

LEGISLATIVE AND OVERSIGHT ACTIVITIES DURING THE
107TH CONGRESS BY THE SENATE COMMITTEE ON
VETERANS' AFFAIRS

AUGUST 26, 2003.—Ordered to be printed

Filed under authority of the order of the Senate of July 29 (legislative day, July 21),
2003

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

R E P O R T

Pursuant to paragraph 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Veterans' Affairs (Committee) submits its report on legislative and oversight activities during the 107th Congress.

I. INTRODUCTION

Hearings

A. FIRST SESSION

During the First Session of the 107th Congress, the Committee held 17 days of hearings on legislative and oversight matters, on nominations to serve in the Department of Veterans Affairs ("VA"), and on the legislative recommendations of veterans service organizations ("VSOs").

The Committee held four days of hearings in 2001 on pending nominations (on January 18, April 4, May 16, and August 2); five days of joint hearings in 2001 with the House Committee on Veterans' Affairs on the legislative recommendations of the VSOs (on February 28, March 1, March 8, March 14, and March 22); one day of hearings on the proposed budget (March 13, 2001); two days of field hearings in 2001 (on June 4 in Philadelphia, Pennsylvania, and on July 16 in Huntington, West Virginia); one day of hearings on the nursing shortage within VA (on June 14, 2001); two days of hearings in 2001 on pending legislation (on June 28 and July 19); one day of hearings on prescription drug issues (on July 24,

2001), and one day of hearings on VA's Fourth Mission and emergency preparedness (on October 16, 2001).

During the First Session of the 107th Congress, the Committee held one business meeting to mark up pending legislation (on August 2, 2001) and five to consider nominations (April 6, May 24, July 20, August 2, and November 8, 2001). In addition, the Committee's budget and rules were adopted on March 8, 2001.

B. SECOND SESSION

During the Second Session of the 107th Congress, the Committee held 12 days of hearings on legislative and oversight matters, and on the VSO's legislative recommendations.

The Committee held one day of hearings on the proposed budget (on February 14, 2002); five days of joint hearings in 2002 with the House Committee on Veterans' Affairs on the legislative recommendations of the VSOs (on February 27, March 7, March 14, March 20 and September 10); one day of hearings on pending nominations (on March 14, 2002); one day of hearings on options to nursing home care (on April 25, 2002); one day of hearings on pending legislation (on May 2, 2002); one day of field hearings (on May 13, 2002, in Omaha, Nebraska); one day of hearings on exposure by military personnel to combat and environmental hazards (on July 10, 2002); and one day of hearings on mental health care (on July 24, 2002).

During the Second Session of Congress, the Committee held one business meeting to mark up pending legislation (on June 6, 2002) and one to consider nominations (on March 21, 2002).

II. LEGISLATION

A. FIRST SESSION

During the First Session of the 107th Congress, the Committee met in open session twice to consider legislation and reported three bills to the Senate. Provisions from eight bills approved by the House of Representatives ("House") and three reported Senate bills were modified and enacted as five public laws (Public Law 107-14, Public Law 107-94, Public Law 107-95, Public Law 107-103, and Public Law 107-135) that are itemized and summarized below.

1. The "Veterans' Survivor Benefits Improvements Act of 2001," Public Law 107-14, June 5, 2001. Public Law 107-14 was derived from S. 564 and H.R. 801 (H. Rept. No. 107-27) as passed by the House on March 27, 2001; by the Senate, as amended, on May 24, 2001; and as agreed to by the House on May 24, 2001. The "Veterans' Survivor Benefits Improvements Act of 2001" specifies as follows:

A. The VA shall provide medical care to any eligible survivor of a veteran who dies of a service-connected disability, if the survivor is also enrolled in the supplementary medical insurance program under Part B of Medicare;

B. That VA shall provide Servicemembers' Group Life Insurance ("SGLI") to the servicemember's spouse and child or children, not to exceed \$100,000 and \$10,000 in coverage, respectively;

C. That the effective date of the increase from \$200,000 to \$250,000 in the maximum SGLI benefit, provided for in Public Law 106-419, shall be retroactive for a servicemember who died in the

performance of duty during the period between October 1, 2000, and June 5, 2001, and had the maximum amount of insurance in force;

D. That VA shall expand outreach efforts to eligible dependents through such means as the Internet, announcements in veterans' publications, and other media; and

E. That various technical amendments shall be made to the Montgomery GI Bill and other miscellaneous provisions.

2. The "Veterans Compensation Rate Amendments of 2001," Public Law 107-94, December 21, 2001. Public Law 107-94 was derived from H.R. 2540, ordered reported by the Committee on October 15, 2001 (S. Rept. No. 107-87). H.R. 2540 passed the House on July 31, 2001; passed the Senate as amended on December 6, 2001; and was agreed to by the House on December 11, 2001. The "Veterans Compensation Rate Amendments of 2001" specifies that there shall be cost-of-living adjustments in the rates of disability compensation for veterans with service-connected disabilities and the rates of dependency and indemnity compensation paid to survivors of certain veterans, effective December 1, 2001.

