submit to the Committee on Vet-*
 6 *erans' Affairs of the Senate and the Committee on*
 7 *Veterans' Affairs of the House of Representatives a re-*
 8 *port on the results of the study required by paragraph*
 9 *(1).*

10 ***TITLE VI—MISCELLANEOUS***
 11 ***BENEFITS***

12 ***SEC. 601. RESIDENTIAL COOPERATIVE HOUSING UNITS.***

13 (a) *HOUSING BENEFITS FOR COOPERATIVE APART-*
 14 *MENT UNITS.—Subsection (a) of section 3710 of title 38,*
 15 *United States Code, is amended by inserting after para-*
 16 *graph (11) the following new paragraph:*

17 “(12) *To purchase stock or membership in a co-*
 18 *operative housing corporation for the purpose of enti-*
 19 *tling the veteran to occupy for dwelling purposes a*
 20 *single family residential unit in a development,*
 21 *project, or structure owned or leased by such corpora-*
 22 *tion, in accordance with subsection (h).”.*

23 (b) *CONDITIONS OF HOUSING BENEFITS FOR COOPER-*
 24 *ATIVE APARTMENT UNITS.—Such section is further amend-*
 25 *ed by adding at the end the following new subsection:*

1 “(h)(1) A loan may not be guaranteed under sub-
2 section (a)(12) unless—

3 “(A) the development, project, or structure of the
4 cooperative housing corporation complies with such
5 criteria as the Secretary prescribes in regulations;
6 and

7 “(B) the dwelling unit that the purchase of stock
8 or membership in the development, project, or struc-
9 ture of the cooperative housing corporation entitles
10 the purchaser to occupy is a single family residential
11 unit.

12 “(2) In this subsection, the term ‘cooperative housing
13 corporation’ has the same meaning given such term in sec-
14 tion 216(b)(1) of the Internal Revenue Code of 1986.

15 “(3) When applying the term ‘value of the property’
16 to a loan guaranteed under subsection (a)(12), such term
17 means the appraised value of the stock or membership enti-
18 tling the purchaser to the permanent occupancy of the
19 dwelling unit in the development, project, or structure of
20 the cooperative housing corporation.”.

21 **SEC. 602. INCREASE IN SUPPLEMENTAL INSURANCE FOR**
22 **TOTALLY DISABLED VETERANS.**

23 Section 1922A(a) of title 38, United States Code, is
24 amended by striking “\$20,000” and inserting “\$30,000,

1 *during the period beginning on October 1, 2007, and ending*
2 *on September 31, 2011, or \$20,000 at any other time”.*

3 **SEC. 603. REAUTHORIZATION OF USE OF CERTAIN INFOR-**
4 **MATION FROM OTHER AGENCIES.**

5 *(a) INFORMATION FROM SECRETARY OF THE TREAS-*
6 *URY OR COMMISSIONER OF SOCIAL SECURITY.—Section*
7 *5317(g) of title 38, United States Code, is amended by strik-*
8 *ing “September 30, 2008” and inserting “September 30,*
9 *2011”.*

10 *(b) TAX RETURNS AND TAX RETURN INFORMATION.—*
11 *The last sentence of section 6103(l)(7) of the Internal Rev-*
12 *enue Code of 1986 is amended by striking “September 30,*
13 *2008” and inserting “September 30, 2011”.*

14 **SEC. 604. CLARIFICATION OF CORRECTIONAL FACILITIES**
15 **COVERED BY CERTAIN PROVISIONS OF LAW.**

16 *(a) PAYMENT OF PENSION DURING CONFINEMENT IN*
17 *PENAL INSTITUTIONS.—Section 1505(a) of title 38, United*
18 *States Code, is amended by striking “or local penal institu-*
19 *tion” and inserting “local, or other penal institution or cor-*
20 *rectional facility”.*

21 *(b) ALLOWANCES FOR TRAINING AND REHABILITATION*
22 *FOR VETERANS WITH SERVICE-CONNECTED DISABIL-*
23 *ITIES.—Section 3108(g)(1) of such title is amended by*
24 *striking “or local penal institution” and inserting “local,*
25 *or other penal institution or correctional facility”.*

1 (c) *EDUCATIONAL ASSISTANCE BENEFITS FOR POST-*
2 *VIETNAM ERA VETERANS.*—Section 3231(d)(1) of such title
3 is amended by striking “or local penal institution” and in-
4 serting “local, or other penal institution or correctional fa-
5 cility”.

6 (d) *COMPUTATION OF EDUCATIONAL ASSISTANCE AL-*
7 *LOWANCES FOR VETERANS GENERALLY.*—Section
8 3482(g)(1) of such title is amended by striking “or local
9 penal institution” and inserting “local, or other penal in-
10 stitution or correctional facility”.

11 (e) *COMPUTATION OF EDUCATIONAL ASSISTANCE AL-*
12 *LOWANCE FOR SURVIVORS AND DEPENDENTS.*—Section
13 3532(e) of such title is amended by striking “or local penal
14 institution” and inserting “local, or other penal institution
15 or correctional facility”.

16 (f) *LIMITATION ON PAYMENT OF COMPENSATION AND*
17 *DEPENDENCY AND INDEMNITY COMPENSATION.*—Section
18 5313 of such title is amended—

19 (1) in subsection (a)(1), by striking “or local
20 penal institution” and inserting “local, or other penal
21 institution or correctional facility”;

22 (2) in subsection (b)(3), by striking “or local
23 penal institution” and inserting “local, or other penal
24 institution or correctional facility”; and

1 (3) *in subsection (c), by striking “or local penal*
2 *institution” and inserting “local, or other penal insti-*
3 *tution or correctional facility”.*

4 (g) *LIMITATION ON PAYMENT OF CLOTHING ALLOW-*
5 *ANCE.—Section 5313A of such title is amended by striking*
6 *“or local penal institution” and inserting “local, or other*
7 *penal institution or correctional facility”.*

Amend the title so as to read: “To amend title 38, United States Code, to remove certain limitations on attorney representation of claimants for veterans benefits in administrative proceedings before the Department of Veterans Affairs, to make certain improvements in the area of memorial affairs, and for other purposes.”.

Calendar No. 540

109TH CONGRESS
2^D SESSION

S. 2694

[Report No. 109-297]

A BILL

To amend title 38, United States Code, to remove certain limitations on attorney representation of claimants for veterans benefits in administrative proceedings before the Department of Veterans Affairs, and for other purposes.

JULY 27 (legislative day, JULY 26), 2006

Reported with an amendment and an amendment to the
title