

America's problems, not our own problems or our own challenges. But in some ways finishing last year's business this year is a fitting end to the 108th Congress.

#### REPUBLICAN RULES CHANGE

(Mr. PALLONE asked and was given permission to address the House for 1 minute.)

Mr. PALLONE. Mr. Speaker, this morning, House Republicans are meeting here on Capitol Hill to vote on a change to their conference rules. A new rule would allow an indicted leader to continue in his position as leader if the indictment comes from a State grand jury.

Can my colleagues imagine that? If House Republicans make this rule change, they are condoning unethical behavior at the State level by their own leaders here in the House. The American people should be outraged by this arrogant behavior.

Back in 1993, Republicans made the change in their rules to demonstrate to the American people that they were not above the law, that if they ran this House, the American people would not have to worry about ethical problems, that Republicans would hold themselves to a higher standard.

Now, however, it appears that higher standard is gone. House Republicans are saying they are willing to stand behind one of their leaders after he is indicted by a State grand jury. It does not matter the charge. The Republicans simply do not care. But I am betting that the American people will care, Mr. Speaker.

#### TRIBUTE TO RAUL A. BESTEIRO, JR.

(Mr. HINOJOSA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HINOJOSA. Mr. Speaker, I rise today to pay tribute to one of the finest citizens of South Texas, Raul A. Besteiro, Jr., who passed away November 14, 2004. The Brownsville Herald called him a "Brownsville Pioneer" because of his groundbreaking efforts to transform the region.

For those of us committed to education and economic development, he was the ultimate role model. Mr. Besteiro dedicated his life to improving educational and economic opportunities for his hometown of Brownsville, Texas. He has left a lasting impact on the entire south Texas region.

Mr. Besteiro saw the potential of our region and committed his life's work to helping us achieve it. Whether he was preparing future scientists in the classroom, leading a school system to excellence, or promoting the economic development of our region through the Brownsville Port Authority, Raul Besteiro made south Texas a better and stronger place to live in. Let us carry out his legacy. He will be sorely missed, and we mourn his passing.

#### MORAL VALUE OF GOVERNMENT'S "BORROW AND SPEND" ECONOMIC POLICIES

(Mr. DAVIS of Tennessee asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DAVIS of Tennessee. Mr. Speaker, there has been a lot of talk and discussion in media and throughout the country about morals and the role they played in the elections. I personally welcome these discussions, but I am saddened by the fact that there has been little talk about the moral values of the government's "borrow and spend" economic policies.

This week, we will have a vote to raise the debt ceiling for the third time in the last 3 years. Why? Because Congress has been content to manage the American taxpayers' money in a way that immorally disregards the well-being of our Nation's economic future.

I believe it is immoral for this country to keep racking up debt as far as the eye can see only to pass it on to our children and our grandchildren. I think it is immoral to continue to borrow and spend and ask our soldiers to make the ultimate sacrifice while we refuse to make even marginal sacrifices in our fiscal policies.

Mr. Speaker, last week, on Thursday, November 11, the 278th Regimental Combat Unit left for Iraq. Many of these brave men and women of this National Guard unit come from my district in Tennessee. I was able to visit the 278th in Fort Shelby, Mississippi, the day they went off to defend our country. I wish them luck and offer my prayers for their safe return home.

□ 1015

Now I wish our soldiers' government would take the steps necessary to curb this deficit spending, to reinstate true budget enforcement measures like pay-go, and to pay down this national debt instead of continuing to raise the ceiling, so that when our troops return home, they are not left footing the bill for a war they so bravely fought. As we continue to discuss morality in America, I hope we will not continue to ignore the immoralities within our current fiscal policies.

#### RECESS

The SPEAKER pro tempore (Mr. DAVIS of Tennessee). Pursuant to clause 12(a) of rule I, the Chair declares the House in recess subject to the call of the Chair.

Accordingly (at 10 o'clock and 15 minutes a.m.), the House stood in recess subject to the call of the Chair.

□ 1400

#### AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. SIMPSON) at 2 p.m.

#### ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, the Chair will postpone further proceedings today on motions to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 6 of rule XX.

Record votes on postponed questions will be taken later in the day.

#### VETERANS BENEFITS IMPROVEMENT ACT OF 2004

Mr. SMITH of New Jersey. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 2486) to amend title 38, United States Code, to improve and extend housing, education, and other benefits under the laws administered by the Secretary of Veterans Affairs, and for other purposes.

The Clerk read as follows:

S. 2486

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

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

(a) SHORT TITLE.—This Act may be cited as the "Veterans Benefits Improvement Act of 2004".

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

Sec. 1. Short title; table of contents.  
Sec. 2. Reference to title 38, United States Code.

#### TITLE I—VETERANS EARN AND LEARN ACT

- Sec. 101. Short title.  
Sec. 102. Modification of benefit entitlement charges for certain on-job training programs.  
Sec. 103. Increase in benefit for individuals pursuing apprenticeship or on-job training.  
Sec. 104. Authority for competency-based apprenticeship programs.  
Sec. 105. Ten-year extension of delimiting period for survivors' and dependents' educational assistance for spouses of members who die on active duty.  
Sec. 106. Availability of education benefits for payment for national admissions exams and national exams for credit at institutions of higher education.  
Sec. 107. Requirement for coordination of data among the Departments of Veterans Affairs, Defense, and Labor with respect to on-job training.  
Sec. 108. Pilot program to provide on-job benefits to train Department of Veterans Affairs' claims adjudicators.  
Sec. 109. Collection of payment for educational assistance under Montgomery GI Bill from members of the Selected Reserve called to active duty.  
Sec. 110. Technical and conforming amendments.

#### TITLE II—EMPLOYMENT MATTERS

##### Subtitle A—Employment and Reemployment Rights

- Sec. 201. Two-year period of continuation of employer-sponsored health care coverage.

- Sec. 202. Reinstatement of reporting requirements.
- Sec. 203. Requirement for employers to provide notice of rights and duties under USERRA.
- Sec. 204. Demonstration project for referral of USERRA claims against Federal agencies to the Office of Special Counsel.

#### Subtitle B—Other Matters

- Sec. 211. Report of employment placement, retention, and advancement of recently separated servicemembers.

#### TITLE III—BENEFITS MATTERS

- Sec. 301. Additional dependency and indemnity compensation for surviving spouses with dependent children.
- Sec. 302. Offset of veterans' disability compensation and dependency and indemnity compensation from awards under radiation exposure compensation program.
- Sec. 303. Exclusion of life insurance proceeds from consideration as income for veterans' pension purposes.
- Sec. 304. Certain service-connected disability benefits authorized for persons disabled by treatment or vocational rehabilitation provided by the Department of Veterans Affairs.
- Sec. 305. Effective date of death pension.
- Sec. 306. Codification of administrative actions relating to presumptions of service connection for veterans exposed to ionizing radiation.
- Sec. 307. Codification of cost-of-living adjustment provided in Public Law 108-47.
- Sec. 308. Cross-reference amendments relating to concurrent payment of retired pay and veterans' disability compensation.

#### TITLE IV—HOUSING MATTERS

- Sec. 401. Authority to provide specially adapted housing to certain disabled veterans.
- Sec. 402. Transitional housing amendments.
- Sec. 403. Increase in maximum amount of home loan guaranty for construction and purchase of homes and annual indexing of amount.
- Sec. 404. Extension of authority for guarantee of adjustable rate mortgages.
- Sec. 405. Extension and improvement of authority for guarantee of hybrid adjustable rate mortgages.
- Sec. 406. Termination of collection of loan fees from veterans rated eligible for compensation at pre-discharge rating examinations.
- Sec. 407. Three-year extension of Native American veteran housing loan pilot program.

#### TITLE V—MATTERS RELATING TO FIDUCIARIES

- Sec. 501. Definition of fiduciary.
- Sec. 502. Inquiry, investigations, and qualification of fiduciaries.
- Sec. 503. Misuse of benefits by fiduciaries.
- Sec. 504. Additional protections for beneficiaries with fiduciaries.
- Sec. 505. Annual report.
- Sec. 506. Annual adjustment in benefits thresholds.
- Sec. 507. Effective dates.

#### TITLE VI—MEMORIAL AFFAIRS MATTERS

- Sec. 601. Designation of Prisoner of War/Missing in Action National Memorial, Riverside National Cemetery, Riverside, California.
- Sec. 602. Lease of certain National Cemetery Administration property.
- Sec. 603. Exchanges of real property for national cemeteries.

#### TITLE VII—IMPROVEMENTS TO SERVICEMEMBERS CIVIL RELIEF ACT

- Sec. 701. Clarification of meaning of "judgment" as used in the Act.
- Sec. 702. Requirements relating to waiver of rights under the Act.
- Sec. 703. Right of servicemember plaintiffs to request stay of civil proceedings.
- Sec. 704. Termination of leases.

#### TITLE VIII—OTHER MATTERS

- Sec. 801. Principal office of United States Court of Appeals for Veterans Claims.
- Sec. 802. Technical amendments relating to the United States Court of Appeals for Veterans Claims.
- Sec. 803. Extension of biennial report of Advisory Committee on Former Prisoners of War.
- Sec. 804. Availability of administrative and judicial redress for certain veterans denied opportunity to compete for Federal employment.
- Sec. 805. Report on servicemembers' and veterans' awareness of benefits and services available under laws administered by Secretary of Veterans Affairs.

#### SEC. 2. REFERENCE TO TITLE 38, UNITED STATES CODE.

Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of title 38, United States Code.

#### TITLE I—VETERANS EARN AND LEARN ACT

##### SEC. 101. SHORT TITLE.

This title may be cited as the "Veterans Earn and Learn Act of 2004".

##### SEC. 102. MODIFICATION OF BENEFIT ENTITLEMENT CHARGES FOR CERTAIN ON-JOB TRAINING PROGRAMS.

(a) IN GENERAL.—Section 3687 is amended by adding at the end the following new subsection:

"(e)(1) For each month that an individual (as defined in paragraph (3)) is paid a training assistance allowance under subsection (a), the entitlement of the individual shall be charged at a percentage rate (rounded to the nearest percent) that is equal to the ratio of—

"(A) the training assistance allowance for the month involved, to

"(B) the monthly educational assistance allowance otherwise payable for full-time enrollment in an educational institution."

"(2) For any month in which an individual fails to complete 120 hours of training, the entitlement otherwise chargeable under paragraph (1) shall be reduced in the same proportion as the monthly training assistance allowance payable is reduced under subsection (b)(3).

"(3) In this section, the term 'individual' means—

"(A) an eligible veteran who is entitled to monthly educational assistance allowances payable under section 3015(e) of this title, or

"(B) an eligible person who is entitled to monthly educational assistance allowances payable under section 3532(a) of this title,

as the case may be."

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply with respect to months beginning after September 30, 2005.

##### SEC. 103. INCREASE IN BENEFIT FOR INDIVIDUALS PURSUING APPRENTICESHIP OR ON-JOB TRAINING.

(a) MONTGOMERY GI BILL.—For months beginning on or after October 1, 2005, and before January 1, 2008, subsection (c)(1) of section 3032 of title 38, United States Code, shall be applied as if—

(1) the reference to "75 percent" in subparagraph (A) were a reference to "85 percent";

(2) the reference to "55 percent" in subparagraph (B) were a reference to "65 percent"; and

(3) the reference to "35 percent" in subparagraph (C) were a reference to "45 percent".

(b) POST-VIETNAM ERA VETERANS' EDUCATIONAL ASSISTANCE.—For months beginning on or after October 1, 2005, and before January 1, 2008, subsection (a) of section 3233 of title 38, United States Code, shall be applied as if—

(1) the reference to "75 percent" in paragraph (1) were a reference to "85 percent";

(2) the reference to "55 percent" in paragraph (2) were a reference to "65 percent"; and

(3) the reference to "35 percent" in paragraph (3) were a reference to "45 percent".