3. The "Homeless Veterans Comprehensive Assistance Act of 2001," Public Law 107-95, December 21, 2001. Public Law 107-95 was derived from S. 739, as amended and ordered reported by the Committee on August 2, 2001 (S. Rept. No. 107-82), and from H.R. 2716 as amended (H. Rept. No. 107-241). H.R. 2716 passed the House on October 16, 2001; the Senate, as further amended, on December 6, 2001; and the House on December 11, 2001. The "Homeless Veterans Comprehensive Assistance Act of 2001" specifies as follows:

A. That VA shall provide at least one full-time employee to oversee and coordinate homeless veterans programs at each of the 20 VA regional offices in locales determined to have the largest homeless veterans population, and a sufficient number of case managers in the Veterans Health Administration to serve every veteran receiving a housing voucher;

B. That VA shall establish grants to create a expand programs for outreach, rehabilitative services, vocational counseling and training, and transitional housing assistance for homeless veterans, with specific criteria and requirements to be defined by the Secretary;

C. That VA shall provide grant recipients or other eligible entities with per diem payments for the cost of approved services furnished to any homeless veterans, and that recipients' facilities will be required to meet the Life Safety Code of the National Fire Protection Association or comparable standards;

D. That the Assistant Secretary of Labor for Veterans' Employment and Training shall conduct programs to provide appropriate job training, counseling, and placement services to expedite the reintegration of homeless veterans into the labor force;

E. That officials of VA's Mental Health Service and Readjustment Counseling Service shall coordinate joint outreach services for veterans at risk of homelessness, and shall report to the Committees on the effectiveness of these services;

F. That VA shall undertake a counseling and outreach demonstration program, in at least six locations, for veterans who are

at risk of homelessness following transition from prisons or other institutions;

G. That homeless veterans in VA's compensated work therapy program may be authorized to receive housing through VA-funded therapeutic residence programs or per diem providers;

H. That VA may establish up to ten additional domiciliary care programs to provide services to homeless veterans;

I. That VA shall conduct a grant program for homeless veterans with special needs, including women, veterans over the age of 50, those with substance use disorders, terminally ill veterans, and chronically mentally ill veterans;

J. That VA shall be authorized to provide one-time dental benefits to certain eligible homeless veterans;

K. That VA may authorize homeless veterans receiving care through vocational rehabilitation programs to participate in the compensated work therapy program;

L. That VA shall provide technical assistance grants to nonprofit, community-based organizations that apply for grants under Chapter 20 of title 38, of the United States Code, and other grants related to addressing the problems of homeless veterans;

M. That VA shall submit an annual report on the effectiveness of all homeless programs, including health care and benefits services;

N. That VA shall establish an Advisory Committee on Homeless Veterans, which shall report annually to the Secretary and Congress;

O. That VA shall support at least one evaluation center to monitor the structure, process, and outcome of its programs for homeless veterans;

P. That VA shall report on the effectiveness of its grant programs in serving homeless veterans with special needs during fiscal years 2002 through 2004;

Q. That each VA primary care health care facility shall establish plans to provide mental health services, either directly or through referral, to veterans who require such services;

R. That VA shall maintain Comprehensive Homeless Services Programs in at least the 20 metropolitan areas determined to have the largest homeless veterans population;

S. That each VA medical center shall develop and carry out a plan to provide treatment for substance use disorders, either directly or through referral, to veterans who require such treatment;

T. That VA shall not declare property to be excess, and hence, disposable unless it is determined to be unsuitable for use in providing services to homeless veterans, but may waive the competitive selection process to enter into an "enhanced use lease" with a provider of homeless services;

U. That the Interagency Council on the Homeless shall meet at least annually;

V. That the Department of Housing and Urban Development shall incrementally increase the rental assistance vouchers provided to eligible homeless veterans with mental illnesses or substance abuse disorders participating in a supported housing program administered in conjunction with VA; and

W. That various technical amendments be made to provisions relating to housing and services for homeless veterans and the Inter-agency Council on the Homeless.

4. The “Veterans Education and Benefits Expansion Act of 2001,” Public Law 107–103, December 27, 2001. Public Law 107–103 was derived from provisions of H.R. 1291, H.R. 3240, and S. 1088. H.R. 1291 passed the House on June 19, 2001. The Committee was discharged from consideration of H.R. 1291 on December 8, 2001, and H.R. 1291 passed the Senate on December 8, 2001, with an amendment in the nature of a substitute, substituting the text of S. 1088, as reported by the Committee on October 15, 2001 (S. Rept. No. 107–86). On December 11, 2001, the House passed H.R. 1291 as further modified, and the Senate passed the amended bill on December 13, 2001. The “Veterans Education and Benefits Expansion Act of 2001” specifies as follows:

Title I—Education Assistance Provisions

A. That the rates in basic educational assistance benefits under the Montgomery GI Bill (“MGIB”) shall be increased;

B. That the rates of survivors’ and dependents’ education assistance shall be increased;

C. That certain education benefits of individuals being ordered to active duty be restored;

D. That payments of educational assistance under MGIB for education leading to employment in the high technology industry may be accelerated;

E. That certain additional Vietnam-era veterans who separated and then reenlisted after the creation of MGIB shall be eligible to receive MGIB benefits;

F. That the maximum allowable annual senior ROTC educational assistance shall be increased;

G. That there shall be a five-year expansion of qualifying work study activities following enactment of Public Law 107–103;

H. That there shall be a delimiting date for dependents’ educational assistance for the eligible dependents of totally disabled service-connected veterans;

I. That special restorative training benefits to certain disabled spouses or surviving spouses shall be expanded;

J. That certain private technology entities shall be included in the definition of educational institution; and

K. That distance education benefits shall be expanded to include a certificate that reflects educational attainment offered by an institution of higher learning.

Title II—Compensation and Pension Provisions

A. That the 30-year limit on the presumptive period for the service connection of herbicide-related respiratory cancers in Vietnam veterans shall be eliminated;

B. That VA shall enter into a contract with the National Academy of Sciences (“NAS”) to review scientific literature to determine whether it is possible to identify a period of time after which a presumption that respiratory cancer is associated with herbicide exposure would no longer be warranted;

C. That VA shall presume that any veteran who served in the Republic of Vietnam during the Vietnam War was exposed to herbicides;

D. That Diabetes Mellitus (Type 2) shall be presumptively service connected for certain qualified Vietnam veterans;

E. That the authority for the Secretary to contract with NAS for biennial reports on diseases potentially associated with herbicide exposure and to presume additional conditions to be associated with herbicide exposure shall be extended by ten years;

F. That an otherwise eligible Persian Gulf veteran shall not be made ineligible for compensation by the diagnosis of a medically unexplained chronic multi symptom illness, and that the Secretary's authority to presume service connection for additional Persian Gulf related conditions shall be extended through December 31, 2011;

G. That service connection for undiagnosed illness shall be preserved for Persian Gulf veterans who participate in research projects;

H. That the limitation on payments of benefits to incompetent institutionalized veterans shall be repealed;

I. That the round-down requirement for compensation costs of living adjustments shall be extended to 2011;

J. That the presumptions of permanent and total disability for veterans applying for non-service-connected pension shall be expanded; and

K. That veterans, 65 years of age or older, who meet the applicable service and income requirements shall be eligible for veterans' pension benefits.

