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1ST SESSION

H. R. 2189

IN THE SENATE OF THE UNITED STATES

OCTOBER 29, 2013

Received; read twice and referred to the Committee on Veterans' Affairs

AN ACT

To improve the processing of disability claims by 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. TABLE OF CONTENTS.

2 The table of contents for this Act is as follows:

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- Sec. 102. Supplemental reports to the Strategic Plan to Eliminate the Compensation Claims Backlog.
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TITLE III—OTHER MATTERS

- Sec. 301. Review of operation of certain ships during the Vietnam Era.
- Sec. 302. Methods for validating certain service considered to be active service by the Secretary of Veterans Affairs.
- Sec. 303. Designation of American World War II Cities.
- Sec. 304. Observance of Veterans Day.

3 SEC. 2. SCORING OF BUDGETARY EFFECTS.

4 The budgetary effects of this Act, for the purpose of
5 complying with the Statutory Pay-As-You-Go Act of 2010,
6 shall be determined by reference to the latest statement
7 titled “Budgetary Effects of PAYGO Legislation” for this

1 Act, submitted for printing in the Congressional Record
2 by the Chairman of the House Budget Committee, pro-
3 vided that such statement has been submitted prior to the
4 vote on passage.

5 **TITLE I—IMPROVEMENT OF**
6 **CLAIMS PROCESSING**

7 **SEC. 101. EVALUATION OF BACKLOG OF DISABILITY**
8 **CLAIMS AND APPEALS OF CLAIMS OF DE-**
9 **PARTMENT OF VETERANS AFFAIRS.**

10 (a) IN GENERAL.—There is established a commission
11 or task force to evaluate the backlog of claims within the
12 Department of Veterans Affairs and the appeals process
13 of claims.

14 (b) STUDIES.—

15 (1) BACKLOG STUDY.—

16 (A) IN GENERAL.—The Commission or
17 Task Force, acting through the subcommittee
18 described in subsection (d)(2)(A), shall carry
19 out a study on the backlog of claims, including
20 the current process the Secretary of Veterans
21 Affairs uses to evaluate claims and appeals and
22 the laws and regulations applicable to such
23 claims and appeals. Such study shall be a com-
24 prehensive evaluation and assessment of the
25 backlog of claims, an analysis of possible im-

1 provements to the procedures used to process
2 such claims, and any related issues that the
3 Commission or Task Force considers relevant.

4 (B) MATTERS INCLUDED.—In carrying out
5 the study under subparagraph (A), the Com-
6 mission or Task Force shall examine the fol-
7 lowing:

8 (i) The backlog of claims, including
9 an analysis of—

10 (I) the most effective means to
11 quickly and accurately resolve all
12 claims pending as of the date of the
13 study; and

14 (II) with respect to the Depart-
15 ment, the annual funding, number of
16 full-time employees, workload manage-
17 ment practices, and the progress, as
18 of the date of the study, of the stra-
19 tegic plan.

20 (ii) Possible improvements to the
21 claims process, including an evaluation and
22 recommendations with respect to whether
23 substantive and structural changes to the
24 overall claims process are required.

1 (iii) In carrying out the evaluation
2 and recommendations under subparagraph
3 (B), an examination of—

4 (I) options that make no major
5 substantive changes to the claims
6 process;

7 (II) options that maintain the
8 process but make minor changes; and

9 (III) options that make broad
10 changes to the process.

11 (2) APPEALS PROCESS STUDY.—

12 (A) IN GENERAL.—The Commission or
13 Task Force, acting through the subcommittee
14 described in subsection (d)(2)(B), shall carry
15 out a study on the anticipated increase of ap-
16 peals of claims, including the current appeals
17 process and the laws and regulations applicable
18 to such appeals. Such study shall be a com-
19 prehensive evaluation and assessment of such
20 anticipated increase of appeals claims, an anal-
21 ysis of possible improvements to the procedures
22 used to process such appeals, and any related
23 issues that the Commission or Task Force con-
24 siders relevant.

1 (B) MATTERS INCLUDED.—In carrying out
2 the study under subparagraph (A), the Com-
3 mission or Task Force shall examine the fol-
4 lowing:

5 (i) The anticipated surge in appeals of
6 claims, including an analysis of—

7 (I) the most effective means to
8 quickly and accurately resolve pending
9 appeals and future appeals;

10 (II) with respect to both the
11 Board and the Court of Appeals for
12 Veterans Claims, the annual funding,
13 number of full-time employees, work-
14 load management practices, and the
15 progress, as of the date of the study,
16 of the strategic plan; and

17 (III) the efficiency, effectiveness,
18 and utility of the Veterans Benefits
19 Management System with respect to
20 appeals operations, including an iden-
21 tification of key changes that may
22 need to be implemented to such sys-
23 tem.

24 (ii) Possible improvements to the ap-
25 peals process, including an evaluation and

1 recommendations with respect to whether
2 substantive and structural changes to the
3 overall appeals process are required.

4 (iii) In carrying out the evaluation
5 and recommendations under clause (ii), an
6 examination of—

7 (I) options that make no major
8 substantive changes to the appeals
9 process;

10 (II) options that maintain the
11 process but make minor changes;

12 (III) options that make broad
13 changes to the process;

14 (IV) the necessity of the multi-
15 tiered levels of appeals at the regional
16 office level, including filing a notice of
17 disagreement, receipt of a statement
18 of the case, supplemental statement of
19 the case (if applicable), and sub-
20 stantive appeal (VA Form 9);

21 (V) the role of the Board and the
22 Appeals Management Center, includ-
23 ing—

1 (aa) the effectiveness of the
2 workload management of the
3 Board and the Center;

4 (bb) whether the Board and
5 Center should be regionalized or
6 maintain the centralized struc-
7 ture in the District of Columbia;

8 (cc) whether Board members
9 should be required to pass the
10 administrative law judges certifi-
11 cation examination; and

12 (dd) whether the Board
13 should continue to require de
14 novo review of appeals; and

15 (VI) the role of the Court of Ap-
16 peals for Veterans Claims and the
17 United States Court of Appeals for
18 the Federal Circuit, including—

19 (aa) the continued effective-
20 ness and necessity of a multi-
21 tiered structure of judicial re-
22 view;

23 (bb) whether the Court of
24 Appeals for Veterans Claims

1 should have Article I or Article
2 III status;

3 (cc) expansion of either the
4 Court of Appeals for Veterans
5 Claims or the United States
6 Court of Appeals for the Federal
7 Circuit jurisdiction, including by
8 allowing such courts to hear class
9 action lawsuits with respect to
10 claims; and

11 (dd) the possibility of ex-
12 panding judicial review of claims
13 to all Federal circuit courts of
14 appeals or allowing judicial re-
15 view beyond the Court of Appeals
16 for Veterans Claims only by the
17 Supreme Court.

18 (3) CONSIDERATION.—In carrying out the stud-
19 ies under paragraph (1)(A) and (2)(A) and making
20 any recommendations under this section, the Com-
21 mission or Task Force shall consider the following:

22 (A) The interests of veterans, including
23 with respect to accuracy, fairness, and trans-
24 parency in the claims process of the Depart-
25 ment.

1 (B) The values and requirements of the
2 Constitution, including with respect to compli-
3 ance with procedural and substantive due proc-
4 ess.

5 (C) The public interest, including with re-
6 spect to the responsible use of available re-
7 sources.

8 (D) With respect to the study conducted
9 under paragraph (1)(A), the importance of the
10 claimant friendly, nonadversarial nature of the
11 claims process.

12 (E) With respect to the study conducted
13 under paragraph (2)(A), the importance of an
14 appeals process that is efficient and easily un-
15 derstandable by a claimant.

16 (4) ROLE OF SECRETARY, CHAIRMAN OF THE
17 BOARD, AND CHIEF JUDGE.—

18 (A) INFORMATION.—In carrying out each
19 study under paragraph (1)(A) and (2)(A), at
20 times that the Commission or Task Force de-
21 termines appropriate, the Commission or Task
22 Force shall submit to the Secretary of Veterans
23 Affairs, the Chairman of the Board, and the
24 Chief Judge of the Court of Appeals for Vet-
25 erans Claims, as the case may be, information

1 with respect to remedies and solutions that the
2 Commission or Task Force identifies pursuant
3 to such a study.

4 (B) IMPLEMENTATION.—The Secretary,
5 the Chairman of the Board, and the Chief
6 Judge shall each—

7 (i) fully consider the remedies and so-
8 lutions submitted to the Secretary, the
9 Chairman, or the Chief Judge, as the case
10 may be, under subparagraph (A);

11 (ii) implement such remedies and so-
12 lutions as the Secretary, the Chairman, or
13 the Chief Judge, respectively, determines
14 appropriate; and

15 (iii) submit to Congress justification
16 for failing to implement any such remedy
17 or solution.

18 (C) PLAN.—The Commission or Task
19 Force shall submit to the Secretary, the Chair-
20 man of the Board, and the Chief Judge a fea-
21 sible, timely, and cost-effective plan to eliminate
22 the backlog of appeals of claims based on the
23 remedies and solutions identified pursuant to
24 the study under paragraph (2)(A) and the in-
25 formation submitted under subparagraph (A).

1 (c) COMPREHENSIVE REPORTS.—

2 (1) INITIAL COMPREHENSIVE REPORT.—Not
3 later than 60 days after the date on which the Com-
4 mission or Task Force first meets, the Commission
5 or Task Force shall submit to the President and
6 Congress an initial comprehensive report on the
7 studies conducted under paragraphs (1)(A) and
8 (2)(A) of subsection (b), including—

9 (A) the findings of the causes of the back-
10 log of claims;

11 (B) a proposed plan to handle the antici-
12 pated surge in appeals of claims; and

13 (C) the level of cooperation the Commis-
14 sion or Task Force has received from the Sec-
15 retary and the heads of other departments or
16 agencies of the Federal Government.