(c) SURVIVORS AND DEPENDENTS EDUCATIONAL ASSISTANCE.—(1) For months beginning on or after October 1, 2005, and before January 1, 2008, subsection (b)(2) of section 3687 of title 38, United States Code, shall be applied as if—

(A) the reference to "\$574 for the first six months" were a reference to "\$650 for the first six months";

(B) the reference to "\$429 for the second six months" were a reference to "\$507 for the second six months"; and

(C) the reference to "\$285 for the third six months" were a reference to "\$366 for the third six months".

(2) Subsection (d) of such section 3687 shall not apply with respect to the provisions of paragraph (1) for months occurring during fiscal year 2006.

(3) For months beginning on or after January 1, 2008, the Secretary shall carry out subsection (b)(2) of such section 3687 as if paragraphs (1) and (2) were not enacted into law.

(d) SELECTED RESERVE MONTGOMERY GI BILL.—For months beginning on or after October 1, 2005, and before January 1, 2008, Subsection (d)(1) of section 16131 of title 10, United States Code, shall be applied as if—

(1) the reference to "75 percent" in subparagraph (A) were a reference to "85 percent";

(2) the reference to "55 percent" in subparagraph (B) were a reference to "65 percent"; and

(3) the reference to "35 percent" in subparagraph (C) were a reference to "45 percent".

##### SEC. 104. AUTHORITY FOR COMPETENCY-BASED APPRENTICESHIP PROGRAMS.

(a) IN GENERAL.—Section 3672(c) is amended—

(1) by striking "(1)" and "(2)" and inserting "(A)" and "(B)", respectively;

(2) by inserting "(1)" after "(c)"; and

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

"(2) The period of a program of apprenticeship may be determined based upon a specific period of time (commonly referred to as a 'time-based program'), based upon the demonstration of successful mastery of skills (commonly referred to as a 'competency-based program'), or based upon a combination thereof.

“(3)(A) In the case of a competency-based program of apprenticeship, State approving agencies shall determine the period for which payment may be made for such a program under chapters 30 and 35 of this title and chapter 1606 of title 10. In determining the period of such a program, State approving agencies shall take into consideration the approximate term of the program recommended in registered apprenticeship program standards recognized by the Secretary of Labor.

“(B) The sponsor of a competency-based program of apprenticeship shall provide notice to the State approving agency involved of any such standards that may apply to the program and the proposed approximate period of training under the program.

“(4) The sponsor of a competency-based program of apprenticeship shall notify the Secretary upon the successful completion of a program of apprenticeship by an individual under chapter 30 or 35 of this title, or chapter 1606 of title 10, as the case may be.”.

(b) **INCREASED USE OF APPRENTICESHIPS.**—Section 3672(d)(1) is amended by adding at the end the following new sentence: “The Secretary of Labor shall provide assistance and services to the Secretary, and to State approving agencies, to increase the use of apprenticeships.”.

(c) **FUNDING FOR DEPARTMENT COMPUTER SYSTEM MODIFICATIONS.**—From amounts appropriated to the Department of Veterans Affairs for fiscal year 2005 for readjustment benefits, the Secretary of Veterans Affairs shall use an amount not to exceed \$3,000,000 to modify computer systems and to develop procedures required to carry out the amendments made by subsection (a) and sections 102 and 103.

**SEC. 105. TEN-YEAR EXTENSION OF DELIMITING PERIOD FOR SURVIVORS' AND DEPENDENTS' EDUCATIONAL ASSISTANCE FOR SPOUSES OF MEMBERS WHO DIE ON ACTIVE DUTY.**

Section 3512(b)(1) is amended—

(1) in subparagraph (A), by striking “in subparagraph (B)” and inserting “in subparagraph (B) or (C)”;

(2) by adding at the end the following new subparagraph:

“(C) Notwithstanding subparagraph (A), an eligible person referred to in that subparagraph who is made eligible under section 3501(a)(1)(B) of this title by reason of the death of a person on active duty may be afforded educational assistance under this chapter during the 20-year period beginning on the date (as determined by the Secretary) such person becomes an eligible person within the meaning of such section.”.

**SEC. 106. AVAILABILITY OF EDUCATION BENEFITS FOR PAYMENT FOR NATIONAL ADMISSIONS EXAMS AND NATIONAL EXAMS FOR CREDIT AT INSTITUTIONS OF HIGHER EDUCATION.**

(a) **COVERED EXAMS.**—Sections 3452(b) and 3501(a)(5) are each amended by adding at the end the following new sentence: “Such term also includes national tests for admission to institutions of higher learning or graduate schools (such as the Scholastic Aptitude Test (SAT), Law School Admission Test (LSAT), Graduate Record Exam (GRE), and Graduate Management Admission Test (GMAT)) and national tests providing an opportunity for course credit at institutions of higher learning (such as the Advanced Placement (AP) exam and College-Level Examination Program (CLEP)).”.

(b) **AMOUNT OF PAYMENT.**—

(1) **CHAPTER 30.**—Section 3032 is amended by adding at the end the following new subsection:

“(g)(1) Subject to paragraph (3), the amount of educational assistance payable under this chapter for a national test for ad-

mission or national test providing an opportunity for course credit at institutions of higher learning described in section 3452(b) of this title is the amount of the fee charged for the test.

“(2) The number of months of entitlement charged in the case of any individual for a test described in paragraph (1) is equal to the number (including any fraction) determined by dividing the total amount of educational assistance paid such individual for such test by the full-time monthly institutional rate of educational assistance, except for paragraph (1), such individual would otherwise be paid under subsection (a)(1), (b)(1), (d), or (e)(1) of section 3015 of this title, as the case may be.

“(3) In no event shall payment of educational assistance under this subsection for a test described in paragraph (1) exceed the amount of the individual's available entitlement under this chapter.”.

(2) **CHAPTER 32.**—Section 3232 is amended by adding at the end the following new subsection:

“(d)(1) Subject to paragraph (3), the amount of educational assistance payable under this chapter for a national test for admission or national test providing an opportunity for course credit at institutions of higher learning described in section 3452(b) of this title is the amount of the fee charged for the test.

“(2) The number of months of entitlement charged in the case of any individual for a test described in paragraph (1) is equal to the number (including any fraction) determined by dividing the total amount of educational assistance paid such individual for such test by the full-time monthly institutional rate of educational assistance, except for paragraph (1), such individual would otherwise be paid under this chapter.

“(3) In no event shall payment of educational assistance under this subsection for a test described in paragraph (1) exceed the amount of the individual's available entitlement under this chapter.”.

(3) **CHAPTER 35.**—Section 3532 is amended by adding at the end the following new subsection:

“(g)(1) Subject to paragraph (3), the amount of educational assistance payable under this chapter for a national test for admission or national test providing an opportunity for course credit at institutions of higher learning described in section 3501(a)(5) of this title is the amount of the fee charged for the test.

“(2) The number of months of entitlement charged in the case of any individual for a test described in paragraph (1) is equal to the number (including any fraction) determined by dividing the total amount of educational assistance paid such individual for such test by the full-time monthly institutional rate of educational assistance, except for paragraph (1), such individual would otherwise be paid under this chapter.

“(3) In no event shall payment of educational assistance under this subsection for a test described in paragraph (1) exceed the amount of the individual's available entitlement under this chapter.”.

**SEC. 107. REQUIREMENT FOR COORDINATION OF DATA AMONG THE DEPARTMENTS OF VETERANS AFFAIRS, DEFENSE, AND LABOR WITH RESPECT TO ON-JOB TRAINING.**

Section 3694 is amended—

(1) by striking “In carrying out” and inserting “(a) IN GENERAL.—In carrying out”;

(2) by adding at the end the following new subsection:

“(b) **COORDINATION OF INFORMATION AMONG THE DEPARTMENTS OF VETERANS AFFAIRS, DEFENSE, AND LABOR WITH RESPECT TO ON-JOB**

**TRAINING.**—At the time of a servicemember's discharge or release from active duty service, the Secretary of Defense shall furnish to the Secretary such pertinent information concerning each registered apprenticeship pursued by the servicemember during the period of active duty service of the servicemember. The Secretary, in conjunction with the Secretary of Labor, shall encourage and assist States and private organizations to give credit to servicemembers for the registered apprenticeship program so pursued in the case of any related apprenticeship program the servicemember may pursue as a civilian.”.

**SEC. 108. PILOT PROGRAM TO PROVIDE ON-JOB BENEFITS TO TRAIN DEPARTMENT OF VETERANS AFFAIRS' CLAIMS ADJUDICATORS.**

Section 3677 is amended by adding at the end the following new subsection:

“(d)(1) The Secretary may conduct a pilot program under which the Secretary operates a program of training on the job under this section for a period (notwithstanding subsection (c)(2)) of up to three years in duration to train employees of the Department to become qualified adjudicators of claims for compensation, dependency and indemnity compensation, and pension.

“(2)(A) Not later than three years after the implementation of the pilot project, the Secretary shall submit to Congress an initial report on the pilot project. The report shall include an assessment of the usefulness of the program in recruiting and retaining of personnel of the Department as well as an assessment of the value of the program as a training program.

“(B) Not later than 18 months after the date on which the initial report under subparagraph (A) is submitted, the Secretary shall submit to Congress a final report on the pilot project. The final report shall include recommendations of the Secretary with respect to continuation of the pilot project and with respect to expansion of the types of claims for which the extended period of on the job training is available to train such employees.”.

**SEC. 109. COLLECTION OF PAYMENT FOR EDUCATIONAL ASSISTANCE UNDER MONTGOMERY GI BILL FROM MEMBERS OF THE SELECTED RESERVE CALLED TO ACTIVE DUTY.**

(a) **ACTIVE DUTY PROGRAM.**—Section 3011(b) is amended—

(1) by striking “The basic pay” and inserting “(1) Except as provided in paragraph (2), the basic pay”;

(2) by designating the second sentence as paragraph (3) and in that paragraph by striking “this chapter” and inserting “this subsection”;

(3) by inserting after paragraph (1), as so designated, the following new paragraph:

“(2) In the case of an individual covered by paragraph (1) who is a member of the Selected Reserve, the Secretary of Defense shall collect from the individual an amount equal to \$1,200 not later than one year after completion by the individual of the two years of service on active duty providing the basis for such entitlement. The Secretary of Defense may collect such amount through reductions in basic pay in accordance with paragraph (1) or through such other method as the Secretary of Defense considers appropriate.”.

(b) **SELECTED RESERVE PROGRAM.**—Section 3012(c) is amended—

(1) by striking “The basic pay” and inserting “(1) Except as provided in paragraph (2), the basic pay”;

(2) by designating the second sentence as paragraph (3) and in that paragraph by striking “this chapter” and inserting “this subsection”;

(3) by inserting after paragraph (1), as so designated, the following new paragraph:

“(2) In the case of an individual covered by paragraph (1) who is a member of the Selected Reserve, the Secretary of Defense shall collect from the individual an amount equal to \$1,200 not later than one year after completion by the individual of the two years of service on active duty providing the basis for such entitlement. The Secretary of Defense may collect such amount through reductions in basic pay in accordance with paragraph (1) or through such other method as the Secretary of Defense considers appropriate.”.

#### SEC. 110. TECHNICAL AND CONFORMING AMENDMENTS.

(a) DEFINITION OF TRAINING ESTABLISHMENT.—Section 3452(e), as amended by section 301 of the Veterans Benefits Act of 2003 (Public Law 108-183; 117 Stat. 2658), is amended in paragraph (5) to read as follows:

“(5) The sponsor of a program of apprenticeship.”.

(b) CLARIFICATION OF APPLICABLE APPRENTICESHIP STANDARDS.—(1) Section 3672(c), as amended by section 105(a), is amended in subparagraph (A) by inserting “apprenticeship” before “standards”.

(2) Section 3672(d)(1) is amended by striking “of programs of training on the job (including programs of apprenticeship)” and inserting “of apprenticeship and on the job training programs”.

(c) RECORD-KEEPING REQUIREMENTS FOR QUALIFIED PROVIDERS OF ENTREPRENEURSHIP COURSES.—(1) Section 3675(c) is amended by adding at the end the following new paragraph:

“(4) Notwithstanding paragraph (3), a qualified provider of entrepreneurship courses shall maintain such records as the Secretary determines to be necessary to comply with reporting requirements that apply under section 3684(a)(1) of this title with respect to eligible persons and veterans enrolled in an entrepreneurship course offered by the provider.”.