Title III—Transition and Outreach Provisions

A. That VA may establish overseas veterans assistance offices to expand transition assistance;

B. That VA shall provide pre-separation counseling to each member of the armed forces during the 24-month period preceding his or her anticipated retirement date, beginning no later than 90 days before the date of discharge or release;

C. That VA shall improve education and training outreach services for separating servicemembers and veterans by using State approving agencies to actively promote the development of programs of training on the job; and

D. That VA shall provide information concerning VA benefits and health care services programs to a veteran or dependent who first applies for any VA benefit, not later than three months after the date of such application.

Title IV—Housing Matters

A. That VA shall increase the home loan guaranty amount for construction and purchase of homes from \$50,750 to \$60,000;

B. That VA shall extend the Native American Veteran Housing Loan Pilot Program until December 31, 2005;

C. That VA shall provide, by regulation, that at least one instrument evidencing either the loan, mortgage, or deed of trust shall contain a notice that the loan is not assumable without the approval of VA or its authorized agent;

D. That VA shall increase that amount of assistance for specially adapted housing from \$43,000 to \$48,000 for certain eligible veterans to acquire a housing unit, and from \$8,250 to \$9,250 for adaptations to certain veterans' residences;

E. That the authority for housing loans for members of the Selected Reserve shall be extended until September 30, 2009;

F. That the authority for enhanced loan asset sale authority shall be extended to December 31, 2011;

G. That the home loan fee shall be extended to October 1, 2011;

H. That the authority for procedures applicable to liquidation sales on defaulted home loans guaranteed by the VA shall be extended to October 1, 2011; and

I. That the eligibility of members of the Selected Reserve for housing loans be clarified.

Title V—Other Matters

A. That burial and funeral expense benefits shall be increased from \$1,500 to \$2,000 and the increase shall apply to all deaths that occur on or after September 11, 2001;

B. That plot allowance benefits shall be increased from \$150 to \$300 and the increase shall apply to all deaths occurring on or after December 1, 2001;

C. That VA shall furnish and deliver, when requested, an appropriate Government marker at the expense of the United States for the grave of a qualified individual who died before December 31, 2006, and is buried in a private cemetery, notwithstanding that the grave is marked by a headstone or marker furnished at private expense;

D. That the amount of assistance for automobile and adaptive equipment for certain disabled veterans shall be increased from \$8,000 to \$9,000;

E. That the limitation on pension for certain recipients of Medicaid-covered nursing home care shall be extended to September 30, 2011;

F. That there shall be a prohibition on benefits for which a veteran is otherwise eligible while such a veteran is a fugitive felon;

G. That there shall be a limitation on payment of compensation for veterans who have remained incarcerated in a Federal, State, or local penal institution since October 7, 1980;

H. That the requirement for providing a copy of notice of appeal to the Secretary of VA shall be eliminated;

I. That there shall be an increase in fiscal year limitations on the number of veterans in programs of independent living services and assistance from 500 to 2,500; and

J. That technical and clerical amendments be made.

Title VI—United States Court of Appeals for Veterans Claims

A. That the U.S. Court of Appeals for Veterans Claims shall be temporarily expanded by two judges during the period starting January 1, 2002, and ending August 15, 2005;

B. That the timeline for appointment and term of office be defined;

C. That an appointment may not be made to the Court if the appointment would result in more than seven judges on the Court who were appointed after January 1, 1997;

D. That the requirement for written notice regarding the acceptance of reappointment as condition to retirement from the Court be repealed;

E. That section 402 and section 403 of the Veteran's Judicial Review Act, Public Law 100-687, requiring a "Notice of Disagreement" shall be repealed for any appeal filed on or after December 27, 2001, or before December 27, 2001 if a final decision has not been made; and

F. That the Court may exercise, for purposes of management, administration, and expenditure of funds of the Court, the authorities provided for such purposes by any provision of law applicable to a court of the United States.

In addition, four public laws were enacted during the First Session without formal Committee action which contain provisions relating to matters within the Committee's jurisdiction. They are:

1. An act "to name the national cemetery in Saratoga, New York, as the 'Gerald B.H. Solomon Saratoga National Cemetery,'" Public Law 107-136, January 24, 2002. Public Law 107-136 was derived from H.R. 3392, as passed by the House on December 4, 2001, and approved by the Senate on December 20, 2001.

2. An act "to expedite construction of the World War II Memorial in the District of Columbia," Public Law 107-11, May 28, 2001. Public Law 107-11 was derived from H.R. 1696. It passed there House on May 15, 2001, and passed the Senate, with an amendment, by Unanimous Consent on May 21, 2001. The House agreed to the Senate amendment on May 22, 2001.