17 (2) INTERIM COMPREHENSIVE REPORTS.—Not
18 later than 90 days after the date on which the Com-
19 mission or Task Force first meets, and each 30-day
20 period thereafter ending on the date on which the
21 Commission or Task Force submits the final com-
22 prehensive report under paragraph (3), the Commis-
23 sion or Task Force shall submit to the President
24 and Congress a comprehensive report on—

1 (A) the progress of the Secretary with re-
2 spect to implementing solutions to expedite the
3 elimination of the backlog of claims pursuant to
4 subsection (b)(4)(B)(ii);

5 (B) the progress of the Secretary, the
6 Chairman of the Board, and the Chief Judge of
7 the Court of Appeals for Veterans Claims with
8 respect to implementing solutions to complete
9 appeals of claims in a timely manner in a time-
10 ly manner pursuant to such subsection; and

11 (C) the level of cooperation the Commis-
12 sion or Task Force has received from the Sec-
13 retary and the heads of other departments or
14 agencies of the Federal Government.

15 (3) FINAL COMPREHENSIVE REPORT.—Not
16 later than 180 days after the date on which the
17 Commission or Task Force first meets, the Commis-
18 sion or Task Force shall submit to the President
19 and Congress a comprehensive report on the fol-
20 lowing:

21 (A) With respect to the study conducted
22 under subsection (b)(1)(A)—

23 (i) The findings, conclusions, and rec-
24 ommendations of the Commission or Task

1 Force with respect to the matters referred
2 to in such subsection.

3 (ii) The recommendations of the Com-
4 mission or Task Force for revising and im-
5 proving the backlog of claims and the pro-
6 cedures used to process claims.

7 (iii) The progress of the Secretary
8 with respect to implementing solutions to
9 expedite the elimination of the backlog of
10 claims pursuant to subsection (b)(4)(B)(ii).

11 (iv) Other information and rec-
12 ommendations with respect to claims as
13 the Commission or Task Force considers
14 appropriate.

15 (B) With respect to the study conducted
16 under subsection (b)(2)(A)—

17 (i) The findings, conclusions, and rec-
18 ommendations of the Commission or Task
19 Force with respect to the matters referred
20 to in such subsection.

21 (ii) The recommendations of the Com-
22 mission or Task Force for revising and im-
23 proving the appeals process;

24 (iii) The information described in sub-
25 section (b)(4)(A).

1 (iv) The feasible, timely, and cost ef-
2 fective plan described in subsection
3 (b)(4)(C).

4 (v) The progress of the Secretary, the
5 Chairman of the Board, and the Chief
6 Judge of the Court of Appeals for Vet-
7 erans Claims with respect to implementing
8 solutions to provide timely appeals of
9 claims.

10 (vi) Other information and rec-
11 ommendations with respect to the appeals
12 process as the Commission or Task Force
13 considers appropriate.

14 (d) MEMBERSHIP.—

15 (1) NUMBER AND APPOINTMENT.—The Com-
16 mission or Task Force shall be composed of 15
17 members, appointed as follows:

18 (A) Two members appointed by the Speak-
19 er of the House of Representatives, one of
20 whom shall be designated to serve upon the
21 Subcommittee on the Backlog of Claims and
22 one of whom shall be designated to serve upon
23 the Subcommittee on Appeals.

24 (B) Two members appointed by the minor-
25 ity leader of the House of Representatives, one

1 of whom shall be designated to serve upon the
2 Subcommittee on the Backlog of Claims and
3 one of whom shall be designated to serve upon
4 the Subcommittee on Appeals.

5 (C) Two members appointed by the major-
6 ity leader of the Senate, one of whom shall be
7 designated to serve upon the Subcommittee on
8 the Backlog of Claims and one of whom shall
9 be designated to serve upon the Subcommittee
10 on Appeals.

11 (D) Two members appointed by the minor-
12 ity leader of the Senate, one of whom shall be
13 designated to serve upon the Subcommittee on
14 the Backlog of Claims and one of whom shall
15 be designated to serve upon the Subcommittee
16 on Appeals.

17 (E) Three members appointed by the
18 President, two of whom shall be designated to
19 serve upon the Subcommittee on the Backlog of
20 Claims and one of whom shall be designated to
21 serve upon the Subcommittee on Appeals.

22 (F) One member appointed by the Sec-
23 retary of Defense, whom shall be designated to
24 serve upon the Subcommittee on the Backlog of
25 Claims.

1 (G) Two members appointed by the Sec-
2 retary of Veterans Affairs, one of whom shall be
3 designated to serve upon the Subcommittee on
4 the Backlog of Claims and one of whom shall
5 be designated to serve upon the Subcommittee
6 on Appeals.

7 (H) One member appointed by the Chief
8 Judge of the Court of Appeals for Veterans
9 Claims, whom shall be designated to serve upon
10 the Subcommittee on Appeals.

11 (2) SUBCOMMITTEES.—The Commission or
12 Task Force shall have two subcommittees as follows:

13 (A) A Subcommittee on the Backlog of
14 Claims consisting of the eight members des-
15 ignated in accordance with paragraph (1).

16 (B) A Subcommittee on Appeals consisting
17 of the seven members designated in accordance
18 with paragraph (1).

19 (3) QUALIFICATIONS.—Each member appointed
20 under paragraph (1) shall be appointed based on the
21 experience of the member as a veteran or on the
22 subject matter expertise or other relevant experience
23 of the member.

24 (4) ADVISORS.—

1 (A) IN GENERAL.—In addition to the 15
2 members appointed under paragraph (1), the
3 Commission or Task Force shall—

4 (i) have five nonvoting, nonmember
5 advisors, appointed by a majority of the
6 Commission or Task Force, each from a
7 different organization that represents the
8 interests of veterans; and

9 (ii) seek advice from experts from
10 nongovernmental organizations (including
11 veterans service organizations and military
12 organizations), the Internet technology in-
13 dustry, and the insurance industry.

14 (B) ADVICE.—Individuals described in
15 clause (i) and (ii) of subparagraph (A) shall
16 provide advice to both subcommittees described
17 in paragraph (2).

18 (5) CHAIRMAN.—The President shall designate
19 a member of the Commission or Task Force who is
20 appointed by the President and designated to serve
21 upon the Subcommittee on the Backlog of Claims to
22 serve as the chairman of the Commission or Task
23 Force. The chairman may designate a member to
24 serve as the chairman of the Subcommittee on the
25 Backlog of Claims and a member to serve as the

1 chairman of the Subcommittee on Appeals to chair
2 such subcommittees as the designee of the chairman
3 of the Commission or Task Force.

4 (6) PERIOD OF APPOINTMENT.—Members of
5 the Commission or Task Force shall be appointed
6 for the life of the Commission or Task Force. A va-
7 cancy shall not affect its powers.

8 (7) VACANCY.—A vacancy on the Commission
9 or Task Force shall be filled in the manner in which
10 the original appointment was made.

11 (8) APPOINTMENT DEADLINE.—The appoint-
12 ment of members of the Commission or Task Force
13 established in this section shall be made not later
14 than 15 days after the date of the enactment of this
15 Act.

16 (e) MEETINGS.—

17 (1) INITIAL MEETING.—The Commission or
18 Task Force shall hold its first meeting not later
19 than 15 days after the date on which a majority of
20 the members are appointed.

21 (2) MEETINGS.—The Commission or Task
22 Force shall meet at the call of the chairman.

23 (3) QUORUM.—A majority of the members of
24 the Commission or Task Force shall constitute a
25 quorum, but a lesser number may hold hearings.

1 (f) POWERS OF THE COMMISSION OR TASK FORCE.—

2 (1) HEARINGS.—The Commission or Task
3 Force may hold such hearings, sit and act at such
4 times and places, take such testimony, and receive
5 such evidence as the Commission or Task Force con-
6 siders advisable to carry out the purposes of this
7 section.

8 (2) INFORMATION FROM FEDERAL AGENCIES.—

9 The Commission or Task Force may secure directly
10 from any department or agency of the Federal Gov-
11 ernment such information as the Commission or
12 Task Force considers necessary to carry out the pro-
13 visions of this section. Upon request of the chair-
14 man, the head of such department or agency shall
15 furnish such information to the Commission or Task
16 Force.

17 (3) POSTAL SERVICES.—The Commission or
18 Task Force may use the United States mails in the
19 same manner and under the same conditions as
20 other departments and agencies of the Federal Gov-
21 ernment.

22 (4) GIFTS.—The Commission or Task Force
23 may accept, use, and dispose of gifts or donations of
24 service or property.

25 (g) PERSONNEL MATTERS.—

1 (1) COMPENSATION OF MEMBERS.—Each mem-
2 ber of the Commission or Task Force who is not an
3 officer or employee of the United States shall be
4 compensated at a rate equal to the daily equivalent
5 of the annual rate of basic pay prescribed for level
6 IV of the Executive Schedule under section 5315 of
7 title 5, United States Code, for each day (including
8 travel time) during which the member is engaged in
9 the performance of the duties of the Commission or
10 Task Force. All members of the Commission or
11 Task Force who are officers or employees of the
12 United States shall serve without compensation in
13 addition to that received for their services as officers
14 or employees of the United States.

15 (2) TRAVEL EXPENSES.—The members of the
16 Commission or Task Force shall be allowed travel
17 expenses, including per diem in lieu of subsistence,
18 at rates authorized for employees of agencies under
19 subchapter I of chapter 57 of title 5, United States
20 Code, while away from their homes or regular places
21 of business in the performance of service of the
22 Commission or Task Force.