(2) The amendment made by paragraph (1) shall take effect as if included in the enactment of section 305(a) of the Veterans Benefits Act of 2003 (Public Law 108-183; 117 Stat. 2660).

(d) AUTHORITY TO PAY REPORTING FEE.—Section 3684(c) is amended by striking “or to any joint apprenticeship training committee acting as a training establishment” and inserting “or to the sponsor of a program of apprenticeship”.

### TITLE II—EMPLOYMENT MATTERS

#### Subtitle A—Employment and Reemployment Rights

#### SEC. 201. TWO-YEAR PERIOD OF CONTINUATION OF EMPLOYER-SPONSORED HEALTH CARE COVERAGE.

(a) IMPROVEMENT IN PERIOD OF COVERAGE.—Subsection (a)(1)(A) of section 4317 is amended by striking “18-month period” and inserting “24-month period”.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to elections made under section 4317 of title 38, United States Code, on or after the date of the enactment of this Act.

#### SEC. 202. REINSTATEMENT OF REPORTING REQUIREMENTS.

Section 4332 is amended in the matter preceding paragraph (1) by striking “no later than February 1, 1996, and annually thereafter through 2000” and inserting “no later than February 1, 2005, and annually thereafter”.

#### SEC. 203. REQUIREMENT FOR EMPLOYERS TO PROVIDE NOTICE OF RIGHTS AND DUTIES UNDER USERRA.

(a) NOTICE.—Chapter 43 is amended by adding at the end the following new section:

#### “§ 4334. Notice of rights and duties

“(a) REQUIREMENT TO PROVIDE NOTICE.—Each employer shall provide to persons entitled to rights and benefits under this chapter a notice of the rights, benefits, and obligations of such persons and such employers under this chapter. The requirement for the provision of notice under this section may be met by the posting of the notice where employers customarily place notices for employees.”.

“(b) CONTENT OF NOTICE.—The Secretary shall provide to employers the text of the notice to be provided under this section.”.

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

“4334. Notice of rights and duties.”.

(c) IMPLEMENTATION.—(1) Not later than the date that is 90 days after the date of the enactment of this Act, the Secretary of Labor shall make available to employers the notice required under section 4334 of title 38, United States Code, as added by subsection (a).

(2) The amendments made by this section shall apply to employers under chapter 43 of title 38, United States Code, on and after the first date referred to in paragraph (1).

#### SEC. 204. DEMONSTRATION PROJECT FOR REFERRAL OF USERRA CLAIMS AGAINST FEDERAL AGENCIES TO THE OFFICE OF SPECIAL COUNSEL.

(a) ESTABLISHMENT OF PROJECT.—The Secretary of Labor and the Office of Special Counsel shall carry out a demonstration project under which certain claims against Federal executive agencies under the Uniformed Services Employment and Reemployment Rights Act under chapter 43 of title 38, United States Code, are referred to, or otherwise received by, the Office of Special Counsel for assistance, including investigation and resolution of the claim as well as enforcement of rights with respect to the claim.

(b) REFERRAL OF ALL PROHIBITED PERSONNEL ACTION CLAIMS TO THE OFFICE OF SPECIAL COUNSEL.—(1) Under the demonstration project, the Office of Special Counsel shall receive and investigate all claims under the Uniformed Services Employment and Reemployment Rights Act with respect to Federal executive agencies in cases where the Office of Special Counsel has jurisdiction over related claims pursuant to section 1212 of title 5, United States Code.

(2) For purposes of paragraph (1), a related claim is a claim involving the same Federal executive agency and the same or similar factual allegations or legal issues as those being pursued under a claim under the Uniformed Services Employment and Reemployment Rights Act.

(c) REFERRAL OF OTHER CLAIMS AGAINST FEDERAL EXECUTIVE AGENCIES.—(1) Under the demonstration project, the Secretary—

(A) shall refer to the Office of Special Counsel all claims described in paragraph (2) made during the period of the demonstration project; and

(B) may refer any claim described in paragraph (2) filed before the demonstration project that is pending before the Secretary at the beginning of the demonstration project.

(2) A claim referred to in paragraph (1) is a claim under chapter 43 of title 38, United States Code, against a Federal executive agency by a claimant with a social security account number with an odd number as its terminal digit, or, in the case of a claim that does not contain a social security account number, a case number assigned to the claim with an odd number as its terminal digit.

(d) ADMINISTRATION OF DEMONSTRATION PROJECT.—(1) The Office of Special Counsel

shall administer the demonstration project. The Secretary shall cooperate with the Office of Special Counsel in carrying out the demonstration project.

(2) In the case of any claim referred, or otherwise received by, to the Office of Special Counsel under the demonstration project, any reference to the “Secretary” in sections 4321, 4322, and 4326 of title 38, United States Code, is deemed a reference to the “Office of Special Counsel”.

(3) In the case of any claim referred to, or otherwise received by, the Office of Special Counsel under the demonstration project, the Office of Special Counsel shall retain administrative jurisdiction over the claim.

(e) PERIOD OF PROJECT.—The demonstration project shall be carried out during the period beginning on the date that is 60 days after the date of the enactment of this Act, and ending on September 30, 2007.

(f) EVALUATIONS AND REPORT.—(1) The Comptroller General of the United States shall conduct periodic evaluations of the demonstration project under this section.

(2) Not later than April 1, 2007, the Comptroller General shall submit to Congress a report on the evaluations conducted under paragraph (1). The report shall include the following information and recommendations:

(A) A description of the operation and results of the demonstration program, including—

(i) the number of claims described in subsection (c) referred to, or otherwise received by, the Office of Special Counsel, and the number of such claims referred to the Secretary of Labor; and

(ii) for each Federal executive agency, the number of claims resolved, the type of corrective action obtained, the period of time for final resolution of the claim, and the results obtained.

(B) An assessment of whether referral to the office of special counsel of claims under the demonstration project—

(i) improved services to servicemembers and veterans; or

(ii) significantly reduced or eliminated duplication of effort and unintended delays in resolving meritorious claims of those servicemembers and veterans.

(C) An assessment of the feasibility and advisability of referring all claims under chapter 43 of title 38, United States Code, against Federal executive agencies to the Office of Special Counsel for investigation and resolution.

(D) Such other recommendations for administrative action or legislation as the Comptroller General determines appropriate.

(g) DEFINITIONS.—In this section:

(1) The term “Office of Special Counsel” means the Office of Special Counsel established by section 1211 of title 5, United States Code.

(2) The term “Secretary” means the Secretary of Labor.

(3) The term “Federal executive agency” has the meaning given that term in section 4303(5) of title 38, United States Code.

#### Subtitle B—Other Matters

#### SEC. 211. REPORT OF EMPLOYMENT PLACEMENT, RETENTION, AND ADVANCEMENT OF RECENTLY SEPARATED SERVICEMEMBERS.

(a) CONTRACT FOR REPORT.—Not later than 180 days after the date of the enactment of this Act, the Secretary of Veterans Affairs shall enter into a contract with a qualified entity to conduct a study of and prepare a report on the employment histories of recently separated servicemembers.

(b) CONTENT OF REPORT.—(1) The study conducted pursuant to subsection (a) shall consist of an analysis of employment-related data that have been collected with respect to recently separated servicemembers.

(2) In conducting the study, the qualified entity shall—

(A) determine whether the employment obtained by recently separated servicemembers is commensurate with training and education of those servicemembers;

(B) determine whether recently separated servicemembers received educational assistance or training and rehabilitation under programs administered by the Secretary of Veterans Affairs under chapter 30 or 31 of title 38, United States Code, or under chapter 1606 of title 10, United States Code;

(C) determine whether transition assistance services provided to recently separated servicemembers assisted those servicemembers in obtaining civilian employment;

(D) analyze trends in hiring of veterans by the private sector; and

(E) identify recently separated servicemembers who have reached senior level management positions.

(c) **USE OF DATA.**—In conducting the study under subsection (a), the qualified entity shall review data compiled and reported by the Bureau of Labor Statistics and shall collect additional data on the employment histories of recently separated servicemembers available from such other sources as the qualified entity determines to be appropriate.

(d) **CONTRACT REQUIREMENTS.**—(1) The contract entered into under subsection (a) shall contain such terms and conditions as the Secretary may require. The contract shall require that the report on the study be submitted to the Secretary not later than 2 years after the date on which the contract was entered into.

(2) The report required under subsection (a) shall contain the findings and conclusions of the qualified entity on the study and specific recommendations to improve employment opportunities for veterans recently separated from service in the Armed Forces, including, if appropriate, recommendations for—

(A) the establishment of networks of contacts for employment of such veterans in the private sector;

(B) outreach to private sector leaders on the merits and sound business practice of hiring such veterans; and

(C) additional methods to facilitate communication between private sector employers and such veterans who are seeking employment.

(e) **FUNDING.**—Payment by the Secretary for the contract entered into under subsection (a)—

(1) shall be made from the Department of Veterans Affairs appropriations account from which payments for readjustment benefits are made; and

(2) may not exceed \$490,000.

(f) **DEFINITIONS.**—In this section:

(1) The term “qualified entity” means an entity or organization that meets the following requirements:

(A) Demonstrated experience in conducting employment surveys of recently separated servicemembers, including Internet-based surveys, that meet such quality assurance requirements as the Secretary determines appropriate.

(B) Demonstrated familiarity with veteran employment matters.

(C) Demonstrated ability in developing plans to market veterans as employment assets.

(D) Demonstrated ability to acquire services at no cost from other organizations, such as technology, staff services, and advertising services.

(E) Demonstrated ability to develop relationships, establish employment networks, and facilitate interaction between private and public sector leaders and veterans.

(2) The term “employment history” means, with respect to a recently separated servicemember, training, placement, retention, and advancement in employment of that servicemember.

(3) The term “recently separated servicemember” means any veteran (as defined in section 101(2) of title 38, United States Code) discharged or released from active duty in the Armed Forces of the United States during the 16-year period beginning on January 1, 1990.

### TITLE III—BENEFITS MATTERS

#### SEC. 301. ADDITIONAL DEPENDENCY AND INDEMNITY COMPENSATION FOR SURVIVING SPOUSES WITH DEPENDENT CHILDREN.

(a) **ADDITIONAL DEPENDENCY AND INDEMNITY COMPENSATION.**—Section 1311 is amended by adding at the end the following new subsection:

“(e)(1) Subject to paragraphs (2) and (3), if there is a surviving spouse with one or more children below the age of 18, the dependency and indemnity compensation paid monthly to the surviving spouse shall be increased by \$250, regardless of the number of such children.

“(2) Dependency and indemnity compensation shall be increased under this subsection only for months occurring during the two-year period beginning on the date on which entitlement to dependency and indemnity compensation commenced.

“(3) The increase in dependency and indemnity compensation of a surviving spouse under this subsection shall cease beginning with the first month commencing after the month in which all children of the surviving spouse have attained the age of 18.

“(4) Dependency and indemnity compensation under this subsection is in addition to any other dependency and indemnity compensation payable under this chapter.”.

(b) **EFFECTIVE DATE.**—Subsection (e) of section 1311 of title 38, United States Code, as added by subsection (a), shall take effect with respect to payments for the first month beginning after the date of the enactment of this Act.

#### SEC. 302. OFFSET OF VETERANS' DISABILITY COMPENSATION AND DEPENDENCY AND INDEMNITY COMPENSATION FROM AWARDS UNDER RADIATION EXPOSURE COMPENSATION PROGRAM.

(a) **OFFSET IN LIEU OF FORFEITURE FROM DISABILITY COMPENSATION.**—Subsection (c) of section 1112 is amended by adding at the end the following new paragraph:

“(4) A radiation-exposed veteran who receives a payment under the provisions of the Radiation Exposure Compensation Act of 1990 (42 U.S.C. 2210 note) shall not be deprived, by reason of the receipt of that payment, of receipt of compensation to which that veteran is entitled by reason of paragraph (1), but there shall be deducted from payment of such compensation the amount of the payment under that Act.”.