3. The "National Defense Authorization Act of 2002," Public Law 107-107, December 28, 2001. S. 1438 passed the Senate with amendments on October 2, 2001, and the House on October 17, 2001 (H. Rept. No. 107-194). The measure was agreed to and ordered reported (H. Rept. No. 107-333) by a Committee on Conference on December 12, 2001; agreed to in the House on December 13, 2001, and agreed to in the Senate on December 13, 2001. With respect to programs within the Committee's jurisdiction, Public Law 107-107 specifies as follows:

A. That there shall be \$2,500,000 available for a cooperative VA/Department of Defense ("DoD") medical research program;

B. That there shall be funds made available from the Navy for relocation of VA activities and renovation of facilities at the VA Medical Center in North Chicago, Illinois;

C. That excess clothing, shoes, sleeping bags, and related non-lethal supplies shall be made available to VA for distribution to homeless veterans;

D. That reserve and National Guard components shall be exempted from active duty and strength limitations with regard to active duty or full-time members who must prepare for and perform honors functions for veterans' funerals;

E. That DoD may provide appropriate articles of clothing to veterans organizations or other organizations that participate in a funeral honors detail;

F. That there shall be contingent authority for concurrent receipt of military retired pay and veterans' disability compensation;

G. That VA and DoD may jointly conduct a pilot program to allow VA to perform the physical examinations required of separating servicemembers;

H. That VA and DoD shall jointly conduct a pilot program to provide graduate medical education and training to military and VA physicians through one or more programs carried out in military medical treatment facilities and VA medical centers between January 1, 2003, and July 31, 2008; and

I. That DoD shall have the discretion to allow the transfer of educational entitlements under the Montgomery GI Bill from certain members of the Armed Forces with critical military skills to eligible family members.

4. An act “making appropriations to the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 2002, and for other purposes,” Public Law 107–73, November 26, 2001. Public Law 107–73 was derived from H.R. 2620, as passed by the House on July 31, 2001, and agreed to be the Senate, with amendments, on August 2, 2001. The measure was agreed to in modified form and ordered reported by a Committee on Conference on November 6, 2001 (H. Rept. No. 107–272). H.R. 2620 as amended was agreed to by the House on November 8, 2001, and by the Senate on November 8, 2001.

B. SECOND SESSION

During the Second Session of the 107th Congress, the Committee met in open session one time to consider pending legislation, and reported four bills to the Senate. These bills incorporated provisions derived from one bill which had been approved by the House during the First Session, from six bills approved by the House in 2002, and from three of the reported Senate bills. These provisions were modified and enacted as four public laws (Public Law 107–247, Public Law 107–287, Public Law 107–288, and Public Law 107–330) that are itemized and summarized below.

1. The “Veterans’ Compensation Cost-of-Living Adjustment Act of 2002,” Public Law 107–247, October 23, 2002. The measure was derived from H.R. 4085, as passed by the House on May 21, 2002 (H. Rept. No. 107–472), and S. 2074, reported with amendments on July 22, 2002 (S. Rept. No. 107–215). H.R. 4085 passed the Senate, as amended, on September 26, 2002, and the House agreed to the Senate amendments on October 7, 2002. Public Law 107–247 specifies that there be an increase, effective December 1, 2002, in the rate of compensation for veterans with service-connected disabilities and the rates of dependency and indemnity compensation for the survivors of certain disabled veterans.

2. The “Department of Veterans Affairs Emergency Preparedness Act of 2002,” Public Law 107–287, November 7, 2002. Public Law 107–287 was derived from provisions contained in S. 2132, S. 2186, S. 2187 and H.R. 3253, which passed the House on May 20, 2002 (H. Rept. No. 107–471). S. 2132, as amended, was ordered reported by the Committee on July 31, 2002 (S. Rept. No. 107–229). H.R. 3253, as amended, passed the Senate on August 1, 2002; passed the House as modified on September 17, 2002; passed as amended by the Senate on October 15, 2002; and was agreed to by the House on October 16, 2002. The “Department of Veterans Affairs Emergency Preparedness Act of 2002” specifies as follows:

A. That VA shall be authorized to establish four centers for medical emergency preparedness within the Veterans Health Adminis-

tration, to carry out research on the detection, diagnosis, prevention, and treatment of injuries and illnesses arising from the use of chemical, biological, radiological, incendiary or other explosive weapons or devices;

B. That these centers shall provide medical consequence management education and training to VA health care professionals, and to non-VA care givers at the discretion of VA;

C. That VA shall be authorized to provide laboratory, epidemiological, medical, or other assistance to Federal, State, and local health care agencies and personnel responding to a national emergency;

D. That the number of authorized VA Assistant Secretaries shall increase from six to seven, and that “operations, preparedness, security, and law enforcement” shall be added to the functions that can be assigned to the Assistant Secretaries by the Secretary of Veterans Affairs;

E. That the number of authorized VA Deputy Assistant Secretaries shall increase from 18 to 19;

F. That VA shall carry out a program to develop and disseminate model education and training programs on the medical responses to the consequences of terrorist activities;

G. That VA will be authorized to furnish medical care to individuals, including active duty military casualties, affected by a major disaster or emergency declared by the President under the Stafford Act, or following the activation of the National Disaster Medical System;

H. That VA shall provide for the readiness and security of Department medical facilities, including the safety of staff and patients at such facilities,

I. That VA shall develop and maintain a system for tracking the location and availability of pharmaceuticals, and medical supplies and equipment, throughout the VA health care system;

J. That VA shall establish and maintain a training program to facilitate the participation of VA medical center staff in the National Disaster Medical System; and

K. That VA shall develop strategies to provide mental health counseling and assistance to veterans, emergency response providers, active duty military personnel, and other individuals seeking care at VA medical centers following a bioterrorist attack or other public health emergency.