23 (3) STAFF.—

24 (A) APPOINTMENT.—The chairman of the
25 Commission or Task Force may, without regard

1 to the civil service laws and regulations, appoint
2 an executive director and such other personnel
3 as may be necessary to enable the Commission
4 or Task Force to perform its duties. The ap-
5 pointment of an executive director shall be sub-
6 ject to the approval of the Commission or Task
7 Force.

8 (B) COMPENSATION.—The chairman of
9 the Commission or Task Force may fix the
10 compensation of the executive director and
11 other personnel without regard to the provisions
12 of chapter 51 and subchapter III of chapter 53
13 of title 5, United States Code, relating to classi-
14 fication of positions and General Schedule pay
15 rates, except that the rate of pay for the execu-
16 tive director and other personnel may not ex-
17 ceed the rate payable for level V of the Execu-
18 tive Schedule under section 5316 of such title.

19 (4) DETAIL OF GOVERNMENT EMPLOYEES.—
20 Upon request of the chairman of the Commission or
21 Task Force, the head of any department or agency
22 of the Federal Government may detail, on a nonre-
23 imburseable basis, any personnel of that department
24 or agency to the Commission or Task Force to assist
25 it in carrying out its duties.

1 (5) PROCUREMENT OF TEMPORARY AND INTER-
2 MITTENT SERVICES.—The chairman of the Commis-
3 sion or Task Force may procure temporary and
4 intermittent services under section 3109(b) of title
5 5, United States Code, at rates for individuals which
6 do not exceed the daily equivalent of the annual rate
7 of basic pay prescribed for level V of the Executive
8 Schedule under section 5316 of such title.

9 (h) TERMINATION OF COMMISSION OR TASK
10 FORCE.—The Commission or Task Force shall terminate
11 60 days after the date on which the Commission or Task
12 Force submits the final comprehensive report under sub-
13 section (c)(3).

14 (i) FUNDING.—

15 (1) IN GENERAL.—The Secretary shall, upon
16 the request of the chairman of the Commission or
17 Task Force, make available to the Commission or
18 Task Force such amounts as the Commission or
19 Task Force may require to carry out the duties of
20 the Commission or Task Force under this section.

21 (2) AVAILABILITY.—Any sums made available
22 to the Commission or Task Force shall remain avail-
23 able, without fiscal year limitation, until the termi-
24 nation of the Commission or Task Force.

25 (j) DEFINITIONS.—In this section:

1 (1) The term “appeals process” means the
2 process to appeal the determination by the Secretary
3 of a claim beginning with the notice of disagreement
4 filed pursuant to section 7105 of title 38, United
5 States Code, and ending with the review of a deci-
6 sion by the Supreme Court pursuant to section
7 7292(e) of such title.

8 (2) The term “Board” means the Board of Vet-
9 erans’ Appeals.

10 (3) The term “strategic plan” means the Stra-
11 tegic Plan to Eliminate the Compensation Claims
12 Backlog, published by the Secretary of Veterans Af-
13 fairs on January 25, 2013.

14 **SEC. 102. SUPPLEMENTAL REPORTS TO THE STRATEGIC**
15 **PLAN TO ELIMINATE THE COMPENSATION**
16 **CLAIMS BACKLOG.**

17 Not later than 60 days after the date of the enact-
18 ment of this Act, and every 120 days thereafter until Me-
19 morial Day (May 25), 2015, the Secretary of Veterans Af-
20 fairs shall submit to Congress a supplemental report on
21 the implementation by the Department of Veterans Affairs
22 of the Strategic Plan to Eliminate the Compensation
23 Claims Backlog. Each such report shall include—

24 (1) verification that during the period covered
25 by the report, each claim was approved or denied by

1 not later than 125 days after the date on which the
2 claim is submitted with an accuracy rate of 98 per-
3 cent, as specified in the Strategic Plan;

4 (2) a description of the specific measures, pro-
5 cedures, and metrics used to assess the implementa-
6 tion of the Strategic Plan for purposes of the supple-
7 mental report; and

8 (3) a detailed timeline for the implementation
9 of each initiative contained in the Strategic Plan.

10 **SEC. 103. EXPEDITION OF TRANSFER OF CERTAIN**
11 **RECORDS.**

12 (a) SSA RECORDS.—Not later than 60 days after the
13 date of the enactment of this Act, the Secretary of Vet-
14 erans Affairs shall enter into an agreement with the Com-
15 missioner of the Social Security Administration to ensure
16 that the Commissioner transfers to the Secretary disability
17 or medical records of the Commissioner that the Secretary
18 will use to evaluate a claim by not later than 30 days after
19 the Secretary requests such records.

20 (b) DOD RECORDS.—Not later than 60 days after
21 the date of the enactment of this Act, the Secretary of
22 Veterans Affairs shall enter into an agreement with the
23 Secretary of Defense to ensure that the Secretary of De-
24 fense transfers to the Secretary of Veterans Affairs med-
25 ical records of members or former members of the Armed

1 Forces that the Secretary will use to evaluate a claim by
2 not later than 30 days after the Secretary requests such
3 records.

4 (c) NATIONAL GUARD RECORDS.—Not later than 60
5 days after the date of the enactment of this Act, the Sec-
6 retary of Veterans Affairs and the Secretary of Defense
7 shall jointly—

8 (1) submit to Congress a plan to reduce to 30
9 days the amount of time needed to provide members
10 of the National Guard and the Secretary of Veterans
11 Affairs with the medical records of such members,
12 including by partnering with appropriate officials of
13 Federal or State departments or agencies; and

14 (2) implement such plan.

15 (d) EFFECTIVE DATE.—This section shall take effect
16 on the date that is one year after the date of the enact-
17 ment of this Act.

18 **SEC. 104. CLAIMS PROCESSORS TRAINING.**

19 (a) ESTABLISHMENT.—The Secretary of Veterans
20 Affairs shall establish a training program to provide newly
21 hired claims processors of the Department of Veterans Af-
22 fairs with training for a period of not less than two years.
23 In carrying out such program, the Secretary shall identify
24 successful claims processors of the Department who can
25 assist in the training of newly hired claims processors.

1 (b) ABILITY TO PROCESS CLAIMS.—The Secretary
2 shall carry out the training program established under
3 subsection (a) without increasing the amount of time in
4 which claims are processed by the Department.

5 (c) EFFECTIVE DATE.—This section shall take effect
6 on the date that is one year after the date of the enact-
7 ment of this Act.

8 **SEC. 105. REPORT BY COMPTROLLER GENERAL OF THE**
9 **UNITED STATES.**

10 Not later than one year after the date of the enact-
11 ment of this Act, the Comptroller General of the United
12 States shall submit to Congress a report on the progress
13 of the Secretary of Veterans Affairs in improving the time-
14 liness of claims processing and eliminating the backlog of
15 claims. The report shall include any recommendations of
16 the Comptroller General with respect to improving the
17 ability of the Secretary to make such progress.

18 **SEC. 106. PRIORITY FOR PROCESSING CLAIMS OF THE DE-**
19 **PARTMENT OF VETERANS AFFAIRS.**

20 (a) IN GENERAL.—Subchapter I of chapter 51 of title
21 38, United States Code, is amended by adding at the end
22 the following new section:

1 **“§ 5109C. Priority for processing claims**

2 “(a) PRIORITY.—In processing claims for compensa-
3 tion under this chapter, the Secretary shall provide the
4 following claimants with priority over other claimants:

5 “(1) Veterans who have attained the age of 70.

6 “(2) Veterans who are terminally ill.

7 “(3) Veterans with life-threatening illnesses.

8 “(4) Homeless veterans (as defined in section
9 2002 of this title).

10 “(5) Veterans who were awarded the Medal of
11 Honor.

12 “(6) Veterans who are former prisoners of war.

13 “(7) Veterans whose claims are being reviewed
14 again in relation to a previously denied claim relat-
15 ing to military sexual trauma.

16 “(8) Veterans whom the Secretary determines,
17 on a case-by-case basis, are seriously or very seri-
18 ously injured.

19 “(9) Veterans whom the Secretary determines,
20 on a case-by-case basis, should be given priority
21 under this section based on an application for good
22 cause established by the Secretary.

23 “(b) REGULATIONS.—The Secretary shall prescribe
24 regulations to carry out subsection (a).”.

25 (b) CLERICAL AMENDMENT.—The table of sections
26 at the beginning of such chapter is amended by inserting

1 after the item relating to section 5109B the following new
2 item:

“5109C. Priority for processing claims.”.

3 **SEC. 107. PUBLIC AVAILABILITY OF CERTAIN INFORMA-**
4 **TION ABOUT PENDING AND COMPLETED**
5 **CLAIMS FOR COMPENSATION UNDER THE**
6 **LAWS ADMINISTERED BY THE SECRETARY OF**
7 **VETERANS AFFAIRS.**

8 (a) IN GENERAL.—Subchapter I of chapter 51 of title
9 38, United States Code, is amended by adding after sec-
10 tion 5109C, as added by section 106, the following new
11 section:

12 **“§ 5109D. Information about pending and completed**
13 **claims**

14 “(a) AVAILABILITY OF INFORMATION.—The Sec-
15 retary shall maintain on the Internet website of the De-
16 partment publicly accessible information about pending
17 and completed claims for compensation under chapter 11
18 of this title. Such information shall include each of the
19 following:

20 “(1) For each regional office and for the De-
21 partment as a whole—

22 “(A) the average number of days between
23 the date of the submittal of a claim and the
24 date of the decision with respect to the claim

1 for each of the preceding three-month and one-
2 year period;

3 “(B) the average number of days such a
4 claim is pending during the preceding three-
5 month and one-year periods;

6 “(C) the quality and accuracy rating of the
7 claims adjudication process during the pre-
8 ceding three-month and one-year periods;

9 “(D) the number of claims pending;

10 “(E) the number of pending claims that
11 have been pending for more than 125 days; and

12 “(F) the number of claims completed dur-
13 ing—

14 “(i) the current month, to date;

15 “(ii) the month preceding the current
16 month;

17 “(iii) the current calendar year, to
18 date; and

19 “(iv) the calendar year preceding the
20 current calendar year.