(b) **OFFSET IN LIEU OF FORFEITURE FROM DEPENDENCY AND INDEMNITY COMPENSATION.**—Section 1310 is amended by adding at the end the following new paragraph:

“(c) A person who receives a payment under the provisions of the Radiation Exposure Compensation Act of 1990 (42 U.S.C. 2210 note) shall not be deprived, by reason of the receipt of that payment, of receipt of dependency and indemnity compensation to which that person is otherwise entitled, but there shall be deducted from payment of such dependency and indemnity compensation the amount of the payment under that Act.”.

(c) **EFFECTIVE DATE.**—Paragraph (4) of section 1112(c) of title 38, United States Code, as added by subsection (a), shall take effect

with respect to compensation payments for months beginning after March 26, 2002. Subsection (c) of section 1310 of such title, as added by subsection (b), shall take effect with respect to dependency and indemnity compensation payments for months beginning after March 26, 2002.

#### SEC. 303. EXCLUSION OF LIFE INSURANCE PROCEEDS FROM CONSIDERATION AS INCOME FOR VETERANS' PENSION PURPOSES.

Section 1503(a) is amended—

(1) by striking “and” at the end of paragraph (9);

(2) by striking the period at the end of the paragraph (10) and inserting “; and”; and

(3) by adding at the end the following new paragraph:

“(11) lump-sum proceeds of any life insurance policy on a veteran, for purposes of pension under subchapter III of this chapter.”.

#### SEC. 304. CERTAIN SERVICE-CONNECTED DISABILITY BENEFITS AUTHORIZED FOR PERSONS DISABLED BY TREATMENT OR VOCATIONAL REHABILITATION PROVIDED BY THE DEPARTMENT OF VETERANS AFFAIRS.

(a) **AUTHORIZED BENEFITS.**—Section 1151 is amended by adding at the end the following new subsection:

“(c) A qualifying additional disability under this section shall be treated in the same manner as if it were a service-connected disability for purposes of the following provisions of this title:

“(1) Chapter 21, relating to specially adapted housing.

“(2) Chapter 39, relating to automobiles and adaptive equipment.”.

(b) **EFFECTIVE DATE.**—Subsection (c) of section 1151 of title 38, United States Code, as added by subsection (a), shall apply with respect to eligibility for benefits and services provided by the Secretary of Veterans Affairs on or after the date of the enactment of this Act.

(c) **ADMINISTRATION OF OFFSET PROVISION.**—Subsection (b) of section 1151 is amended—

(1) by inserting “(1)” after “(b)”;

(2) by inserting “(except as otherwise provided in paragraph (2))” after “service-connected, then”; and

(3) by adding at the end the following new paragraph:

“(2) In the case of a judgment, settlement, or compromise covered by paragraph (1) that becomes final on or after the date of the enactment of this paragraph and that includes an amount that is specifically designated for a purpose for which benefits are provided under chapter 21 or 39 of this title (hereinafter in this paragraph referred to as the ‘offset amount’), if such judgment, settlement, or compromise becomes final before the date of the award of benefits under chapter 21 or 39 for the purpose for which the offset amount was specifically designated—

“(A) the amount of such award shall be reduced by the offset amount; and

“(B) if the offset amount is greater than the amount of such award, the excess amount received pursuant to the judgment, settlement or compromise, shall be offset against benefits otherwise payable under this chapter.”.

#### SEC. 305. EFFECTIVE DATE OF DEATH PENSION.

Section 5110(d) is amended—

(1) by striking “(1)”;

(2) by striking “death compensation or dependency and indemnity compensation” and inserting “death compensation, dependency and indemnity compensation, or death pension”; and

(3) by striking paragraph (2).

**SEC. 306. CODIFICATION OF ADMINISTRATIVE ACTIONS RELATING TO PRESUMPTIONS OF SERVICE CONNECTION FOR VETERANS EXPOSED TO IONIZING RADIATION.**

(a) COVERED DISEASES.—Subsection (c)(2) of section 1112 is amended by adding at the end the following new subparagraphs:

“(Q) Cancer of the bone.

“(R) Cancer of the brain.

“(S) Cancer of the colon.

“(T) Cancer of the lung.

“(U) Cancer of the ovary.”.

(b) COVERED RADIATION-RISK ACTIVITIES.—Subsection (c)(3)(B) of such section is amended by adding at the end the following new clause:

“(iv) Service in a capacity which, if performed as an employee of the Department of Energy, would qualify the individual for inclusion as a member of the Special Exposure Cohort under section 3621(14) of the Energy Employees Occupational Illness Compensation Program Act of 2000 (42 U.S.C. 7384l(14)).”.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect as of March 26, 2002.

**SEC. 307. CODIFICATION OF COST-OF-LIVING ADJUSTMENT PROVIDED IN PUBLIC LAW 108-47.**

(a) VETERANS' DISABILITY COMPENSATION.—Section 1114 is amended—

(1) by striking “\$104” in subsection (a) and inserting “\$106”;

(2) by striking “\$201” in subsection (b) and inserting “\$205”;

(3) by striking “\$310” in subsection (c) and inserting “\$316”;

(4) by striking “\$445” in subsection (d) and inserting “\$454”;

(5) by striking “\$633” in subsection (e) and inserting “\$646”;

(6) by striking “\$801” in subsection (f) and inserting “\$817”;

(7) by striking “\$1,008” in subsection (g) and inserting “\$1,029”;

(8) by striking “\$1,171” in subsection (h) and inserting “\$1,195”;

(9) by striking “\$1,317” in subsection (i) and inserting “\$1,344”;

(10) by striking “\$2,193” in subsection (j) and inserting “\$2,239”;

(11) in subsection (k)—

(A) by striking “\$81” both places it appears and inserting “\$82”; and

(B) by striking “\$2,728” and “\$3,827” and inserting “\$2,785” and “\$3,907”, respectively;

(12) by striking “\$2,728” in subsection (l) and inserting “\$2,785”;

(13) by striking “\$3,010” in subsection (m) and inserting “\$3,073”;

(14) by striking “\$3,425” in subsection (n) and inserting “\$3,496”;

(15) by striking “\$3,827” each place it appears in subsections (o) and (p) and inserting “\$3,907”;

(16) by striking “\$1,643” and “\$2,446” in subsection (r) and inserting “\$1,677” and “\$2,497”, respectively; and

(17) by striking “\$2,455” in subsection (s) and inserting “\$2,506”.

(b) ADDITIONAL COMPENSATION FOR DEPENDENTS.—Section 1115(1) is amended—

(1) by striking “\$125” in subparagraph (A) and inserting “\$127”;

(2) by striking “\$215” and “\$64” in subparagraph (B) and inserting “\$219” and “\$65”, respectively;

(3) by striking “\$85” and “\$64” in subparagraph (C) and inserting “\$86” and “\$65”, respectively;

(4) by striking “\$101” in subparagraph (D) and inserting “\$103”;

(5) by striking “\$237” in subparagraph (E) and inserting “\$241”;

(6) by striking “\$198” in subparagraph (F) and inserting “\$202”.

(c) CLOTHING ALLOWANCE FOR CERTAIN DISABLED VETERANS.—Section 1162 is amended by striking “\$588” and inserting “\$600”.

(d) DEPENDENCY AND INDEMNITY COMPENSATION FOR SURVIVING SPOUSES.—(1) Section 1311(a) is amended—

(A) by striking “\$948” in paragraph (1) and inserting “\$967”; and

(B) by striking “\$204” in paragraph (2) and inserting “\$208”.

(2) The table in section 1311(a)(3) is amended to read as follows:

| Pay grade | Monthly rate | Pay grade  | Monthly rate |
|-----------|--------------|------------|--------------|
| E-1 ..... | \$967        | W-4 .....  | \$1,157      |
| E-2 ..... | 967          | O-1 .....  | 1,022        |
| E-3 ..... | 967          | O-2 .....  | 1,056        |
| E-4 ..... | 967          | O-3 .....  | 1,130        |
| E-5 ..... | 967          | O-4 .....  | 1,195        |
| E-6 ..... | 967          | O-5 .....  | 1,316        |
| E-7 ..... | 1,000        | O-6 .....  | 1,483        |
| E-8 ..... | 1,056        | O-7 .....  | 1,602        |
| E-9 ..... | 1,102        | O-8 .....  | 1,758        |
| W-1 ..... | 1,022        | O-9 .....  | 1,881        |
| W-2 ..... | 1,063        | O-10 ..... | 2,063        |
| W-3 ..... | 1,094        |            |              |

1 If the veteran served as sergeant major of the Army, senior enlisted advisor of the Navy, chief master sergeant of the Air Force, sergeant major of the Marine Corps, or master chief petty officer of the Coast Guard, at the applicable time designated by section 1302 of this title, the surviving spouse's rate shall be \$1,189.

2 If the veteran served as Chairman or Vice-Chairman of the Joint Chiefs of Staff, Chief of Staff of the Army, Chief of Naval Operations, Chief of Staff of the Air Force, Commandant of the Marine Corps, or Commandant of the Coast Guard, at the applicable time designated by section 1302 of this title, the surviving spouse's rate shall be \$2,213.

(3) Section 1311(b) is amended by striking “\$237” and inserting “\$241”.

(4) Section 1311(c) is amended by striking “\$237” and inserting “\$241”.

(5) Section 1311(d) is amended by striking “\$113” and inserting “\$115”.

(e) DEPENDENCY AND INDEMNITY COMPENSATION FOR CHILDREN.—(1) Section 1313(a) is amended—

(A) by striking “\$402” in paragraph (1) and inserting “\$410”;

(B) by striking “\$578” in paragraph (2) and inserting “\$590”;

(C) by striking “\$752” in paragraph (3) and inserting “\$767”; and

(D) by striking “\$752” and “\$145” in paragraph (4) and inserting “\$767” and “\$148”, respectively.

(2) Section 1314 is amended—

(A) by striking “\$237” in subsection (a) and inserting “\$241”;

(B) by striking “\$402” in subsection (b) and inserting “\$410”; and

(C) by striking “\$201” in subsection (c) and inserting “\$205”.

**SEC. 308. CROSS-REFERENCE AMENDMENTS RELATING TO CONCURRENT PAYMENT OF RETIRED PAY AND VETERANS' DISABILITY COMPENSATION.**

(a) PROHIBITION AGAINST DUPLICATION OF BENEFITS.—Section 5304(a)(1) is amended by inserting “as provided in section 1414 of title 10 or” after “Except”.

(b) WAIVER OF RETIRED PAY.—Section 5305 is amended by striking “Any” in the first sentence and inserting “Except as provided in section 1414 of title 10, any”.

**TITLE IV—HOUSING MATTERS**

**SEC. 401. AUTHORITY TO PROVIDE SPECIALLY ADAPTED HOUSING TO CERTAIN DISABLED VETERANS.**

The text of section 2101 is amended to read as follows:

“(a) ACQUISITION OF HOUSING WITH SPECIAL FEATURES.—(1) Subject to paragraph (3), the Secretary may assist a disabled veteran de-

scribed in paragraph (2) in acquiring a suitable housing unit with special fixtures or movable facilities made necessary by the nature of the veteran's disability, and necessary land therefor.

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

“(A) The disability is due to the loss, or loss of use, of both lower extremities such as to preclude locomotion without the aid of braces, crutches, canes, or a wheelchair.

“(B) The disability is due to—

“(i) blindness in both eyes, having only light perception, plus

“(ii) loss or loss of use of one lower extremity.

“(C) The disability is due to the loss or loss of use of one lower extremity together with—

“(i) residuals of organic disease or injury; or

“(ii) the loss or loss of use of one upper extremity,

which so affect the functions of balance or propulsion as to preclude locomotion without the aid of braces, crutches, canes, or a wheelchair.

“(D) The disability is due to the loss, or loss of use, of both upper extremities such as to preclude use of the arms at or above the elbows.