3. The “Jobs for Veterans Act,” Public Law 107–288, November 7, 2002. Public Law 107–288 was derived from H.R. 4015 (H. Rept. No. 107–476), as passed by the House on May 21, 2002; as approved by the Senate, as amended, on October 15, 2002; and as agreed to by the House on October 16, 2002. The “Jobs for Veterans Act” specifies:

A. That certain veterans and others shall be entitled to priority of service in programs of employment, training and placement services in any qualified job training program funded, in whole or in part, by the Department of Labor (“DoL”);

B. That employers who engage in Federal contracts for \$100,000 or more shall be required to take affirmative action to employ and advance certain veterans;

C. That the time limit for qualified veterans to participate in recruitment appointments in the Federal government following separation from service shall be eliminated;

D. That the States shall create financial and non-financial performance incentives to encourage improvement of veterans' employment, training, and placement services, and to recognize employees for excellence in providing such services through funds made available to States based on criteria established by DoL;

E. That the Assistant Secretary of Labor for Veterans' Employment and Training ("ASVET") shall formulate, implement and oversee policies for all DoL programs that affect veterans in conjunction with States and VA;

F. That DoL shall make funding available to approved veterans' employment programs in each State based on ratio of the number of veterans residing in a State seeking employment to the number of veterans seeking employment in all States, providing for minimum funding levels and "hold harmless" criteria;

G. That the ASVET shall establish and implement a comprehensive performance accountability system for States' employment services for veterans, that shall be weighted to provide consideration for placement of veterans with special needs;

H. That there shall be a technical assistance program to assist States with a deficient entered-employment rate for veterans;

I. That the job qualifications of the ASVET, Deputy ASVET, Disabled Veterans Outreach Program specialists, and local Veterans' Employment Representatives ("LVERs") shall be modified and clarified, as well as the formula for the number of state-based veterans employment personnel;

J. That each State shall employ such full-time and part-time LVERs as the State determines appropriate, but to the maximum extent practicable such employees shall be qualified employees as defined in statute;

K. That the Secretary shall provide "one-stop" services and assistance to covered persons electronically via the Internet and other electronic means;

L. That each DoL budget submission shall include a separate listing of the amount for the National Veterans Employment and Training Services Institute;

M. That information concerning employment programs for recently separated servicemembers and veterans be clarified and included in annual reports;

N. That a President's National Hire Veterans Committee shall be established to facilitate the employment of veterans and disabled veterans, which shall report to Congress from 2003 through 2005; and

O. That the Comptroller General shall study the implementation of the "Jobs for Veterans Act" during 2003 and 2004, assessing the effect of this title on employment, training, and placement services furnished to veterans.

4. The "Veterans Benefits Act of 2002," Public Law 107-330, December 6, 2002. Public Law 107-330 was derived from S. 2237, as amended (S. Rept. No. 107-234), and incorporated provisions from nine other Senate bills: S. 1113, S. 1680, S. 1905, S. 2003, S. 2079, S. 2205, S. 2025, S. 2230, and S. 2231. Public Law 107-330 also contains provisions from four House bills: H. R. 2561, as passed by

the House on December 20, 2001; H.R. 3731, as passed by the House on October 7, 2002; H.R. 4017; and H.R. 5055, as passed by the House on July 22, 2002. S. 2237, as amended, was passed by the Senate on September 26, 2002; by the House, as modified, on November 15, 2002 (on legislative calendar day November 14, 2002); and accepted by the Senate on November 18, 2002. The “Veterans Benefits Act of 2002” specifies as follows:

Title I—Compensation and Benefits Improvements

A. That surviving spouses remarrying after age 55 shall retain CHAMPVA coverage;

B. That women veterans who have suffered the service-connected anatomical loss of 25 percent or more tissue from a single breast or both breasts in combination shall be eligible for special monthly compensation;

C. That a “total” deafness requirement shall be eliminated to allow VA to consider partial non-service-connected hearing loss when rating disability; and

D. That VA shall contract with an independent scientific entity to study exposure to acoustic trauma during military service in a representative sample of servicemembers in each service branch from World War II to present, and shall issue its own report on VA claims and medical treatment for veterans’ hearing loss.

Title II—Memorial Affairs

A. That the issuance of Presidential Certificates of Appreciation, flags, and memorial headstones or grave markers to veterans fleeing from prosecution or convicted of a State or Federal capital crime shall be prohibited;

B. That there shall be clarification to the procedures for disqualification of persons committing capital crimes for internment or memorialization in national cemeteries;

C. That VA’s authority to furnish a marker to veterans buried in already-marked graves at private cemeteries shall be made retroactive to September 11, 2001; and

D. That the Secretary of the Army shall be authorized to place a memorial in Arlington National Cemetery honoring World War II veterans who fought in the Battle of the Bulge.

Title III—Other Matters

A. That there be an increase in the aggregate amount available for State approving agencies for administrative expenses for fiscal years 2003 through 2007;

B. That eligibility for Veterans’ Mortgage Life Insurance be authorized beyond age 70;

C. That VA shall create a two-year pilot program to guarantee hybrid adjustable rate mortgages;

D. That the Medal of Honor special pension shall be increased from \$600 to \$1000;

E. That National Guard members mobilized for more than 30 days by a State at the request of the President or Secretary of Defense in response to a national emergency be afforded protections under the Soldiers’ and Sailors’ Civil Relief Act;

F. That the scheduled-to-expire authorities allowing VA to access IRS information to verify the income of recipients of VA needs-based benefits be extended;

G. That the fee for qualified individuals assuming VA loans be increased from 0.50 to 1.0 percent for fiscal year 2003;

H. That there shall be certain technical amendments to educational provisions; and

I. That the cost-of-living adjustment provided in Public Law 107–247 be codified.

Title IV—Judicial Matters

A. That the standard of review that the U.S. Court of Appeals for Veterans Claims applies to erroneous findings of fact by VA be modified to provide that the appellate review of veterans' claims shall consider the application of the "benefit of the doubt" rule;

B. That the jurisdiction of the U.S. Court of Appeals Federal Circuit shall include U.S. Court of Appeals for Veterans Claims' decisions involving rulings of law not derived from a statute or regulation; and

C. That non-attorney practitioners shall be eligible to receive fees under the Equal Access to Justice Act ("EAJA") for representation provided to VA claimants pro bono, eliminating the requirement for a supervising attorney to sign the EAJA application.