21 “(2) For each medical condition for which a
22 claim for compensation is submitted, for each re-
23 gional office and for the Department as a whole—

24 “(A) the average number of days between
25 the date of the submittal of a claim relating to

1 such medical condition and the date of the deci-
2 sion with respect to the claim for each of the
3 preceding three-month and one-year period;

4 “(B) the average number of days such a
5 claim is pending during the preceding three-
6 month and one-year periods;

7 “(C) the quality and accuracy rating of the
8 claims adjudication process as applied to claims
9 relating to such medical condition during the
10 preceding three-month and one-year periods;

11 “(D) the number of pending claims relat-
12 ing to such condition;

13 “(E) the number of such pending claims
14 that have been pending for more than 125 days;
15 and

16 “(F) the number of claims relating to such
17 medical condition completed during—

18 “(i) the current month, to date;

19 “(ii) the month preceding current
20 month;

21 “(iii) the current calendar year, to
22 date; and

23 “(iv) the calendar year preceding the
24 current calendar year.

1 “(b) UPDATES.—The Secretary shall update the in-
2 formation on the website under subsection (a) not less fre-
3 quently than once every seven days.”.

4 (b) CLERICAL AMENDMENT.—The table of sections
5 at the beginning of such chapter is amended by adding
6 after the item relating to section 5109C, as added by sec-
7 tion 106, the following new item:

“5109D. Information about pending and completed claims.”.

8 **SEC. 108. ANNUAL REPORT ON PROCESSING OF CLAIMS.**

9 (a) IN GENERAL.—Subchapter I of chapter 51 of title
10 38, United States Code, is amended by adding after sec-
11 tion 5109D, as added by section 107, the following new
12 section:

13 **“§ 5109E. Annual report on processing of claims**

14 “(a) ANNUAL REPORT.—The Secretary shall include
15 in the annual report to Congress required under section
16 529 of this title information on the following:

17 “(1) The automatic processing of claims for
18 compensation.

19 “(2) The performance of any regional office
20 that fails to meet the administrative goals of the re-
21 gional office with respect to timeliness and accuracy
22 in processing claims for compensation.

23 “(3) The timeliness of receiving information
24 pursuant to a request by the Secretary to the head
25 of another department or agency of the United

1 States for information required by the Secretary in
2 adjudicating a claim for compensation under chapter
3 11 of this title.

4 “(b) MATTERS INCLUDED.—In carrying out sub-
5 section (a) to include information in the report required
6 under section 529 of this title, the Secretary shall include
7 the following:

8 “(1) With respect to the information required
9 by subsection (a)(1)—

10 “(A) each medical condition for which
11 claims relating to such condition were processed
12 in an electronic automated fashion during the
13 fiscal year covered by the report;

14 “(B) the feasibility of processing any addi-
15 tional medical conditions in an electronic auto-
16 mated fashion and any barriers to such proc-
17 essing, including any such barriers relating to
18 the schedule for rating disabilities under section
19 1155 of this title;

20 “(C) the number of claims for compensa-
21 tion relating to each medical condition sub-
22 mitted during such fiscal year; and

23 “(D) for each medical condition, the per-
24 centage of claims denied and the percentage of
25 claims approved during such fiscal year.

1 “(2) With respect to the information required
2 by subsection (a)(2), in the case of any regional of-
3 fice that, for the fiscal year covered by the report,
4 did not meet the administrative goal of having no
5 claim pending for more than 125 days and achieving
6 an accuracy rating of 98 percent—

7 “(A) a signed statement prepared by the
8 individual serving as director of the regional of-
9 fice as of the date of the submittal of the report
10 containing—

11 “(i) an explanation for why the re-
12 gional office did not meet the goal;

13 “(ii) a description of the additional re-
14 sources needed to enable the regional office
15 to reach the goal; and

16 “(iii) a description of any additional
17 actions planned for the subsequent fiscal
18 year that are proposed to enable the re-
19 gional office to meet the goal; and

20 “(B) a statement prepared by the Under
21 Secretary for Benefits explaining how the fail-
22 ure of the regional office to meet the goal af-
23 fected the performance evaluation of the direc-
24 tor of the regional office.

1 “(3) With respect to the information required
2 by subsection (a)(3)—

3 “(A) the number of requests described in
4 such paragraph made during the fiscal year
5 covered by the report; and

6 “(B) the average response time for such
7 requests made during each month of such fiscal
8 year, as determined based on the period begin-
9 ning on the date on which the Secretary made
10 the request and ending on the date on which
11 the Secretary determines that the request is
12 completed.”.

13 (b) CLERICAL AMENDMENT.—The table of sections
14 at the beginning of such chapter is amended by adding
15 after the item relating to section 5109D, as added by sec-
16 tion 107, the following new item:

 “5109E. Annual report on processing of claims.”.

17 (c) EFFECTIVE DATE.—Section 5109E of title 38,
18 United States Code, as added by subsection (a) shall take
19 effect on the date that is one year after the date of the
20 enactment of this Act.

1 **SEC. 109. DEPARTMENT OF VETERANS AFFAIRS NOTICE OF**
2 **AVERAGE TIMES FOR PROCESSING CLAIMS**
3 **AND PERCENTAGE OF CLAIMS APPROVED.**

4 (a) PUBLIC NOTICE.—The Secretary of Veterans Af-
5 fairs shall post the information described in subsection

6 (c)—

7 (1) in a conspicuous place in each regional of-
8 fice and claims intake facilities of the Department of
9 Veterans Affairs; and

10 (2) on the Internet website of the Department.

11 (b) NOTICE TO APPLICANTS.—

12 (1) IN GENERAL.—The Secretary shall provide
13 to each person who submits a claim for benefits
14 under the laws administered by the Secretary before
15 the person submits such claim—

16 (A) notice of the information described in
17 subsection (c); and

18 (B) notice that, during the period ending
19 on August 6, 2015, the person is eligible to re-
20 ceive up to an extra year of benefits payments
21 if the person files an original claim that is fully
22 developed.

23 (2) ACKNOWLEDGMENT OF RECEIPT OF NO-
24 TICE.—Each person who submits a claim for bene-
25 fits under the laws administered by the Secretary
26 shall include in such application a signed form ac-

1 knowledging that the person received the informa-
2 tion described in subsection (c).

3 (c) INFORMATION DESCRIBED.—

4 (1) IN GENERAL.—The information described in
5 this subsection is the following:

6 (A) The average processing time of the
7 claims described in paragraph (2) and the per-
8 centage of such submitted claims for which ben-
9 efits are awarded.

10 (B) The percentage of each of the fol-
11 lowing types of submitted claims for benefits
12 under the laws administered by the Secretary of
13 Veterans Affairs for which benefits are award-
14 ed:

15 (i) Claims filed by veterans who au-
16 thorized a veterans service organization to
17 act on the veterans' behalf under a durable
18 power of attorney.

19 (ii) Claims filed by veterans who au-
20 thorized a person other than a veterans
21 service organization to act on the veterans'
22 behalf under a durable power of attorney.

23 (iii) Claims filed by veterans who did
24 not authorize a person to act on the vet-

1 erans' behalf under a durable power of at-
2 torney.

3 (2) CLAIMS DESCRIBED.—The claims described
4 in this paragraph are each of the following types of
5 claims for benefits under the laws administered by
6 the Secretary of Veterans Affairs:

7 (A) A fully developed claim that is sub-
8 mitted in standard electronic form.

9 (B) A fully developed claim that is sub-
10 mitted in standard paper form.

11 (C) A claim that is not fully developed that
12 is submitted in standard electronic form.

13 (D) A claim that is not fully developed
14 that is submitted in standard paper form.

15 (E) A claim that is not fully developed that
16 is submitted in nonstandard paper form.

17 (3) UPDATE OF INFORMATION.—The informa-
18 tion described in this subsection shall be updated not
19 less frequently than once each fiscal quarter.

20 (d) EFFECTIVE DATE.—This section shall take effect
21 on the date that is one year after the date of the enact-
22 ment of this Act.

23 **SEC. 110. CLAIM DEFINED.**

24 Except as otherwise provided, in this title, the term
25 “claim” means a claim for disability compensation under

1 the laws administered by the Secretary of Veterans Af-
 2 fairs.

3 **TITLE II—COMPENSATION AND**
 4 **PENSIONS**

5 **SEC. 201. IMPROVEMENTS TO AUTHORITY FOR PERFORM-**
 6 **ANCE OF MEDICAL DISABILITIES EXAMINA-**
 7 **TIONS BY CONTRACT PHYSICIANS.**

8 (a) EXTENSION OF TEMPORARY AUTHORITY.—Sub-
 9 section (c) of section 704 of the Veterans Benefits Act
 10 of 2003 (38 U.S.C. 5101 note) is amended by striking
 11 “December 31, 2013” and inserting “December 31,
 12 2016”.

13 (b) LICENSURE OF CONTRACT PHYSICIANS.—

14 (1) TEMPORARY AUTHORITY.—Such section
 15 704 is further amended—

16 (A) by redesignating subsection (d) as sub-
 17 section (e); and

18 (B) by inserting after subsection (c) the
 19 following new subsection (d):

20 “(d) LICENSURE OF CONTRACT PHYSICIANS.—

21 “(1) IN GENERAL.—Notwithstanding any law
 22 regarding the licensure of physicians, a physician de-
 23 scribed in paragraph (2) may conduct an examina-
 24 tion pursuant to a contract entered into under sub-
 25 section (b) at any location in any State, the District

1 of Columbia, or a Commonwealth, territory, or pos-
2 session of the United States, so long as the examina-
3 tion is within the scope of the authorized duties
4 under such contract.