“(3) The regulations prescribed under subsection (c) shall require that assistance under paragraph (1) may be provided to a veteran only if the Secretary finds that—

“(A) it is medically feasible for the veteran to reside in the proposed housing unit and in the proposed locality;

“(B) the proposed housing unit bears a proper relation to the veteran's present and anticipated income and expenses; and

“(C) the nature and condition of the proposed housing unit are such as to be suitable to the veteran's needs for dwelling purposes.

“(b) ADAPTATIONS TO RESIDENCE OF VETERAN.—(1) Subject to paragraph (3), the Secretary shall assist any disabled veteran described in paragraph (2) (other than a veteran who is eligible for assistance under subsection (a))—

“(A) in acquiring such adaptations to such veteran's residence as are determined by the Secretary to be reasonably necessary because of such disability; or

“(B) in acquiring a residence already adapted with special features determined by the Secretary to be reasonably necessary for the veteran because of such disability.

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

“(A) The disability is due to blindness in both eyes with 5/200 visual acuity or less.

“(B) The disability includes the anatomical loss or loss of use of both hands.

“(3) Assistance under paragraph (1) may be provided only to a veteran who the Secretary determines—

“(A) is residing in and reasonably intends to continue residing in a residence owned by such veteran or by a member of such veteran's family; or

“(B) if the veteran's residence is to be constructed or purchased, will be residing in and reasonably intends to continue residing in a residence owned by such veteran or by a member of such veteran's family.

“(c) REGULATIONS.—Assistance under this section shall be provided in accordance with such regulations as the Secretary may prescribe.”.



**SEC. 402. TRANSITIONAL HOUSING AMENDMENTS.**

(a) USE OF VETERAN VOLUNTEERS.—Section 2051 is amended by adding at the end the following new subsection:

“(g) Notwithstanding any other provision of law, a multifamily transitional housing project that is funded by a loan guaranteed under this subchapter may accept uncompensated voluntary services performed by any eligible entity (as that term is defined in section 2011(d) of this title) in connection with the construction, alteration, or repair of such project.”.

(b) AUTHORIZATION FOR COMMERCIAL-LEASED SPACE.—Section 2052(c)(1) is amended by striking “services” and inserting “services, other commercial activities.”.

**SEC. 403. INCREASE IN MAXIMUM AMOUNT OF HOME LOAN GUARANTY FOR CONSTRUCTION AND PURCHASE OF HOMES AND ANNUAL INDEXING OF AMOUNT.**

(a) MAXIMUM LOAN GUARANTY BASED ON 100 PERCENT OF FREDDIE MAC CONFORMING LOAN RATE.—Section 3703(a)(1) is amended by striking “\$60,000” each place it appears in subparagraphs (A)(i)(IV) and (B) and inserting “the maximum guaranty amount (as defined in subparagraph (C))”.

(b) DEFINITION.—Such section is further amended by adding at the end the following new subparagraph:

“(C) In this paragraph, the term ‘maximum guaranty amount’ means the dollar amount that is equal to 25 percent of the Freddie Mac conforming loan limit limitation determined under section 305(a)(2) of the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1454(a)(2)) for a single-family residence, as adjusted for the year involved.”.

**SEC. 404. EXTENSION OF AUTHORITY FOR GUARANTEE OF ADJUSTABLE RATE MORTGAGES.**

Section 3707(a) is amended by striking “during fiscal years 1993, 1994, and 1995” and inserting “during fiscal years 1993 through 2008”.

**SEC. 405. EXTENSION AND IMPROVEMENT OF AUTHORITY FOR GUARANTEE OF HYBRID ADJUSTABLE RATE MORTGAGES.**

(a) EXTENSION OF AUTHORITY.—Subsection (a) of section 3707A is amended by striking “during fiscal years 2004 and 2005” and inserting “during fiscal years 2004 through 2008”.

(b) MODIFICATION OF INTEREST RATE ADJUSTMENT REQUIREMENTS.—Subsection (c) of such section is amended—

(1) by redesignating paragraph (4) as paragraph (5);

(2) by striking paragraph (3) and inserting the following new paragraphs:

“(3) in the case of the initial contract interest rate adjustment—

“(A) if the initial contract interest rate remained fixed for less than 5 years, be limited to a maximum increase or decrease of 1 percentage point; or

“(B) if the initial contract interest rate remained fixed for 5 years or more, be limited to a maximum increase or decrease of such percentage point or points as the Secretary may prescribe;

“(4) in the case of any single annual interest rate adjustment after the initial contract interest rate adjustment, be limited to a maximum increase or decrease of 1 percentage point; and”;

(3) in paragraph (5), as so redesignated, by striking “5 percentage points” and all that follows and inserting “such number of percentage points as the Secretary shall prescribe for purposes of this section.”.

(c) NO EFFECT ON GUARANTEE OF LOANS UNDER HYBRID ADJUSTABLE RATE MORTGAGE GUARANTEE DEMONSTRATION PROJECT.—The

amendments made by this section shall not be construed to affect the force or validity of any guarantee of a loan made by the Secretary of Veterans Affairs under the demonstration project for the guarantee of hybrid adjustable rate mortgages under section 3707A of title 38, United States Code, as in effect on the day before the date of the enactment of this Act.

**SEC. 406. TERMINATION OF COLLECTION OF LOAN FEES FROM VETERANS RATED ELIGIBLE FOR COMPENSATION AT PRE-DISCHARGE RATING EXAMINATIONS.**

Section 3729(c) is amended—

(1) by inserting “(1)” before “A fee”; and

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

“(2) A veteran who is rated eligible to receive compensation as a result of a pre-discharge disability examination and rating shall be treated as receiving compensation for purposes of this subsection as of the date on which the veteran is rated eligible to receive compensation as a result of the pre-discharge disability examination and rating without regard to whether an effective date of the award of compensation is established as of that date.”.

**SEC. 407. THREE-YEAR EXTENSION OF NATIVE AMERICAN VETERAN HOUSING LOAN PILOT PROGRAM.**

Section 3761(c) is amended by striking “December 31, 2005” and inserting “December 31, 2008”.

**TITLE V—MATTERS RELATING TO FIDUCIARIES****SEC. 501. DEFINITION OF FIDUCIARY.**

(a) IN GENERAL.—(1) Chapter 55 is amended by adding at the end the following new section:

**“§ 5506. Definition of ‘fiduciary’**

“For purposes of this chapter and chapter 61 of this title, the term ‘fiduciary’ means—

“(1) a person who is a guardian, curator, conservator, committee, or person legally vested with the responsibility or care of a claimant (or a claimant’s estate) or of a beneficiary (or a beneficiary’s estate); or

“(2) any other person having been appointed in a representative capacity to receive money paid under any of the laws administered by the Secretary for the use and benefit of a minor, incompetent, or other beneficiary.”.

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

“5506. Definition of ‘fiduciary’.”.

(b) CONFORMING AMENDMENTS TO SECTION 5502.—Section 5502 is amended—

(1) in subsection (a)—

(A) in paragraph (1), by striking “other person” and inserting “other fiduciary”; and

(B) in the second sentence of paragraph (2), by inserting “for benefits under this title” after “in connection with rendering fiduciary services”;

(2) in subsection (b), by striking “guardian, curator, conservator, or other person” each place it appears and inserting “fiduciary”; and

(3) in subsection (d), by striking “guardian, curator, or conservator” and inserting “fiduciary”.

(c) CONFORMING AMENDMENT TO SECTION 6101.—Section 6101(a) is amended by striking “guardian, curator,” and all that follows through “beneficiary,” and inserting “fiduciary (as defined in section 5506 of this title) for the benefit of a minor, incompetent, or other beneficiary under laws administered by the Secretary.”.

**SEC. 502. INQUIRY, INVESTIGATIONS, AND QUALIFICATION OF FIDUCIARIES.**

(a) IN GENERAL.—Chapter 55, as amended by section 501(a)(1), is further amended by adding at the end the following new section:

**“§ 5507. Inquiry, investigations, and qualification of fiduciaries**

“(a) Any certification of a person for payment of benefits of a beneficiary to that person as such beneficiary’s fiduciary under section 5502 of this title shall be made on the basis of—

“(1) an inquiry or investigation by the Secretary of the fitness of that person to serve as fiduciary for that beneficiary, such inquiry or investigation—

“(A) to be conducted in advance of such certification;

“(B) to the extent practicable, to include a face-to-face interview with such person; and

“(C) to the extent practicable, to include a copy of a credit report for such person issued within one year of the date of the proposed appointment;

“(2) adequate evidence that certification of that person as fiduciary for that beneficiary is in the interest of such beneficiary (as determined by the Secretary under regulations); and

“(3) the furnishing of any bond that may be required by the Secretary.

“(b) As part of any inquiry or investigation of any person under subsection (a), the Secretary shall request information concerning whether that person has been convicted of any offense under Federal or State law which resulted in imprisonment for more than one year. If that person has been convicted of such an offense, the Secretary may certify the person as a fiduciary only if the Secretary finds that the person is an appropriate person to act as fiduciary for the beneficiary concerned under the circumstances.

“(c)(1) In the case of a proposed fiduciary described in paragraph (2), the Secretary, in conducting an inquiry or investigation under subsection (a)(1), may carry out such inquiry or investigation on an expedited basis that may include waiver of any specific requirement relating to such inquiry or investigation, including the otherwise applicable provisions of subparagraphs (A), (B), and (C) of such subsection. Any such inquiry or investigation carried out on such an expedited basis shall be carried out under regulations prescribed for purposes of this section.

“(2) Paragraph (1) applies with respect to a proposed fiduciary who is—

“(A) the parent (natural, adopted, or step-parent) of a beneficiary who is a minor;

“(B) the spouse or parent of an incompetent beneficiary;

“(C) a person who has been appointed a fiduciary of the beneficiary by a court of competent jurisdiction; or

“(D) being appointed to manage an estate where the annual amount of veterans benefits to be managed by the proposed fiduciary does not exceed \$3,600, as adjusted pursuant to section 5312 of this title.

“(d) TEMPORARY FIDUCIARIES.—When in the opinion of the Secretary, a temporary fiduciary is needed in order to protect the assets of the beneficiary while a determination of incompetency is being made or appealed or a fiduciary is appealing a determination of misuse, the Secretary may appoint one or more temporary fiduciaries for a period not to exceed 120 days. If a final decision has not been made within 120 days, the Secretary may not continue the appointment of the fiduciary without obtaining a court order for appointment of a guardian, conservator, or other fiduciary under the authority provided in section 5502(b) of this title.”.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by adding after the item added by section 501(a)(2) the following new item:

“5507. Inquiry, investigations, and qualification of fiduciaries.”.

**SEC. 503. MISUSE OF BENEFITS BY FIDUCIARIES.**

(a) PROTECTION OF VETERANS BENEFITS WHEN ADMINISTERED BY FIDUCIARIES.—(1) Chapter 61 is amended by adding at the end the following new sections:

**“§ 6106. Misuse of benefits by fiduciaries**

“(a) FEE FORFEITURE IN CASE OF BENEFIT MISUSE BY FIDUCIARIES.—A fiduciary may not collect a fee from a beneficiary for any month with respect to which the Secretary or a court of competent jurisdiction has determined that the fiduciary misused all or part of the individual's benefit, and any amount so collected by the fiduciary as a fee for such month shall be treated as a misused part of the individual's benefit.

“(b) MISUSE OF BENEFITS DEFINED.—For purposes of this chapter, misuse of benefits by a fiduciary occurs in any case in which the fiduciary receives payment, under any of laws administered by the Secretary, for the use and benefit of a beneficiary and uses such payment, or any part thereof, for a use other than for the use and benefit of such beneficiary or that beneficiary's dependents. Retention by a fiduciary of an amount of a benefit payment as a fiduciary fee or commission, or as attorney's fees (including expenses) and court costs, if authorized by the Secretary or a court of competent jurisdiction, shall be considered to be for the use or benefit of such beneficiary.

“(c) REGULATIONS.—The Secretary may prescribe by regulation the meaning of the term ‘use and benefit’ for purposes of this section.