The Committee also reported, S. 2043, the "Long-Term Care and Mental Health Programs Enhancement Act of 2002" on August 1, 2002 (S. Rept. No. 107–231). S. 2043 was derived from provisions contained in S. 1408, S. 1576, S. 2044, S. 2205, S. 2227, and S. 2228. This bill, however, was not enacted into law.

The "Long-Term Care and Mental Health Programs Enhancement Act of 2002," as reported, specifies as follows:

Title I—Long-Term Care and Mental Health Programs Enhancements

A. That the period of provision of non-institutional extended care services and required nursing home care services as provided in Public Law 106–117 would be extended for five years;

B. That funding for a program to expand and improve treatment of post-traumatic stress disorder ("PTSD") and substance use disorders as provided in Public Law 106–117 would be increased from \$15 million to \$25 million per year; that VA would ensure that this funding is in excess of a baseline amount; that these funds would be provided on an annual basis for a three-year period; and that the Secretary would ensure that not less than \$10 million would be allocated by direct grants to programs that are identified by the Mental Health Strategic Health Care Group and the Committee on Care of Severely Chronically Mentally III Veterans, not less than \$5 million would be allocated for PTSD programs, and not less than \$5 million would be allocated for substance use disorder programs;

C. That VA would have permanent authority for counseling and treatment of sexual trauma; and

D. That authority for VA to operate up to five centers for mental illness research, education and clinical activities would be increased to 15 such centers.

Title II—Construction Authorization

A. That the Administration's requested construction projects would be authorized, including seismic corrections to: Building 2 at the Palo Alto, California VAMC in the amount of \$14 million; Building 4 at the Palo Alto, California VAMC in the amount of \$22 million; the West Los Angeles, California VAMC in the amount of \$27 million; and the San Francisco, California VAMC in the amount of \$31 million.

B. That the FY 2001 authorization for the nursing home project at the Beckley, West Virginia VAMC, would be modified; and the authorization for the nursing home project at the Lebanon, Pennsylvania VAMC would be extended;

C. That the threshold for major construction projects would be increased from \$4 million to \$9 million; and

D. That VA would be authorized to make a State Home grant of up to \$16 million to the State of Alaska.

Title III—General Health Care Matters

A. That the income threshold amount for prescription drug co-payments would be modified to be equal to the income threshold for outpatient and inpatient care;

B. That the effective date of the amendment made by section 132 of Public Law 107-135 would be January 23, 2002, and that the Office of Personnel Management would re-compute the annuities of each applicable health care professional who retired before January 23, 2002, but after April 7, 1986;

C. That the eligibility for health care services of veterans who served in Southwest Asia during the Persian Gulf War would be extended for ten years;

D. That Veterans Canteen Service hourly rate employees would be provided with transfer rights to Title 5 position; and

E. That a two-year pilot project of medical care outreach would be established at two locations in the State of Washington.

In addition, four public laws were enacted during the Second Session without formal Committee action which contained provisions relating to matters within the Committee's jurisdiction. The laws were as follows:

1. An act "to name the Department of Veterans Affairs Medical and Regional Office Center in Wichita, Kansas, the 'Robert J. Dole Department of Veterans Affairs Medical and Regional Office Center,'" Public Law 107-184, May 29, 2002. Public Law 107-184 was derived from H.R. 4608 (H. Rept. No. 107-474) as passed by the House on May 20, 2002, and by the Senate on May 22, 2002.

2. An Act "to name the chapel located in the national cemetery in Los Angeles, California, the 'Bob Hope Veterans Chapel,'" Public Law 107-183, May 29, 2002. Public Law 107-183 was derived from H.R. 4592 as passed by the House on May 21, 2002, and by the Senate on May 22, 2002.

3. The "National Defense Authorization Act of 2003," Public Law 107-314, December 2, 2002. Public Law 107-314 was derived from S. 2514 as reported by the Senate Armed Services Committee on May 15, 2002 (S. Rept. No. 107-151). On June 27, 2002, the Senate substituted the text of S. 2514, as amended, for H.R. 4546 (H. Rept. No. 107-436), and passed it. On July 25, 2002, the House substituted the texts of H.R. 4546 and H.R. 4547, as passed by the

House for H.R. 4546, as amended, by the Senate, and passed H.R. 4546, as so amended. The differences between the Senate and House bills were resolved by the Committee on Conference (H. Rept. No. 107-772) and passed by the House of November 12, 2002, and by the Senate on November 13, 2002. With respect to programs that relate to those within the Committee's jurisdiction, Public Law 107-314 specifies as follows:

A. That there shall be enlistment incentives to facilitate national service to include participation in educational programs for the Selected Reserves;

B. That the Secretary of Defense shall provide a stipend, material, equipment and training to persons participating in funeral honors details;

C. That each secretary concerned shall pay a special compensation benefit to retirees who also receive VA disability benefits for qualifying combat-related disabilities;

D. That the time period within which a Reservist may use MGIB benefits shall be extended from 10 to 14 years;

E. That a debt to the Federal government resulting from failure to fulfill obligated Selected Reserves service after usage of MGIB shall not be extinguished through certain types of bankruptcy declarations by the Reservist;

F. That there shall be a process for resolving issues relating to patient safety and continuity of care for covered beneficiaries who are concurrently entitled to TRICARE health care and health care services provided by VA;

G. That DoD shall submit to Congress and VA a comprehensive plan for the review, declassification, and submission to VA of all DoD medical records and information on "Project 112," (a DoD chemical and biological weapons vulnerability testing program), that are relevant to the provision of benefits by VA to veterans who participated in the Project;