5 “(2) PHYSICIAN DESCRIBED.—A physician de-
6 scribed in this paragraph is a physician who—

7 “(A) has a current license to practice the
8 health care profession of the physician; and

9 “(B) is performing authorized duties for
10 the Department of Veterans Affairs pursuant to
11 a contract entered into under subsection (b).”.

12 (2) PILOT PROGRAM.—Section 504 of the Vet-
13 erans’ Benefits Improvement Act of 1996 (38
14 U.S.C. 5101 note) is amended—

15 (A) by redesignating subsections (c) and
16 (d) as subsections (d) and (e), respectively; and

17 (B) by inserting after subsection (b) the
18 following new subsection (c):

19 “(c) LICENSURE OF CONTRACT PHYSICIANS.—

20 “(1) IN GENERAL.—Notwithstanding any law
21 regarding the licensure of physicians, a physician de-
22 scribed in paragraph (2) may conduct an examina-
23 tion pursuant to a contract entered into under sub-
24 section (a) at any location in any State, the District
25 of Columbia, or a Commonwealth, territory, or pos-

1 session of the United States, so long as the examina-
2 tion is within the scope of the authorized duties
3 under such contract.

4 “(2) PHYSICIAN DESCRIBED.—A physician de-
5 scribed in this paragraph is a physician who—

6 “(A) has a current license to practice the
7 health care profession of the physician; and

8 “(B) is performing authorized duties for
9 the Department of Veterans Affairs pursuant to
10 a contract entered into under subsection (a).”.

11 (c) EXPANSION OF PILOT PROGRAM.—Subsection (b)
12 of such section 504 is amended to read as follows:

13 “(b) LOCATIONS.—

14 “(1) NUMBER.—The Secretary may carry out
15 the pilot program under this section through not
16 more than 15 regional offices of the Department of
17 Veterans Affairs.

18 “(2) SELECTION.—The Secretary shall select
19 the regional offices under paragraph (1) by ana-
20 lyzing appropriate data to determine the regional of-
21 fices that require support. Such appropriate data
22 shall include—

23 “(A) the number of backlogged claims;

24 “(B) the total pending case workload;

1 “(C) the length of time cases have been
2 pending;

3 “(D) the accuracy of completed cases;

4 “(E) the overall timeliness of completed
5 cases;

6 “(F) the availability and workload of the
7 examination units and physicians of the medical
8 centers in the regional office; and

9 “(G) any other data the Secretary deter-
10 mines appropriate.

11 “(3) ANNUAL ANALYSIS.—The Secretary shall
12 carry out the data analysis of the regional offices
13 under paragraph (2) during each year in which the
14 program under this section is carried out to deter-
15 mine the regional offices selected under paragraph
16 (1) for such year.”.

17 (d) EFFECTIVE DATE.—This section and the amend-
18 ment made by this section shall take effect on the date
19 that is one year after the date of the enactment of this
20 Act.

1 **SEC. 202. CONSIDERATION BY SECRETARY OF VETERANS**
2 **AFFAIRS OF RESOURCES DISPOSED OF FOR**
3 **LESS THAN FAIR MARKET VALUE BY INDIVID-**
4 **UALS APPLYING FOR PENSION.**

5 (a) VETERANS.—Section 1522 of title 38, United
6 States Code, is amended—

7 (1) in subsection (a)—

8 (A) by inserting “(1)” before “The Sec-
9 retary”; and

10 (B) by adding at the end the following new
11 paragraph:

12 “(2)(A) If a veteran otherwise eligible for payment
13 of pension under section 1513 or 1521 of this title or the
14 spouse of such veteran disposes of covered resources for
15 less than fair market value on or after the look-back date
16 described in subparagraph (C)(i), the Secretary shall deny
17 or discontinue the payment of pension to such veteran
18 under section 1513 or 1521 of this title, as the case may
19 be, for months during the period beginning on the date
20 described in subparagraph (D) and equal to the number
21 of months calculated as provided in subparagraph (E).

22 “(B)(i) For purposes of this paragraph, a covered re-
23 source is any resource that was a part of the corpus of
24 the estate of the veteran or, if the veteran has a spouse,
25 the corpus of the estates of the veteran and of the vet-
26 eran’s spouse, that the Secretary considers that under all

1 the circumstances, if the veteran or spouse had not dis-
2 posed of such resource, it would be reasonable that the
3 resource (or some portion of the resource) be consumed
4 for the veteran’s maintenance.

5 “(ii) For purposes of this paragraph, the Secretary
6 may consider, in accordance with regulations the Sec-
7 retary shall prescribe, a transfer of an asset (including a
8 transfer of an asset to an annuity, trust, or other financial
9 instrument or investment) a disposal of a covered resource
10 for less than fair market value if such transfer reduces
11 the amount in the corpus of the estate of the veteran or,
12 if the veteran has a spouse, the corpus of the estates of
13 the veteran and of the veteran’s spouse, that the Secretary
14 considers, under all the circumstances, would be reason-
15 able to be consumed for the veteran’s maintenance.

16 “(C)(i) The look-back date described in this clause
17 is a date that is 36 months before the date described in
18 clause (ii).

19 “(ii) The date described in this clause is the date on
20 which the veteran applies for pension under section 1513
21 or 1521 of this title or, if later, the date on which the
22 veteran (or the spouse of the veteran) disposes of covered
23 resources for less than fair market value.

24 “(D) The date described in this subparagraph is the
25 first day of the first month in or after which covered re-

1 sources were disposed of for less than fair market value
2 and which does not occur in any other period of ineligi-
3 bility under this paragraph.

4 “(E) The number of months calculated under this
5 subparagraph shall be equal to—

6 “(i) the total, cumulative uncompensated value
7 of the portion of covered resources so disposed of by
8 the veteran (or the spouse of the veteran) on or
9 after the look-back date described in subparagraph
10 (C)(i) that the Secretary determines would reason-
11 ably have been consumed for the veteran’s mainte-
12 nance; divided by

13 “(ii) the maximum amount of monthly pension
14 that is payable to a veteran under section 1513 or
15 1521 of this title, including the maximum amount of
16 increased pension payable under such sections on ac-
17 count of family members, but not including any
18 amount of pension payable under such sections be-
19 cause a veteran is in need of regular aid and attend-
20 ance or is permanently housebound,

21 rounded, in the case of any fraction, to the nearest whole
22 number, but shall not in any case exceed 36 months.”;

23 (2) in subsection (b)—

24 (A) by inserting “(1)” before “The Sec-
25 retary”; and

1 (B) by adding at the end the following new
2 paragraph:

3 “(2)(A) If a veteran otherwise eligible for payment
4 of increased pension under subsection (c), (d), (e), or (f)
5 of section 1521 of this title on account of a child, the
6 spouse of the veteran, or the child disposes of covered re-
7 sources for less than fair market value on or after the
8 look-back date described in subparagraph (C)(i), the Sec-
9 retary shall deny or discontinue payment of such increased
10 pension for months during the period beginning on the
11 date described in subparagraph (D) and equal to the num-
12 ber of months calculated as provided in subparagraph (E).

13 “(B)(i) For purposes of this paragraph, a covered re-
14 source is any resource that was a part of the corpus of
15 the estate of the child that the Secretary considers that
16 under all the circumstances, if the veteran, the spouse of
17 the veteran, or the child had not disposed of such resource,
18 it would be reasonable that the resource (or some portion
19 of the resource) be consumed for the child’s maintenance.

20 “(ii) For purposes of this paragraph, the Secretary
21 may consider, in accordance with regulations the Sec-
22 retary shall prescribe, a transfer of an asset (including a
23 transfer of an asset to an annuity, trust, or other financial
24 instrument or investment) a disposal of a covered resource
25 for less than fair market value if such transfer reduces

1 the amount in the corpus of the estate of the child that
2 the Secretary considers, under all the circumstances,
3 would be reasonable to be consumed for the child's mainte-
4 nance.

5 “(C)(i) The look-back date described in this clause
6 is a date that is 36 months before the date described in
7 clause (ii).

8 “(ii) The date described in this clause is the date on
9 which the veteran applies for payment of increased pen-
10 sion under subsection (c), (d), (e), or (f) of section 1521
11 of this title on account of a child or, if later, the date
12 on which the veteran, the spouse of the veteran, or the
13 child disposes of covered resources for less than fair mar-
14 ket value.

15 “(D) The date described in this subparagraph is the
16 first day of the first month in or after which covered re-
17 sources were disposed of for less than fair market value
18 and which does not occur in any other period of ineligi-
19 bility under this paragraph.

20 “(E) The number of months calculated under this
21 subparagraph shall be equal to—

22 “(i) the total, cumulative uncompensated value
23 of the portion of covered resources so disposed of by
24 the veteran, the spouse of the veteran, or the child
25 on or after the look-back date described in subpara-

1 graph (C)(i) that the Secretary determines would
2 reasonably have been consumed for the child’s main-
3 tenance; divided by

4 “(ii) the maximum amount of increased month-
5 ly pension that is payable to a veteran under sub-
6 section (c), (d), (e), or (f) of section 1521 of this
7 title on account of a child,

8 rounded, in the case of any fraction, to the nearest whole
9 number, but shall not in any case exceed 36 months.”;
10 and

11 (3) by adding at the end the following new sub-
12 sections:

13 “(c)(1) The Secretary shall not deny or discontinue
14 payment of pension under section 1513 or 1521 of this
15 title or payment of increased pension under subsection (c),
16 (d), (e), or (f) of section 1521 of this title on account of
17 a child by reason of the application of subsection (a)(2)
18 or (b)(2) of this section to the disposal of resources by
19 an individual to the extent that—

20 “(A) a satisfactory showing is made to the Sec-
21 retary (in accordance with regulations promulgated
22 by the Secretary) that all resources disposed of for
23 less than fair market value have been returned to
24 the individual who disposed of the resources; or

1 “(B) the Secretary determines, under proce-
2 dures established by the Secretary, that the denial
3 or discontinuance of payment would work an undue
4 hardship as determined on the basis of criteria es-
5 tablished by the Secretary.