**“§ 6107. Reissuance of benefits**

“(a) NEGLIGENT FAILURE BY SECRETARY.—(1) In any case in which the negligent failure of the Secretary to investigate or monitor a fiduciary results in misuse of benefits by the fiduciary, the Secretary shall pay to the beneficiary or the beneficiary's successor fiduciary an amount equal to the amount of benefits that were so misused.

“(2) There shall be considered to have been a negligent failure by the Secretary to investigate and monitor a fiduciary in the following cases:

“(A) A case in which the Secretary failed to review a fiduciary's accounting within 60 days of the date on which that accounting is scheduled for review.

“(B) A case in which the Secretary was notified of allegations of misuse, but failed to act within 60 days of the date of such notification to terminate the fiduciary.

“(C) In any other case in which actual negligence is shown.

“(b) REISSUANCE OF MISUSED BENEFITS IN OTHER CASES.—(1) In any case in which a fiduciary described in paragraph (2) misuses all or part of an individual's benefit paid to such fiduciary, the Secretary shall pay to the beneficiary or the beneficiary's successor fiduciary an amount equal to the amount of such benefit so misused.

“(2) Paragraph (1) applies to a fiduciary that—

“(A) is not an individual; or

“(B) is an individual who, for any month during a period when misuse occurs, serves 10 or more individuals who are beneficiaries under this title.

“(3) In any other case in which the Secretary obtains recoupment from a fiduciary who has misused benefits, the Secretary shall promptly remit payment of the recouped amounts to the beneficiary or the beneficiary's successor fiduciary as the case may be.

“(c) LIMITATION ON TOTAL AMOUNT PAID.—The total of the amounts paid to a beneficiary (or a beneficiary's successor fiduciary) under this section may not exceed the total benefit amount misused by the fiduciary with respect to that beneficiary.

“(d) RECOUPMENT OF AMOUNTS REISSUED.—In any case in which the Secretary reissues a benefit payment (in whole or in part) under subsection (a) or (b), the Secretary shall make a good faith effort to obtain recoupment from the fiduciary to whom the payment was originally made.”.

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

“6106. Misuse of benefits by fiduciaries.

“6107. Reissuance of benefits.”.

**SEC. 504. ADDITIONAL PROTECTIONS FOR BENEFICIARIES WITH FIDUCIARIES.**

(a) ONSITE REVIEWS AND REQUIRED ACCOUNTINGS.—(1) Chapter 55, as amended by section 502(a), is further amended by adding at the end the following new sections:

**“§ 5508. Periodic onsite reviews of institutional fiduciaries**

“In addition to such other reviews of fiduciaries as the Secretary may otherwise conduct, the Secretary shall provide for the periodic onsite review of any person or agency located in the United States that receives the benefits payable under laws administered by the Secretary to another individual pursuant to the appointment of such person or agency as a fiduciary under section 5502(a)(1) of this title in any case in which the fiduciary is serving in that capacity with respect to more than 20 beneficiaries and the total annual amount of such benefits exceeds \$50,000, as adjusted pursuant to section 5312 of this title.

**“§ 5509. Authority to require fiduciary to receive payments at regional offices of the Department when failing to provide required accounting**

“(a) REQUIRED REPORTS AND ACCOUNTINGS.—The Secretary may require a fiduciary to file a report or accounting pursuant to regulations prescribed by the Secretary.

“(b) ACTIONS UPON FAILURE TO FILE.—In any case in which a fiduciary fails to submit a report or accounting required by the Secretary under subsection (a), the Secretary may, after furnishing notice to such fiduciary and the beneficiary entitled to such payment of benefits, require that such fiduciary appear in person at a regional office of the Department serving the area in which the beneficiary resides in order to receive such payments.”.

(2) The table of sections at the beginning of such chapter is amended by adding after the item added by section 502(b) the following new items:

“5508. Periodic onsite reviews of institutional fiduciaries.

“5509. Authority to require fiduciary to receive payments at regional offices of the Department when failing to provide required accounting.”.

(b) JUDICIAL ORDERS OF RESTITUTION.—(1) Chapter 61, as amended by section 503(a), is further amended by adding at the end the following new section:

**“§ 6108. Authority for judicial orders of restitution**

“(a) Any Federal court, when sentencing a defendant convicted of an offense arising from the misuse of benefits under this title, may order, in addition to or in lieu of any other penalty authorized by law, that the defendant make restitution to the Department.

“(b) Sections 3612, 3663, and 3664 of title 18 shall apply with respect to the issuance and enforcement of orders of restitution under subsection (a). In so applying those sections, the Department shall be considered the victim.

“(c) If the court does not order restitution, or orders only partial restitution, under sub-

section (a), the court shall state on the record the reasons therefor.

“(d) Amounts received in connection with misuse by a fiduciary of funds paid as benefits under laws administered by the Secretary shall be paid to the individual whose benefits were misused. If the Secretary has previously reissued the misused benefits, the amounts shall be treated in the same manner as overpayments recouped by the Secretary and shall be deposited to the credit of the applicable revolving fund, trust fund, or appropriation.”.

(2) The table of sections at the beginning of such chapter is amended by adding after the item added by section 503(b) the following new item:

“6108. Authority for judicial orders of restitution.”.

**SEC. 505. ANNUAL REPORT.**

(a) IN GENERAL.—Chapter 55, as amended by section 504(a)(1), is further amended by adding at the end the following new section:

**“§ 5510. Annual report**

“The Secretary shall include in the Annual Benefits Report of the Veterans Benefits Administration or the Secretary's Annual Performance and Accountability Report information concerning fiduciaries who have been appointed to receive payments for beneficiaries of the Department. As part of such information, the Secretary shall separately set forth the following:—

“(1) The number of beneficiaries in each category (veteran, surviving spouse, child, adult disabled child, or parent).

“(2) The types of benefit being paid (compensation, pension, dependency and indemnity compensation, death pension or benefits payable to a disabled child under chapter 18 of this title).

“(3) The total annual amounts and average annual amounts of benefits paid to fiduciaries for each category and type of benefit.

“(4) The number of fiduciaries who are the spouse, parent, legal custodian, court-appointed fiduciary, institutional fiduciary, custodian in fact, and supervised direct payees.

“(5) The number of cases in which the fiduciary was changed by the Secretary because of a finding that benefits had been misused.

“(6) How such cases of misuse of benefits were addressed by the Secretary.

“(7) The final disposition of such cases of misuse of benefits, including the number and dollar amount of any benefits reissued to beneficiaries.

“(8) The number of fiduciary cases referred to the Office of the Inspector General and the nature of the actions taken by the Inspector General.

“(9) The total amount of money recovered by the government in cases arising from the misuse of benefits by a fiduciary.

“(10) Such other information as the Secretary considers appropriate.”.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by adding after the items added by the amendment made by section 504(a)(2) the following new item:

“5510. Annual report.”.

**SEC. 506. ANNUAL ADJUSTMENT IN BENEFITS THRESHOLDS.**

Section 5312(b)(1) is amended by inserting “and the annual benefit amount limitations under sections 5507(c)(2)(D) and 5508 of this title,” after “(d)(3) of such section.”.

**SEC. 507. EFFECTIVE DATES.**

(a) IN GENERAL.—Except as otherwise provided, this title and the amendments made by this title shall take effect on the first day of the seventh month beginning after the date of the enactment of this Act.

(b) SPECIAL RULES.—(1) Section 5510 of title 38, United States Code, as added by section



505(a), shall take effect on the date of the enactment of this Act.

(2) Sections 6106 and 6107 of title 38, United States Code, as added by section 503(a), shall apply with respect to any determinations by the Secretary of Veterans Affairs made after the date of the enactment of this Act of misuse of funds by a fiduciary.

#### **TITLE VI—MEMORIAL AFFAIRS MATTERS**

##### **SEC. 601. DESIGNATION OF PRISONER OF WAR/MISSING IN ACTION NATIONAL MEMORIAL, RIVERSIDE NATIONAL CEMETERY, RIVERSIDE, CALIFORNIA.**

(a) DESIGNATION.—The memorial to former prisoners of war and members of the Armed Forces listed as missing in action that is under construction at Riverside National Cemetery in Riverside, California, is hereby designated: “Prisoner of War/Missing in Action National Memorial”.

(b) EFFECT OF DESIGNATION.—Such national memorial designated by subsection (a) is not a unit of the National Park System, and the designation of the national memorial shall not be construed to require Federal funds to be expended for any purpose related to the national memorial.

##### **SEC. 602. LEASE OF CERTAIN NATIONAL CEMETERY ADMINISTRATION PROPERTY.**

(a) IN GENERAL.—Chapter 24 is amended by adding at the end the following new section: “§ 2412. Lease of land and buildings

“(a) LEASE AUTHORIZED.—The Secretary may lease any undeveloped land and unused or underutilized buildings, or parts or parcels thereof, belonging to the United States and part of the National Cemetery Administration.

“(b) TERM.—The term of a lease under subsection (a) may not exceed 10 years.

“(c) LEASE TO PUBLIC OR NONPROFIT ORGANIZATIONS.—(1) A lease under subsection (a) to any public or nonprofit organization may be made without regard to the provisions of section 3709 of the Revised Statutes (41 U.S.C. 5).

“(2) Notwithstanding section 1302 of title 40 or any other provision of law, a lease under subsection (a) to any public or nonprofit organization may provide for the maintenance, protection, or restoration of the leased property by the lessee, as a part or all of the consideration for the lease.

“(d) NOTICE.—Before entering into a lease under subsection (a), the Secretary shall give appropriate public notice of the intention of the Secretary to enter into the lease in a newspaper of general circulation in the community in which the lands or buildings concerned are located.

“(e) NATIONAL CEMETERY ADMINISTRATION FACILITIES OPERATION FUND.—(1) There is established on the book of the Treasury an account to be known as the ‘National Cemetery Administration Facilities Operation Fund’ (in this section referred to as the ‘Fund’).

“(2) The Fund shall consist of the following:

“(A) Proceeds from the lease of land or buildings under this section.

“(B) Proceeds of agricultural licenses of lands of the National Cemetery Administration.

“(C) Any other amounts appropriated to or otherwise authorized for deposit in the Fund by law.

“(3) Amounts in the Fund shall be available to cover costs incurred by the National Cemetery Administration in the operation and maintenance of property of the Administration.

“(4) Amounts in the Fund shall remain available until expended.”.

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

“2412. Lease of land and buildings.”.

##### **SEC. 603. EXCHANGES OF REAL PROPERTY FOR NATIONAL CEMETERIES.**

Section 2406 is amended by inserting “exchange,” after “agencies.”.

#### **TITLE VII—IMPROVEMENTS TO SERVICEMEMBERS CIVIL RELIEF ACT**

##### **SEC. 701. CLARIFICATION OF MEANING OF “JUDGMENT” AS USED IN THE ACT.**

Section 101 of the Servicemembers Civil Relief Act (50 U.S.C. App. 511) is amended by adding at the end the following new paragraph:

“(9) JUDGMENT.—The term ‘judgment’ means any judgment, decree, order, or ruling, final or temporary.”.

##### **SEC. 702. REQUIREMENTS RELATING TO WAIVER OF RIGHTS UNDER THE ACT.**

Section 107 of the Servicemembers Civil Relief Act (50 U.S.C. App. 517) is amended—

(1) in subsection (a), by inserting after the first sentence the following new sentence: “Any such waiver that applies to an action listed in subsection (b) of this section is effective only if it is in writing and is executed as an instrument separate from the obligation or liability to which it applies.”;

(2) by redesignating subsection (c) as subsection (d); and

(3) by inserting after subsection (b) the following new subsection (c):

“(c) PROMINENT DISPLAY OF CERTAIN CONTRACT RIGHTS WAIVERS.—Any waiver in writing of a right or protection provided by this Act that applies to a contract, lease, or similar legal instrument must be in at least 12 point type.”.