H. That DoD and VA shall enter into agreements and contracts for the mutually beneficial coordination, use, or exchange of use of health care resources with the goal of improving access to, and quality and cost-effectiveness of, the health care provided to beneficiaries;

I. That there shall be a joint DoD/VA committee to recommend strategic direction for coordination and sharing efforts;

J. That DoD and VA shall carry out a program to identify, provide incentives to, implement, fund, and evaluate creative coordination and sharing initiatives at the facility, intra-regional and nationwide levels;

K. That there shall be a health care resources sharing project at a minimum of three sites to test the feasibility of measures to improve the sharing and coordination of health care and resources, requiring DoD and VA to test a coordinated management system for participating military and VA facilities;

L. That DoD and VA shall jointly review the adequacy of current authorities and policies for providing health care to members of the armed forces following domestic acts of terrorism or use of weapons of mass destruction, before and after any declaration of national emergency;

M. That on or before October 1, 2004, the pharmacy data systems of VA and DoD shall be interoperable for beneficiaries;

N. That there shall be a pilot program under which graduate medical education and training is provided to DoD military physicians and VA physician employees through one or more programs carried out in DoD and VA medical facilities or centers; and that such program shall terminate on July 31, 2008; and

O. That current VA hospital and nursing home bed limits related to capacity for active duty military casualties during a time of war or national emergency shall be repealed.

4. An act “making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 2003, and for other purposes,” Division K, title I of Public Law 108–7, February 20, 2003. Public Law 108–7 was derived from, among other sources, H.R. 5605 as ordered reported (H. Rept. No. 107–740) on October 10, 2002 and S. 2797 as ordered reported (S. Rept. No. 107–222) on July 25, 2002. Following eight continuing resolutions, a “joint resolution making consolidated appropriations for the fiscal year ending September 30, 2003, and for other purposes,” as passed by the House on January 8, 2003, and was passed, as amended, by the Senate on January 23, 2003. The joint resolution was then agreed to in modified form and ordered reported (H. Rept. No. 108–10) by a Committee on Conference on February 13, 2003, and agreed to by the House and Senate on February 13, 2003. It was signed by the President on February 20, 2003, as Public Law 108–7.

III. NOMINATIONS

A. FIRST SESSION

During the First Session of the 107th Congress, the Committee held four hearings on nominations. The following table portrays the Committee’s and the Senate’s actions regarding this nomination.

Name and position	Date of nomination	Date of hearing	Date reported	Date confirmed
DEPARTMENT OF VETERANS AFFAIRS NOMINATIONS				
Anthony J. Principi, Secretary	January 20, 2001	January 18, 2001	January 23, 2001.
Tim S. McClain, General Counsel	March 22, 2001	April 4, 2001	April 6, 2001	April 6, 2001.
Maureen Cragin, Assistant Secretary for Public and Intergovernmental Affairs.	April 23, 2001	May 16, 2001	May 24, 2001	May 24, 2001.
Robin L. Higgins, Under Secretary for Memorial Affairs.	April 30, 2001	May 16, 2001	May 24, 2001	May 24, 2001.
Leo S. Mackay, Jr., Deputy Secretary	April 30, 2001	May 16, 2001	May 24, 2001	May 24, 2001.
Gordon H. Mansfield, Assistant Secretary for Congressional Affairs.	April 30, 2001	May 16, 2001	July 20, 2001	August 1, 2001.
Jacob Lozada, Assistant Secretary for Human Resources and Administration.	April 30, 2001	May 16, 2001	May 24, 2001	May 24, 2001.
Claude M. Kicklighter, Assistant Secretary for Policy and Planning.	June 27, 2001	August 2, 2001	August 2, 2001	August 3, 2001.
John A. Gauss, Assistant Secretary for In- formation Technology.	July 17, 2001	August 2, 2001	August 2, 2001	August 3, 2001.
DEPARTMENT OF LABOR NOMINATIONS				
Frederico Juarbe, Assistant Secretary for Veterans’ Employment and Training.	September 4, 2001	November 8, 2001	November 8, 2001.

B. SECOND SESSION

During the Second Session of the 107th Congress, the Committee held one hearing on nominations. The following table portrays the Committee’s and the Senate’s actions regarding these nominations.

Name and position	Date of nomination	Date of hearing	Date reported	Date confirmed
DEPARTMENT OF VETERANS AFFAIRS NOMINATIONS				
Daniel L. Cooper, Under Secretary for Benefits.	February 5, 2002	March 14, 2002	March 21, 2002	March 22, 2002.
Robert H. Roswell, MD, Under Secretary for Health.	February 6, 2002	March 14, 2002	March 21, 2002	March 22, 2002.
William H. Campbell, Assistant Secretary for Management.	June 6, 2002	November 19, 2002.

Additionally, the Committee received two nominations to the U.S. Court of Appeals for Veterans Claims: Bruce E. Kasold was nominated on March 21, 2002 to be Judge; and Alan G. Lance, Sr., was nominated on September 24, 2002, to be Judge.

IV. BUDGET FOR VETERANS' PROGRAMS

A. FIRST SESSION

Pursuant to the requirements of section 301(d) of the Congressional Budget Act of 1974, the Democratic and Republican members of the Committee submitted letters to the Budget Committee reflecting the Committee's views and estimates on the Administrations' proposed fiscal year 2002 ("FY 2002") budget for veterans' programs. The letter from Chairman Arlen Specter and the other republican members of the Committee was sent on March 29, 2001. The letter from Ranking Member Senator John D. Rockefeller IV was sent on March 5, 2001.

With respect to discretionary account spending, the Republican members of the Committee noted that the Administration's budget submission proposed a \$1 billion increase for a total of \$23.4 billion. However, the budget submission did not provide specific details about how this amount would be allocated among the various VA accounts. The Republican members noted that it was at a disadvantage in commenting because the Administration had not yet submitted a detailed budget proposal.