6 “(2) At the time a veteran applies for pension under
7 section 1513 or 1521 of this title or increased pension
8 under subsection (c), (d), (e), or (f) of section 1521 of
9 this title on account of a child, and at such other times
10 as the Secretary considers appropriate, the Secretary
11 shall—

12 “(A) inform such veteran of the provisions of
13 subsections (a)(2) and (b)(2) providing for a period
14 of ineligibility for payment of pension under such
15 sections for individuals who make certain disposi-
16 tions of resources for less than fair market value;
17 and

18 “(B) obtain from such veteran information
19 which may be used in determining whether or not a
20 period of ineligibility for such payments would be re-
21 quired by reason of such subsections.

22 “(d) Subsections (a)(2) and (b)(2) shall not apply
23 with respect to the disposal of resources or the transfer
24 of an asset if such disposal or transfer is to a trust de-
25 scribed in section 1917(d)(4) of the Social Security Act

1 (42 U.S.C. 1396p(d)(4)) that is established for the benefit
2 of a child of the veteran.”.

3 (b) SURVIVING SPOUSES AND CHILDREN.—Section
4 1543 of such title is amended—

5 (1) in subsection (a)—

6 (A) by redesignating paragraph (2) as
7 paragraph (3);

8 (B) by inserting after paragraph (1) the
9 following new paragraph (2):

10 “(2)(A) If a surviving spouse otherwise eligible for
11 payment of pension under section 1541 of this title dis-
12 poses of covered resources for less than fair market value
13 on or after the look-back date described in subparagraph
14 (C)(i), the Secretary shall deny or discontinue the pay-
15 ment of pension to such surviving spouse under section
16 1541 of this title for months during the period beginning
17 on the date described in subparagraph (D) and equal to
18 the number of months calculated as provided in subpara-
19 graph (E).

20 “(B)(i) For purposes of this paragraph, a covered re-
21 source is any resource that was a part of the corpus of
22 the estate of the surviving spouse that the Secretary con-
23 siders that under all the circumstances, if the surviving
24 spouse had not disposed of such resource, it would be rea-

1 sonable that the resource (or some portion of the resource)
2 be consumed for the surviving spouse’s maintenance.

3 “(ii) For purposes of this paragraph, the Secretary
4 may consider, in accordance with regulations the Sec-
5 retary shall prescribe, a transfer of an asset (including a
6 transfer of an asset to an annuity, trust, or other financial
7 instrument or investment) a disposal of a covered resource
8 for less than fair market value if such transfer reduces
9 the amount in the corpus of the estate of the surviving
10 spouse that the Secretary considers, under all the cir-
11 cumstances, would be reasonable to be consumed for the
12 surviving spouse’s maintenance.

13 “(C)(i) The look-back date described in this clause
14 is a date that is 36 months before the date described in
15 clause (ii).

16 “(ii) The date described in this clause is the date on
17 which the surviving spouse applies for pension under sec-
18 tion 1541 of this title or, if later, the date on which the
19 surviving spouse disposes of covered resources for less
20 than fair market value.

21 “(D) The date described in this subparagraph is the
22 first day of the first month in or after which covered re-
23 sources were disposed of for less than fair market value
24 and which does not occur in any other period of ineligi-
25 bility under this paragraph.

1 “(E) The number of months calculated under this
2 subparagraph shall be equal to—

3 “(i) the total, cumulative uncompensated value
4 of the portion of covered resources so disposed of by
5 the surviving spouse on or after the look-back date
6 described in subparagraph (C)(i) that the Secretary
7 determines would reasonably have been consumed
8 for the surviving spouse’s maintenance; divided by

9 “(ii) the maximum amount of monthly pension
10 that is payable to a surviving spouse under section
11 1541 of this title, including the maximum amount of
12 increased pension payable under such section on ac-
13 count of a child, but not including any amount of
14 pension payable under such section because a sur-
15 viving spouse is in need of regular aid and attend-
16 ance or is permanently housebound,
17 rounded, in the case of any fraction, to the nearest whole
18 number, but shall not in any case exceed 36 months.

19 “(F) In the case of a transfer by the surviving spouse
20 during the veteran’s lifetime that resulted in a period of
21 ineligibility for the veteran under section 1522 of this title,
22 the Secretary shall apply to the surviving spouse any re-
23 maining ineligibility for that period.”; and

24 (C) by adding at the end the following new
25 paragraph:

1 “(4)(A) If a surviving spouse otherwise eligible for
2 payment of increased pension under subsection (c), (d),
3 or (e) of section 1541 of this title on account of a child
4 or the child disposes of covered resources for less than fair
5 market value on or after the look-back date described in
6 subparagraph (C)(i), the Secretary shall deny or dis-
7 continue payment of such increased pension for months
8 during the period beginning on the date described in sub-
9 paragraph (D) and equal to the number of months cal-
10 culated as provided in subparagraph (E).

11 “(B)(i) For purposes of this paragraph, a covered re-
12 source is any resource that was a part of the corpus of
13 the estate of the child that the Secretary considers that
14 under all the circumstances, if the surviving spouse or the
15 child had not disposed of such resource, it would be rea-
16 sonable that the resource (or some portion of the resource)
17 be consumed for the child’s maintenance.

18 “(ii) For purposes of this paragraph, the Secretary
19 may consider, in accordance with regulations the Sec-
20 retary shall prescribe, a transfer of an asset (including a
21 transfer of an asset to an annuity, trust, or other financial
22 instrument or investment) a disposal of a covered resource
23 for less than fair market value if such transfer reduces
24 the amount in the corpus of the estate of the child that
25 the Secretary considers, under all the circumstances,

1 would be reasonable to be consumed for the child’s mainte-
2 nance.

3 “(C)(i) The look-back date described in this clause
4 is a date that is 36 months before the date described in
5 clause (ii).

6 “(ii) The date described in this clause is the date on
7 which the surviving spouse applies for payment of in-
8 creased pension under subsection (c), (d), or (e) of section
9 1541 of this title on account of a child or, if later, the
10 date on which the surviving spouse (or the child) disposes
11 of covered resources for less than fair market value.

12 “(D) The date described in this subparagraph is the
13 first day of the first month in or after which covered re-
14 sources were disposed of for less than fair market value
15 and which does not occur in any other period of ineligi-
16 bility under this paragraph.

17 “(E) The number of months calculated under this
18 clause shall be equal to—

19 “(i) the total, cumulative uncompensated value
20 of the portion of covered resources so disposed of by
21 surviving spouse (or the child) on or after the look-
22 back date described in subparagraph (C)(i) that the
23 Secretary determines would reasonably have been
24 consumed for the child’s maintenance; divided by

1 “(ii) the maximum amount of increased month-
2 ly pension that is payable to a surviving spouse
3 under subsection (c), (d), or (e) of section 1541 of
4 this title on account of a child,
5 rounded, in the case of any fraction, to the nearest whole
6 number, but shall not in any case exceed 36 months.”;

7 (2) in subsection (b)—

8 (A) by inserting “(1)” before “The Sec-
9 retary”; and

10 (B) by adding at the end the following new
11 paragraph:

12 “(2)(A) If a child otherwise eligible for payment of
13 pension under section 1542 of this title or any person with
14 whom such child is residing who is legally responsible for
15 such child’s support disposes of covered resources for less
16 than fair market value on or after the look-back date de-
17 scribed in subparagraph (C)(i), the Secretary shall deny
18 or discontinue the payment of pension to such child under
19 section 1542 of this title for months during the period be-
20 ginning on the date described in subparagraph (D) and
21 equal to the number of months calculated as provided in
22 subparagraph (E).

23 “(B)(i) For purposes of this paragraph, a covered re-
24 source is any resource that was a part of the corpus of
25 the estate of the child or the corpus of the estate of any

1 person with whom such child is residing who is legally re-
2 sponsible for such child's support that the Secretary con-
3 siders that under all the circumstances, if the child or per-
4 son had not disposed of such resource, it would be reason-
5 able that the resource (or some portion of the resource)
6 be consumed for the child's maintenance.

7 “(ii) For purposes of this paragraph, the Secretary
8 may consider, in accordance with regulations the Sec-
9 retary shall prescribe, a transfer of an asset (including a
10 transfer of an asset to an annuity, trust, or other financial
11 instrument or investment) a disposal of a covered resource
12 for less than fair market value if such transfer reduces
13 the amount in the corpus of the estate described in clause
14 (i) that the Secretary considers, under all the cir-
15 cumstances, would be reasonable to be consumed for the
16 child's maintenance.

17 “(C)(i) The look-back date described in this clause
18 is a date that is 36 months before the date described in
19 clause (ii).

20 “(ii) The date described in this clause is the date on
21 which the child applies for pension under section 1542 of
22 this title or, if later, the date on which the child (or person
23 described in subparagraph (B)) disposes of covered re-
24 sources for less than fair market value.

1 “(D) The date described in this clause is the first
2 day of the first month in or after which covered resources
3 were disposed of for less than fair market value and which
4 does not occur in any other period of ineligibility under
5 this paragraph.