##### **SEC. 703. RIGHT OF SERVICEMEMBER PLAINTIFFS TO REQUEST STAY OF CIVIL PROCEEDINGS.**

Section 202(a) of the Servicemembers Civil Relief Act (50 U.S.C. App. 522(a)) is amended by inserting “plaintiff or” before “defendant”.

##### **SEC. 704. TERMINATION OF LEASES.**

(a) JOINT LEASES.—Subsection (a) of section 305 of the Servicemembers Civil Relief Act (50 U.S.C. App. 535) is amended to read as follows:

“(a) TERMINATION BY LESSEE.—

“(1) IN GENERAL.—The lessee on a lease described in subsection (b) may, at the lessee’s option, terminate the lease at any time after—

“(A) the lessee’s entry into military service; or

“(B) the date of the lessee’s military orders described in paragraph (1)(B) or (2)(B) of subsection (b), as the case may be.

“(2) JOINT LEASES.—A lessee’s termination of a lease pursuant to this subsection shall terminate any obligation a dependent of the lessee may have under the lease.”.

(b) MOTOR VEHICLES LEASES.—

(1) APPLICABILITY TO PCS ORDERS FROM STATES OUTSIDE CONUS.—Subparagraph (B) of subsection (b)(2) of such section is amended by striking “military orders for” and all that follows through “or to deploy” and inserting “military orders—

“(i) for a change of permanent station—

“(I) from a location in the continental United States to a location outside the continental United States; or

“(II) from a location in a State outside the continental United States to any location outside that State; or

“(ii) to deploy”.

(2) DEFINITIONS.—Such section is further amended by adding at the end the following new subsection:

“(i) DEFINITIONS.—

“(1) MILITARY ORDERS.—The term ‘military orders’, with respect to a servicemember, means official military orders, or any notification, certification, or verification from the servicemember’s commanding officer, with respect to the servicemember’s current or future military duty status.

“(2) CONUS.—The term ‘continental United States’ means the 48 contiguous States and the District of Columbia.”.

(c) COVERAGE OF INDIVIDUAL DEPLOYMENTS.—Subsection (b) of such section is further amended in paragraph (1)(B) and paragraph (2)(B)(ii) (as designated by subsection (b) of this section) by inserting “, or as an individual in support of a military operation,” after “deploy with a military unit”.

#### **TITLE VIII—OTHER MATTERS**

##### **SEC. 801. PRINCIPAL OFFICE OF UNITED STATES COURT OF APPEALS FOR VETERANS CLAIMS.**

Section 7255 is amended by striking “District of Columbia” and inserting “Washington, D.C., metropolitan area”.

##### **SEC. 802. TECHNICAL AMENDMENTS RELATING TO THE UNITED STATES COURT OF APPEALS FOR VETERANS CLAIMS.**

(a) RESTORATION OF PRIOR PROVISION RELATING TO CHIEF JUDGE.—Section 7253(d)(1) is amended by inserting after “(1)” the following: “The chief judge of the Court is the head of the Court.”.

(b) CAPITALIZATION AMENDMENTS.—Section 7253(d)(4)(A) is amended by striking “court” in clauses (i) and (ii) and inserting “Court”.

(c) DATE OF ENACTMENT REFERENCE.—Section 7253(h)(4) is amended by striking “the date of the enactment of this subsection” and inserting “December 27, 2001.”.

##### **SEC. 803. EXTENSION OF BIENNIAL REPORT OF ADVISORY COMMITTEE ON FORMER PRISONERS OF WAR.**

Section 541(c)(1) is amended by striking “2003” and inserting “2009”.

##### **SEC. 804. AVAILABILITY OF ADMINISTRATIVE AND JUDICIAL REDRESS FOR CERTAIN VETERANS DENIED OPPORTUNITY TO COMPETE FOR FEDERAL EMPLOYMENT.**

(a) ADMINISTRATIVE REDRESS.—Section 3330a(a)(1) of title 5, United States Code, is amended—

(1) by inserting “(A)” after “(1)”;

(2) by adding at the end the following new subparagraph:

“(B) A veteran described in section 3304(f)(1) who alleges that an agency has violated such section with respect to such veteran may file a complaint with the Secretary of Labor.”.

(b) JUDICIAL REDRESS.—Section 3330b(a) is amended by inserting “, or a veteran described by section 3330a(a)(1)(B) with respect to a violation described by such section,” after “a preference eligible”.

##### **SEC. 805. REPORT ON SERVICEMEMBERS’ AND VETERANS’ AWARENESS OF BENEFITS AND SERVICES AVAILABLE UNDER LAWS ADMINISTERED BY SECRETARY OF VETERANS AFFAIRS.**

(a) REPORT.—Not later than one year after the date of the enactment of this Act, the Secretary of Veterans Affairs shall submit to Congress a report setting forth a detailed description of (1) the outreach efforts of the Department of Veterans Affairs, as of the date of the enactment of this Act, to inform members of the uniformed services and veterans (and their family members and survivors) of the benefits and services to which they are entitled under laws administered by the Secretary, and (2) the current level of awareness of those members and veterans (and family members and survivors) of those benefits and services.

(b) MATTERS TO BE INCLUDED.—The report under subsection (a) shall include the following:

(1) A description of the outreach activities conducted by the Secretary in each of the three Administrations of the Department of Veterans Affairs and outreach activities conducted by other entities within the Department.

(2) The results of a national survey, conducted as described in subsection (c), to ascertain servicemembers’ and veterans’ level

of awareness of benefits and services referred to in subsection (a) and whether servicemembers and veterans know how to access those benefits and services.

(3) Recommendations by the Secretary on how outreach and awareness activities to veterans and servicemembers may be improved.

(c) CONDUCT OF SURVEY.—The survey conducted for purposes of subsection (b)(2) shall be conducted in a manner to include a statistically valid sample of persons in each of the following groups:

- (1) World War II veterans.
- (2) Korean conflict era veterans.
- (3) Vietnam era veterans.
- (4) Persian Gulf era veterans.
- (5) Active duty servicemembers.
- (6) National Guard and Reserve members activated under title 10, United States Code.
- (7) Family members and survivors.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from New Jersey (Mr. SMITH) and the gentleman from Maine (Mr. MICHAUD) each will control 20 minutes.

The Chair recognizes the gentleman from New Jersey (Mr. SMITH).

(Mr. SMITH of New Jersey asked and was given permission to revise and extend his remarks.)

Mr. SMITH of New Jersey. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong support of S. 2486, the Veterans Benefits Improvement Act of 2004. This solid compromise package incorporates 14 benefit bills that have been referred to the House Committee on Veterans' Affairs, this Congress and contains more than 40 substantive provisions. S. 2468 would enhance a wide range of veterans' benefits, including protections for mobilized servicemembers.

I want to draw my colleagues' attention to Title I of this comprehensive bill, which is derived from H.R. 1716, the Veterans Earn and Learn Act. This is a bill that I introduced last year along with the ranking member, the gentleman from Illinois (Mr. EVANS), and others.

The Veterans Earn and Learn Act represents the fifth in a series of employment and business opportunities bills that our Subcommittee on Benefits has offered over the last 3 and a half years. The Veterans Earn and Learn Act would significantly update the Montgomery GI Bill on-job training and apprenticeship programs to reflect learning opportunities in American business and industry today. This legislation is Congress's first major rewrite of the on-job training, or OJT, and apprentice policies for veterans since World War II.

Additionally, effective October 1, 2005, Title I includes a 10 percent increase in the monthly educational assistance allowance the VA furnishes to veterans and others pursuing this particular type of training.

The Veterans Earn and Learn Act is timely because almost 200,000 servicemembers and Reservists separate each year, and they would now all be eligible to use these Earn and Learn initiatives to continue to build transferrable skills.

VA's OJT and apprenticeship program is a valuable program for employers as well. Tapping into veterans as a rich resource of skilled and qualified employees is a shrewd business strategy for employers of all sizes. Veterans bring a unique combination of skill, discipline, character and talent to the workplace.

Title II of the compromise focuses on protecting the civilian job benefits of activated Reservists. In light of longer active duty tours, the major provision here would increase from 18 to 24 months the maximum period of employer-sponsored health care coverage that a Reservist-employee may elect to continue to receive.

Title III, Mr. Speaker, focuses on veterans' benefits matters. The key provision of this title is a \$250 monthly increase in dependency and indemnity payments for a surviving spouse with children under the age of 18. This increase would be payable for 2 years following the service-connected death of a servicemember or veteran.

Title IV enhances housing benefits for veterans. Among its important provisions is an increase of the maximum VA home loan to 25 percent of the Freddie Mac conforming loan amount for a single family residence. The increase raises from \$240,000 to \$333,700 the maximum VA home loan guaranty.

I am also pleased that this title makes some needed changes to provide flexibility in VA's administration of Transitional Housing program for homeless veterans. The very first loan under this program should close this month, I would point out to my colleagues, and I am looking forward to several more projects getting under way in the next 6 months.

Title V focuses on protecting some of our most vulnerable veterans and dependents when it is necessary to pay the VA benefits on their behalf to a third party.

This bill also makes improvements to the Servicemembers Civil Relief Act. I am pleased it includes provisions that I had authored, including one to furnish additional protections to servicemembers and their spouses with respect to residential and motor vehicle leases when the servicemember is mobilized or sent to a new duty assignment, sometimes with little advance notice.

Finally, I am especially pleased that one of the sections of Title VIII would allow the principal office of the U.S. Court of Appeals for Veterans Claims to be located at any location in the Washington, D.C., metropolitan area, if that location would allow greater cost efficiencies or a permanent building for the court.

Mr. Speaker, I rise today in strong support of S. 2486, the Veterans Benefits Improvement Act of 2004.

I appreciate the opportunity to work with ARLEN SPECTER and BOB GRAHAM, the distinguished chairman and ranking member, respectively, of the Senate Committee on Veterans' Affairs, in writing this comprehensive

legislation. I thank them both for their leadership.

The Veterans' Benefits Improvement Act of 2004 incorporates 14 benefits bills that have been referred to the House Committee on Veterans' Affairs this Congress. S. 2486 contains more than 40 substantive provisions which would enhance programs affecting veterans' education, training, employment, reemployment, compensation and pension, housing, fiduciary, protections for mobilized servicemembers, and other benefits.

Mr. Speaker, I want to draw my colleagues' attention to title one of this comprehensive bill, the Veterans Earn and Learn Act, which is derived from H.R. 1716, introduced by Ranking Member LANE EVANS and me and many others.

This section represents the fifth of six measures in a Veterans' Jobs and Business Opportunities package that our Subcommittee on Benefits has authored over the last 3½ years. I appreciate the vision and bipartisan leadership of JACK QUINN and BOB FILNER, followed by J.D. HAYWORTH and BOB FILNER, then MIKE SIMPSON and SILVESTRE REYES, and now HENRY BROWN and MICHAEL MICHAUD on this package.

Title one of the bill would significantly update the on-job training and apprenticeship programs administered by the Department of Veterans Affairs to reflect learning opportunities in American business and industry today. Indeed, this legislation is Congress' first major rewrite of on-job training, OJT, and apprenticeship policies for veterans since World War II.

Plus, effective October 1 of 2005, the bill would increase by 10 percent the monthly educational assistance allowance that the Department of Veterans Affairs furnishes eligible veterans, dependent widows and children, and Reservists.

The Veterans Earn and Learn title of the bill is timely because 419 military occupational specialties are currently transferable to the civilian economy. Almost 200,000 separating servicemembers per year, including Reservists, would be eligible to use these Earn and Learn initiatives to continue to build transferable skills. This measure represents a unique opportunity for veterans, Reservists, and dependent widows and children to use their VA educational assistance benefits to augment the entry-level wage the employer pays them as they train on the job. As the training wage increases over time, the monthly VA educational assistance allowance decreases.

VA's OJT and apprenticeship program is a valuable program for employers, too. For example, in a 3-year apprenticeship, VA education benefits under this measure would augment the veteran's training wage furnished by the employer by \$17,891. In fact, Missouri has documented that VA's on-job training and apprenticeship programs improve employee retention and bring significant federal training dollars to Missouri communities to the tune of \$38 million annually. Tapping into veterans as a rich source of skilled and qualified employees is a shrewd business strategy for employers of all sizes, as veterans bring a unique combination of skill, discipline, character, and talent to the workplace.