With respect to VA's health care funding needs, the Republican members of the Committee indicated that VA required at least \$2.035 billion over FY 2001 levels in order to maintain current services and to implement legislative directives. Accounting for the Administration's predicted \$235 million in savings due to the enactment of "TRICARE for life" legislation and \$200 million in collections from insurance receipts and copayments, the Republican members of the Committee stated that the appropriations increase for health care would need to be \$1.8 billion. The Republican members also recommended lifting the appropriations moratorium on construction due to CARES, urging an increase of \$85 million for major medical construction and \$88 million for minor construction.

Additionally, the Republican members of the Committee recommended that the Secretary's request for an additional \$134 million in FY 2002 for General Operating Expenses be approved, for a total of \$1.23 billion, to fund 900 new staff to accommodate the expected workload increase caused by legislative changes regarding VA's duty to assist claimants, presumptive service connection for Type II diabetes, and educational benefits. They also urged an increase of \$8 million to fund the National Shrine Commitment.

With respect to mandatory account spending, the Republican members of the Committee recommended an increase of \$350 million above the FY 2002 level and \$2.5 billion from FY 2002 through

FY 2006 for Montgomery GI Bill enhancements, expanded compensation for civilians exposed to radiation, burial benefits, and repealing the entire asset-based limitation on compensation for mentally-incapacitated veterans.

In his letter, the Ranking Member Rockefeller urged an appreciable increase in VA discretionary funding. Additionally, Senator Rockefeller recommended a minimum increase of \$1.8 billion in medical funding to meet the requirements of legislation enacted in late 1999 regarding long-term care and emergency care coverage for veterans. The Ranking Member reiterated the call of a consortium of VSOs in the publication *The Independent Budget* for an \$86 million increase over the FY 2001 benefits budget levels, allowing 830 new full-time employees for claims processing. He noted that enhancements in the Montgomery GI Bill and duty-to-assist legislation would also severely affect VBA's workload.

On March 28, 2001, the House passed the Budget Resolution (H. Con. Res. 83). The Senate Committee on the Budget discharged the resolution pursuant to Public Law 93-344 on April 2, 2001, and the Senate passed the Resolution, as amended, on April 6, 2001. The Committee on Conference filed the Conference Report (H. Rept. No. 107-60) on May 8, 2001. The House agreed to the Conference Report on May 9, 2001, and the Senate agreed on May 10, 2001. The Conference Report assumed an increase in funding in mandatory spending for improvements to the Montgomery GI Bill and veterans burial benefits. The agreement also assumed an extension of several expiring provisions of the Omnibus Budget Reconciliation Act of 1990, including IRS income verification for means-tested veterans and survivor benefits; limiting VA pension to Medicaid recipients in nursing homes; and continuing current housing loan fees.

On September 10, 2001, the Committee reported legislation, S. 1188, that would have created and modified compensation and recruiting incentives for VA nurses, that may have been subject to pay-as-you-go procedures (S. Rept. No. 107-80). Provisions from S. 1188 were incorporated into Public Law 107-135. On October 15, 2001, the Committee reported legislation, S. 1088, that would affect several veterans' programs, including education, compensation, pensions, burial benefits, and housing, that may have been subject to pay-as-you-go procedures. Provisions from S. 1088 were incorporated into Public Law 107-103.

B. SECOND SESSION

On March 6, 2002, pursuant to the requirements of section 301(d) of the Congressional Budget Act of 1974, the Chairman and the Ranking Member of the Committee submitted a letter to the Budget Committee reflecting the Committee's views and estimates on the Administration's proposed fiscal year 2003 budget ("FY 2003") for veterans' programs.

The Committee agreed with the Administration that VA required \$2.5 billion in total additional funding in FY 2003 to support its medical care operations. However, the Committee disagreed on how much of this increase should be appropriated rather than collected directly from veterans, rejecting a proposed \$1,500 deductible for Priority 7 enrollees. The Committee stated that it expected VA to improve its insurance collections by \$400 million over the previous

year. Thus, the Committee limited its recommendation for increased medical care appropriations to \$2.1 billion for FY 2003.

The Committee supported the budget request for construction and for General Operating Expenses, but declined to support the proposed shift of veterans employment and training services from the Department of Labor to VA without a more detailed program design.

With respect to mandatory spending, the Committee supported the budget request for \$29.6 billion, an increase of \$1.6 billion for benefits payments above the FY 2002 level. The Committee additionally recommended an increase in the mandatory spending ceiling (above the FY 2003 baseline) of \$250 million in FY 2003, \$1.3 billion from FY 2003 through FY 2007, and \$2.5 billion from FY 2003 through FY 2012. The Committee also requested an adjustment to the Committee's mandatory account spending ceilings in anticipation of legislative action to increase the Survivors' and Dependents' Education Assistance monthly benefit.

On March 22, 2002, the Senate Budget Committee reported S. Con. Res. 100, setting forth the FY 2003 Congressional Budget for the United States. Senate Budget Committee Chairman Conrad issued a report (S. Rept. No. 107-141) with additional views on April 11, 2002. The House Budget Committee reported H. Con. Res. 353 (H. Rept. No. 107-376) on March 15, 2002, which passed the House, as amended, on March 20, 2002. The deeming resolution in H. Con. Res. 353 established the House-passed budget as binding on the House because there was no resolution conference report.

On August 1, 2002, the Committee reported a bill, S. 2237, as amended (S. Rept. No. 107-234), that would have improved veterans' compensation, education, housing, burial, and life insurance benefits, and may have been subject to pay-as-you-go procedures. Provisions from S. 2237 were incorporated into Public Law 107-330. On August 1, 2002, the Committee reported a bill, S. 2043, as amended (S. Rept. No. 107-231), that would have modified income thresholds for determining co-payments for prescription drugs, and may have been subject to pay-as-you-go procedures.