6 “(E) The number of months calculated under this
7 clause shall be equal to—

8 “(i) the total, cumulative uncompensated value
9 of the portion of covered resources so disposed of by
10 the child (or person described in subparagraph (B))
11 on or after the look-back date described in subpara-
12 graph (C)(i) that the Secretary determines would
13 reasonably have been consumed for the child’s main-
14 tenance; divided by

15 “(ii) the maximum amount of monthly pension
16 that is payable to a child under section 1542 of this
17 title,

18 rounded, in the case of any fraction, to the nearest whole
19 number, but shall not in any case exceed 36 months.”;
20 and

21 (3) by adding at the end the following new sub-
22 sections:

23 “(c)(1) The Secretary shall not deny or discontinue
24 payment of pension under section 1541 or 1542 of this
25 title or payment of increased pension under subsection (c),

1 (d), or (e) of section 1541 of this title on account of a
2 child by reason of the application of subsection (a)(2),
3 (a)(4), or (b)(2) of this section to the disposal of resources
4 by an individual to the extent that—

5 “(A) a satisfactory showing is made to the Sec-
6 retary (in accordance with regulations promulgated
7 by the Secretary) that all resources disposed of for
8 less than fair market value have been returned to
9 the individual who disposed of the resources; or

10 “(B) the Secretary determines, under proce-
11 dures established by the Secretary, that the denial
12 or discontinuance of payment would work an undue
13 hardship as determined on the basis of criteria es-
14 tablished by the Secretary.

15 “(2) At the time a surviving spouse or child applies
16 for pension under section 1541 or 1542 of this title or
17 increased pension under subsection (c), (d), or (e) of sec-
18 tion 1541 of this title on account of a child, and at such
19 other times as the Secretary considers appropriate, the
20 Secretary shall—

21 “(A) inform such surviving spouse or child of
22 the provisions of subsections (a)(2), (a)(4), and
23 (b)(2), as applicable, providing for a period of ineli-
24 gibility for payment of pension or increased pension
25 under such sections for individuals who make certain

1 dispositions of resources for less than fair market
2 value; and

3 “(B) obtain from such surviving spouse or child
4 information which may be used in determining
5 whether or not a period of ineligibility for such pay-
6 ments would be required by reason of such sub-
7 sections.

8 “(d) Paragraphs (2) and (4) of subsection (a) and
9 subsection (b)(2) shall not apply with respect to the dis-
10 posal of resources or the transfer of an asset if such dis-
11 posal or transfer is to a trust described in section
12 1917(d)(4) of the Social Security Act (42 U.S.C.
13 1396p(d)(4)) that is established for the benefit of a child
14 of the veteran or surviving spouse.”.

15 (c) EFFECTIVE DATE.—Subsections (a)(2), (b)(2),
16 and (c) of section 1522 of title 38, United States Code,
17 as added by subsection (a), and subsections (a)(2), (a)(4),
18 (b)(2), and (c) of section 1543 of such title, as added by
19 subsection (b), shall take effect on the date that is one
20 year after the date of the enactment of this Act and shall
21 apply with respect to payments of pension and increased
22 pension applied for after such date and to payments of
23 pension and increased pension for which eligibility is rede-
24 terminated after such date, except that no reduction in pen-

1 sion shall be made under such subsections because of any
2 disposal of covered resources made before such date.

3 (d) ANNUAL REPORTS.—

4 (1) IN GENERAL.—Not later than two years
5 after the date of the enactment of this Act and not
6 less frequently than once each year thereafter
7 through 2018, the Secretary of Veterans Affairs
8 shall submit to the appropriate committees of Con-
9 gress a report on the administration of subsections
10 (a)(2), (b)(2), and (c) of section 1522 of title 38,
11 United States Code, as added by subsection (a), and
12 subsections (a)(2), (a)(4), (b)(2), and (c) of section
13 1543 of such title, as added by subsection (b), dur-
14 ing the most recent 12-month period.

15 (2) ELEMENTS.—Each report submitted under
16 paragraph (1) shall include the following, for the pe-
17 riod covered by the report:

18 (A) The number of individuals who applied
19 for pension under chapter 15 of such title.

20 (B) The number of individuals who re-
21 ceived pension under such chapter.

22 (C) The number of individuals with respect
23 to whom the Secretary denied or discontinued
24 payment of pension under the subsections re-
25 ferred to in paragraph (1).

1 (D) A description of any trends identified
 2 by the Secretary regarding pension payments
 3 that have occurred as a result of the amend-
 4 ments made by this section.

5 (E) Such other information as the Sec-
 6 retary considers appropriate.

7 (3) APPROPRIATE COMMITTEES OF CONGRESS
 8 DEFINED.—In this subsection, the term “appro-
 9 priate committees of Congress” means—

10 (A) the Committee on Veterans’ Affairs
 11 and the Select Committee on Aging of the Sen-
 12 ate; and

13 (B) the Committee on Veterans’ Affairs of
 14 the House of Representatives.

15 **SEC. 203. BIFURCATED PAYMENTS OF COMPENSATION BEN-**
 16 **EFITS UNDER LAWS ADMINISTERED BY THE**
 17 **SECRETARY OF VETERANS AFFAIRS.**

18 (a) IN GENERAL.—Subchapter III of chapter 51 of
 19 title 38, United States Code, is amended by adding at the
 20 end the following new section:

21 **“§ 5127. Bifurcated payments of compensation bene-**
 22 **fits**

23 “(a) IN GENERAL.—During the eight-year period be-
 24 ginning on the date of the enactment of this section, in
 25 the case of a claim described in subsection (b), prior to

1 adjudicating the claim, the Secretary shall make payments
2 of monetary benefits to the claimant based on any dis-
3 ability for which the Secretary has made a decision. Upon
4 the adjudication of the claim, the Secretary shall pay to
5 the claimant any monetary benefits awarded to the claim-
6 ant for the period of payment under section 5111 of this
7 title less the amount of such benefits paid to the claimant
8 under this section.

9 “(b) CLAIM DESCRIBED.—A claim described in this
10 subsection is a claim for disability compensation under
11 chapter 11 of this title—

12 “(1) the adjudication of which requires the Sec-
13 retary to make decisions with respect to two or more
14 disabilities; and

15 “(2) for which, before completing the adjudica-
16 tion of the claim, the Secretary makes a decision
17 with respect to a disability that would result in the
18 payment of monetary benefits to the claimant upon
19 the adjudication of the claim.”.

20 (b) CLERICAL AMENDMENT.—The table of sections
21 at the beginning of such chapter is amended by adding
22 at the end of the items relating to such subchapter the
23 following new item:

“5127. Bifurcated payments of compensation benefits.”.

24 (c) EFFECTIVE DATE.—Section 5127 of title 38,
25 United State Code, as added by subsection (a) shall take

1 effect on the date that is one year after the date of the
2 enactment of this Act.

3 **SEC. 204. PENSION FOR CERTAIN VETERANS COVERED BY**
4 **MEDICAID PLANS FOR SERVICES FURNISHED**
5 **BY NURSING FACILITIES.**

6 Section 5503(d)(7) of title 38, United States Code,
7 is amended by striking “November 30, 2016” and insert-
8 ing “September 30, 2018”.

9 **TITLE III—OTHER MATTERS**

10 **SEC. 301. REVIEW OF OPERATION OF CERTAIN SHIPS DUR-**
11 **ING THE VIETNAM ERA.**

12 (a) REVIEW REQUIRED.—By not later than one year
13 after the date of the enactment of this Act, the Secretary
14 of Defense shall review the logs of each ship under the
15 authority of the Secretary of the Navy that is known to
16 have operated in the waters near Vietnam during the pe-
17 riod beginning on January 9, 1962, and ending on May
18 7, 1975, to determine—

19 (1) whether each such ship operated in the ter-
20 ritorial waters of the Republic of Vietnam during
21 such period; and

22 (2) for each such ship that so operated—

23 (A) the date or dates when the ship so op-
24 erated; and

1 (B) the distance from the shore of the lo-
2 cation where the ship operated that was the
3 closest proximity to shore.

4 (b) PROVISION OF INFORMATION TO THE SECRETARY
5 OF VETERANS AFFAIRS.—Upon a determination that any
6 such ship so operated, the Secretary of Defense shall pro-
7 vide such determination, together with the information de-
8 scribed in subsection (a)(2) about the ship, to the Sec-
9 retary of Veterans Affairs.

10 (c) PUBLIC AVAILABILITY OF INFORMATION.—The
11 Secretary of Veterans Affairs shall make publicly available
12 all unclassified information provided to the Secretary
13 under subsection (b).

14 **SEC. 302. METHODS FOR VALIDATING CERTAIN SERVICE**
15 **CONSIDERED TO BE ACTIVE SERVICE BY THE**
16 **SECRETARY OF VETERANS AFFAIRS.**

17 (a) FINDINGS.—Congress makes the following find-
18 ings:

19 (1) The Merchant Marine Act, 1936 established
20 the United States Maritime Commission, and stated
21 as a matter of policy that the United States should
22 have a merchant marine that is “capable of serving
23 as a naval and military auxiliary in time of war or
24 national emergency”.

1 (2) The Social Security Act Amendments of
2 1939 (Public Law 76–379) expanded the definition
3 of employment to include service “on or in connec-
4 tion with an American vessel under contract of serv-
5 ice which is entered into within the United States or
6 during the performance of which the vessel touches
7 at a port in the United States, if the employee is
8 employed on and in connection with such vessel”.

9 (3) The Joint Resolution to repeal sections 2,
10 3, and 6 of the Neutrality Act of 1939, and for
11 other purposes (Public Law 77–294; 55 Stat. 764)
12 repealed section 6 of the Neutrality Act of 1939 (re-
13 lated to the arming of United States vessels) and
14 authorized the President during the national emer-
15 gency to arm or permit to arm any United States
16 vessel.

17 (4) On February 7, 1942, President Franklin
18 D. Roosevelt, through Executive Order Number
19 9054, established the War Shipping Administration
20 that was charged with building or purchasing, and
21 operating the civilian shipping vessels needed for the
22 war effort.

23 (5) During World War II, United States mer-
24 chant mariners transported goods and materials

1 through “contested waters” to the various combat
2 theaters.

3 (6) At the conclusion of World War II, United
4 States merchant mariners were responsible for
5 transporting several million members of the United
6 States Armed Forces back to the United States.

7 (7) The GI Bill Improvement Act of 1977
8 (Public Law 95–202) provided that the Secretary of
9 Defense could determine that service for the Armed
10 Forces by organized groups of civilians, or contrac-
11 tors, be considered “active service” for benefits ad-
12 ministered by the Veterans Administration.

13 (8) Department of Defense Directive 1000.20
14 directed that the determination be made by the Sec-
15 retary of the Air Force, and established the Civilian/
16 Military Service Review Board and Advisory Panel.

17 (9) In 1987, three merchant mariners along
18 with the AFL–CIO sued Edward C. Aldridge, Sec-
19 retary of the Air Force, challenging the denial of
20 their application for veterans status. In *Schumacher*
21 *v. Aldridge* (665 F. Supp. 41 (D.D.C. 1987)), the
22 Court determined that Secretary Aldridge had failed
23 to “articulate clear and intelligible criteria for the
24 administration” of the application approval process.

1 (10) During World War II, women were repeat-
2 edly denied issuance of official documentation af-
3 firming their merchant marine seaman status by the
4 War Shipping Administration.

5 (11) Coast Guard Information Sheet #77
6 (April 1992) identifies the following acceptable
7 forms of documentation for eligibility meeting the
8 requirements set forth in the GI Bill Improvement
9 Act of 1977 (Public Law 95-202) and Veterans
10 Programs Enhancement Act of 1998 (Public Law
11 105-368):

12 (A) Certificate of shipping and discharge
13 forms.

14 (B) Continuous discharge books (ship's
15 deck or engine logbooks).

16 (C) Company letters showing vessel names
17 and dates of voyages.

18 (12) Coast Guard Commandant Order of March
19 20, 1944, relieved masters of tugs, towboats, and
20 seagoing barges of the responsibility of submitting
21 reports of seamen shipped or discharged on forms,
22 meaning certificates of shipping and discharge forms
23 are not available to all eligible individuals seeking to
24 document their eligibility.

1 (13) Coast Guard Information Sheet #77
2 (April 1992) states that “deck logs were tradition-
3 ally considered to be the property of the owners of
4 the ships. After World War II, however, the deck
5 and engine logbooks of vessels operated by the War
6 Shipping Administration were turned over to that
7 agency by the ship owners, and were destroyed dur-
8 ing the 1970s”, meaning that continuous discharge
9 books are not available to all eligible individuals
10 seeking to document their eligibility.

11 (14) Coast Guard Information Sheet #77
12 (April, 1992) states “some World War II period log
13 books do not name ports visited during the voyage
14 due to wartime security restrictions”, meaning that
15 company letters showing vessel names and dates of
16 voyages are not available to all eligible individuals
17 seeking to document their eligibility.

18 (b) METHODS FOR VALIDATING CERTAIN SERVICE
19 CONSIDERED TO BE ACTIVE SERVICE BY THE SEC-
20 RETARY OF VETERANS AFFAIRS.—

21 (1) IN GENERAL.—For the purposes of
22 verifying that an individual performed service under
23 honorably conditions that satisfies the requirements
24 of a coastwise merchant seaman who is recognized
25 pursuant to section 401 of the GI Bill Improvement

1 Act of 1977 (Public Law 95–202; 38 U.S.C. 106
2 note) as having performed active duty service for the
3 purposes described in paragraph (3)(A), the Sec-
4 retary of Homeland Security shall accept the fol-
5 lowing:

6 (A) In the case of an individual who served
7 on a coastwise merchant vessel seeking such
8 recognition for whom no applicable Coast
9 Guard shipping or discharge form, ship logbook,
10 merchant mariner’s document or Z-card, or
11 other official employment record is available,
12 the Secretary shall provide such recognition on
13 the basis of applicable Social Security Adminis-
14 tration records submitted for or by the indi-
15 vidual, together with validated testimony given
16 by the individual or the primary next of kin of
17 the individual that the individual performed
18 such service during the period beginning on De-
19 cember 7, 1941, and ending on December 31,
20 1946.

21 (B) In the case of an individual who served
22 on a coastwise merchant vessel seeking such
23 recognition for whom the applicable Coast
24 Guard shipping or discharge form, ship logbook,
25 merchant mariner’s document or Z-card, or

1 other official employment record has been de-
2 stroyed or otherwise become unavailable by rea-
3 son of any action committed by a person re-
4 sponsible for the control and maintenance of
5 such form, logbook, or record, the Secretary
6 shall accept other official documentation dem-
7 onstrating that the individual performed such
8 service during period beginning on December 7,
9 1941, and ending on December 31, 1946.

10 (C) For the purpose of determining wheth-
11 er to recognize service allegedly performed dur-
12 ing the period beginning on December 7, 1941,
13 and ending on December 31, 1946, the Sec-
14 retary shall recognize masters of seagoing ves-
15 sels or other officers in command of similarly
16 organized groups as agents of the United States
17 who were authorized to document any indi-
18 vidual for purposes of hiring the individual to
19 perform service in the merchant marine or dis-
20 charging an individual from such service.

21 (2) TREATMENT OF OTHER DOCUMENTA-
22 TION.—Other documentation accepted by the Sec-
23 retary of Homeland Security pursuant to paragraph
24 (1)(B) shall satisfy all requirements for eligibility of

1 service during the period beginning on December 7,
2 1941, and ending on December 31, 1946.

3 (3) BENEFITS ALLOWED.—

4 (A) BURIAL BENEFITS ELIGIBILITY.—

5 Service of an individual that is considered ac-
6 tive duty pursuant to paragraph (1) shall be
7 considered as active duty service with respect to
8 providing burial benefits under chapters 23 and
9 24 of title 38, United States Code, to the indi-
10 vidual.

11 (B) MEDALS, RIBBONS, AND DECORA-

12 TIONS.—An individual whose service is recog-
13 nized as active duty pursuant to paragraph (1)
14 may be awarded an appropriate medal, ribbon,
15 or other military decoration based on such serv-
16 ice.

17 (C) STATUS OF VETERAN.—An individual

18 whose service is recognized as active duty pur-
19 suant to paragraph (1) shall be honored as a
20 veteran but shall not be entitled by reason of
21 such recognized service to any benefit that is
22 not described in this subsection.

23 (4) DETERMINATION OF COASTWISE MERCHANT

24 SEAMAN.—The Secretary of Homeland Security
25 shall verify that an individual performed service

1 under honorable conditions that satisfies the require-
2 ments of a coastwise merchant seaman pursuant to
3 this section without regard to the sex, age, or dis-
4 ability of the individual during the period in which
5 the individual served as such a coastwise merchant
6 seaman.

7 (5) DEFINITION OF PRIMARY NEXT OF KIN.—
8 In this section, the term “primary next of kin” with
9 respect to an individual seeking recognition for serv-
10 ice under this section means the closest living rel-
11 ative of the individual who was alive during the pe-
12 riod of such service.

13 (6) EFFECTIVE DATE.—This section shall take
14 effect 90 days after the date of the enactment of
15 this Act.

16 **SEC. 303. DESIGNATION OF AMERICAN WORLD WAR II CIT-**
17 **IES.**

18 (a) IN GENERAL.—The Secretary of Veterans Affairs
19 shall designate at least one city in the United States each
20 year as an “American World War II City”.

21 (b) CRITERIA FOR DESIGNATION.—After the des-
22 ignation made under subsection (c), the Secretary, in con-
23 sultation with the Secretary of Defense, shall make each
24 designation under subsection (a) based on the following
25 criteria:

1 (1) Contributions by a city to the war effort
2 during World War II, including those related to de-
3 fense manufacturing, bond drives, service in the
4 Armed Forces, and the presence of military facilities
5 within the city.

6 (2) Efforts by a city to preserve the history of
7 the city’s contributions during World War II, includ-
8 ing through the establishment of preservation orga-
9 nizations or museums, restoration of World War II
10 facilities, and recognition of World War II veterans.

11 (c) **FIRST AMERICAN WORLD WAR II CITY.**—The
12 city of Wilmington, North Carolina, is designated as an
13 “American World War II City”.

14 **SEC. 304. OBSERVANCE OF VETERANS DAY.**

15 (a) **TWO MINUTES OF SILENCE.**—Chapter 1 of title
16 36, United States Code, is amended by adding at the end
17 the following new section:

18 **“§ 145. Veterans Day**

19 “The President shall issue each year a proclamation
20 calling on the people of the United States to observe two
21 minutes of silence on Veterans Day in honor of the service
22 and sacrifice of veterans throughout the history of the Na-
23 tion, beginning at—

24 “(1) 3:11 p.m. Atlantic standard time;

25 “(2) 2:11 p.m. eastern standard time;

1 “(3) 1:11 p.m. central standard time;
2 “(4) 12:11 p.m. mountain standard time;
3 “(5) 11:11 a.m. Pacific standard time;
4 “(6) 10:11 a.m. Alaska standard time; and
5 “(7) 9:11 a.m. Hawaii-Aleutian standard
6 time.”.

7 (b) CLERICAL AMENDMENT.—The table of sections
8 for chapter 1 of title 36, United States Code, is amended
9 by adding at the end the following new item:

“145. Veterans Day.”.

Passed the House of Representatives October 28,
2013.

Attest:

KAREN L. HAAS,
Clerk.