The monthly OJT/apprenticeship rates vary based on eligibility. But here are some brief examples of the amount of VA educational

program allowances beneficiaries would receive in 1- and 2-year on-job training programs and 3- and 4-year apprenticeships under the Montgomery GI Bill:

A Reservist participating in a 1-year on-job training program as a management trainee in a retail establishment would receive \$2,471 over 12 monthly payments.

A widow or dependent child who participates in a 2-year training program as a financial adviser with an investment firm would receive \$9,643 over 24 monthly payments.

A veteran who participates in a 3-year apprenticeship program in plumbing would receive \$17,891 over 36 monthly payments.

A veteran who participates in a 4-year apprenticeship program as an electrician would receive \$22,529 over 48 monthly payments.

Mr. Speaker, it's important to note that on-job training and apprenticeships are excellent, practical ways for veterans to use their VA education benefits, especially for those who are married with families to support. VA education benefits are not limited to classroom training.

Let me now highlight other titles in this comprehensive bill.

Title two focuses on employment matters. A major aspect of this title is a provision to increase from 18 to 24 months the maximum period of employer-sponsored health coverage that an employee covered by the Uniform Services Employment and Reemployment Rights Act of 1994 may elect to continue to receive. This extension of coverage is essential given the longer active-duty tours of our reservists. I commend Representatives HENRY BROWN and MICHAEL MICHAUD for their leadership on this issue.

Title three focuses on veterans' benefits matters. A key part of this title is the provision that provides a \$250 monthly increase in dependency and indemnity payments for a surviving spouse with children under age 18. These payments are authorized during the 2-year period following the service-connected death of the servicemember or veteran. I commend Chairman SPECTER and Ranking Member GRAHAM for their leadership on this provision.

Title four enhances housing matters. Among other important provisions, this section of the bill increases the maximum VA home loan to 25 percent of the Freddie Mac conforming loan amount for a single-family residence. It also annually indexes the maximum amount of VA's home loan guaranty for construction or purchase of a home to that Freddie Mac limit. In effect, the increase raises from 240,000 to \$333,700 the maximum home loan purchase amount on a VA-guaranteed purchase.

I am also very pleased this section makes some small needed changes the Department of Veterans Affairs has asked for to provide greater flexibility in its administration of the Transitional Housing program. I was pleased to work with VA in this regard so as to make the Transitional Housing program as effective as possible.

Title five focuses on fiduciary matters to protect our more vulnerable veterans and dependents when they require a third party payee to receive VA benefits on their behalf. These provisions are the result of 2 hearings held by the Subcommittee on Benefits, and I commend Representatives HENRY BROWN and SUSAN DAVIS for their work on this section of the bill.

Title six addresses various memorial affairs issues, including designating a monument constructed at the Riverside National Cemetery in Riverside, CA, as a Prisoner of War/Missing in Action National Memorial.

Title seven makes various improvements to the Servicemembers Civil Relief Act. I am very pleased this section of the bill includes the provision I authored to furnish additional protections to servicemembers and their spouses with respect to residential and motor vehicle leases. This provision modifies section 305 of the Servicemembers Civil Relief Act to address the reality of servicemembers having to terminate leases due to longer-term mobilization or deployment. This provision clarifies that if a servicemember terminates a lease entered into jointly with a dependent—usually the spouse—the obligations of both the servicemember and the dependent are terminated. This affords military families the additional protections they need when the servicemember is mobilized to a new duty assignment—sometimes with little advance notice—and the family, too, must relocate.

Lastly, title eight addresses other important matters. I am pleased this section authorizes that the principal office of the U.S. Court of Appeals for Veterans Claims to be located at any location in the Washington, DC, metropolitan area. Another location may furnish greater cost efficiencies for the court.

In closing, I thank Chairman BROWN and Ranking Member MICHAUD for their leadership and continued bipartisan cooperation. I'd also like to thank the staff on both sides of the aisle in the House and Senate Committees on Veterans' Affairs for their diligent work in bringing this bill to the floor.

Mr. Speaker, I urge my colleagues to support S. 2486.

Mr. Speaker, for the benefit of my colleagues, the following is a joint explanatory statement describing the compromise agreement we have reached with the other body and a letter from the Committee on the Judiciary concerning S. 2486 and our committee's response.

#### EXPLANATORY STATEMENT ON SENATE AMENDMENTS TO S. 2486

S. 2486, as amended, the "Veterans Benefits Improvement Act of 2004," reflects a Compromise Agreement reached by the Senate and House Committees on Veterans' Affairs (the Committees) on the following bills reported during the 108th Congress: S. 2485, as amended; S. 2486, as amended; and S. 1132, as introduced (Senate Bills); H.R. 1716, as amended; H.R. 3936; H.R. 4175, as amended; H.R. 4345; and H.R. 4658, as amended (House Bills).

The Senate and House Committees on Veterans' Affairs have prepared the following explanation of S. 2486, as amended (Compromise Agreement). Differences between the provisions contained in the Compromise Agreement and the related provisions of S. 2485, as amended; S. 2486, as amended; S. 1132, as introduced; H.R. 1716, as amended; H.R. 3936; H.R. 4175, as amended; H.R. 4345; and H.R. 4658, as amended; are noted in this document, except for clerical corrections, conforming changes made necessary by the Compromise Agreement, and minor drafting, technical, and clarifying changes.

#### TITLE I—VETERANS EARN AND LEARN ACT

##### MODIFICATION OF BENEFIT ENTITLEMENT CHARGES FOR CERTAIN ON-JOB TRAINING PROGRAMS

###### Current Law

Section 3687 of title 38, United States Code, charges the Montgomery GI Bill-Active Duty and Selected Reserve programs' entitlement usage based on the actual "dollars used" of monthly VA payment amounts. The entitlement charge under the Vietnam-era and survivors' and dependents' educational assistance programs is based on the time spent in certain training programs.

###### Senate Bill

The Senate Bills contain no comparable provision.

###### House Bill

Section 102 of H.R. 1716, as amended, would modify the manner in which VA on-job training and apprenticeship benefit entitlement is charged under the MGIB, Vietnam-era and survivors' and dependents' programs. The modification would charge entitlement usage for all programs based on "dollars used" rather than time spent in training. This provision would take effect one year after date of enactment.

###### Compromise Agreement

Section 102 of the Compromise Agreement follows the House language with an effective date of months beginning after September 30, 2005.

##### INCREASE IN BENEFIT FOR INDIVIDUALS PURSUING APPRENTICESHIP OR ON-JOB TRAINING

###### Current Law

Sections 3032 and 3233 of title 38, United States Code, and Section 16131 of title 10, United States Code, state that beneficiaries pursuing full-time apprenticeship or on-job training programs will receive 75 percent of the monthly educational assistance benefit for the first six months of training, 55 percent for the second six months of training and 35 percent for the subsequent months.

Section 3687 of title 38, United States Code, states that beneficiaries receiving full-time VA monthly Survivors' and Dependents' Educational Assistance allowances payable to individuals pursuing full-time apprenticeship or on-job training programs will receive, as of October 1, 2004, \$585 for the first six months of training, \$438 for the second six months of training, \$291 for the third six months, and \$147 for the remainder of the program.

###### Senate Bill

The Senate Bills contain no comparable provision.

###### House Bill

Section 104 of H.R. 1716, as amended, would increase by 10 percent the full-time VA monthly educational assistance allowance payable to individuals pursuing a full-time apprenticeship or on-job training program. For the first six months of training, the percentage of the monthly benefit would increase to 85 percent; for the second six months of training, to 65 percent; and for subsequent months to 45 percent. These percentage increases would apply to the Montgomery GI Bill Active Duty and Selected Reserve programs, and the Post-Vietnam Era Veterans' Educational Assistance program. The Survivors' and Dependents' Educational Assistance program would increase to \$650 for the first six months of training, \$507 for the second six months of training and \$366 for the third six months. This provision would be in effect from October 1, 2005 through September 30, 2010.

###### Compromise Agreement

Section 103 of the Compromise Agreement generally follows the House language, but

the 10 percent increase would take effect October 1, 2005 through December 31, 2007.

AUTHORITY FOR COMPETENCY-BASED  
APPRENTICESHIPS

*Current Law*

Section 3672 of title 38, United States Code, currently allows payment of VA educational assistance benefits for time-based apprenticeships.

*Senate Bill*

The Senate Bills contain no comparable provision.

*House Bill*

Section 105 of H.R. 1716, as amended, would authorize VA to pay educational assistance benefits to veterans participating in approved programs of competency-based apprenticeships; this new authority is in addition to time-based apprenticeships. In the case of a competency-based apprenticeship registered with the Secretary of Labor, this provision requires VA to consider Department of Labor standards in determining the appropriate length and structure of the competency-based apprenticeship. This section would also direct the Secretary of Veterans Affairs to use up to \$3 million to develop the computer systems and procedures needed to carry out section 105(a), 102, 103, and 104 of the bill.

*Compromise Agreement*

Section 104 of the Compromise Agreement follows the House language. The Committees note that this provision acknowledges competency-based apprenticeships but does not require employers to use them in lieu of time-based apprenticeships. In today's workplace, apprenticeship programs are time-based or competency-based, or a combination of the two. Lastly, the Committees note that apprenticeships offered in industries that elect not to register them with the Department of Labor, but are approved by a State approving agency or VA, would continue to serve as legitimate training opportunities for veterans.

TEN-YEAR EXTENSION OF DELIMITING PERIOD FOR SURVIVORS' AND DEPENDENTS' EDUCATIONAL ASSISTANCE FOR SPOUSES OF MEMBERS WHO DIES ON ACTIVE DUTY

*Current Law*

Chapter 35 of title 38, United States Code, entitles the surviving spouse of a servicemember or veteran who died of a service-connected injury, or the spouse of a veteran who is rated by VA as totally and permanently disabled as the result of a service-connected disability, to educational assistance provided by the Secretary. An eligible spouse is entitled to use such educational assistance during a ten-year period beginning on either: (1) the date the person became eligible by reason of the servicemember's or veteran's service-connected death, or (2) the date on which the veteran was rated by VA as totally and permanently disabled as the result of a service-connected injury. A spouse may be eligible for two ten-year eligibility periods as the result of two distinct qualifying events. A spouse who is entitled to two eligibility periods will not have a subsequent period of eligibility reduced by any earlier period.

*Senate Bill*

Section 203 of S. 2486, as amended, would extend chapter 35 educational assistance eligibility from 10 to 20 years for a surviving spouse of any person who died on active duty.

*House Bill*

The House Bills contain no comparable provision.

*Compromise Agreement*

Section 105 of the Compromise Agreement follows the Senate language.

AVAILABILITY OF EDUCATIONAL BENEFITS FOR PAYMENT FOR NATIONAL ADMISSIONS EXAMS AND NATIONAL EXAMS FOR CREDIT AT INSTITUTIONS OF HIGHER EDUCATION

*Current Law*

Sections 3452(b) and 3501(a)(5) of title 38, United States Code, define the term "program of education" to generally include a required course, or combination of courses, that lead to an identified educational, professional, or vocational objective. A "program of education" also includes licensing or certification tests that are generally required to enter into, maintain, or advance in a vocation or profession. Section 3002(3) of title 38, United States Code, expands the definition of "program of education" provided in 3452(b) to include preparatory courses for a test required or used for admission to an institution of higher education or graduate school.

*Senate Bill*

Section 204 of S. 2486, as amended, would authorize VA to provide educational assistance benefits to reimburse eligible beneficiaries for the cost of certain national tests required for admission to institutions of higher learning or graduate schools and for national tests that can qualify veterans for receipt of college credit.

*House Bill*

The House Bills contain no comparable provision.

*Compromise Agreement*

Section 106 of the Compromise Agreement follows the Senate language, but adds the College Level Examination Program (CLEP) as an example of a test for which educational assistance benefits may be used.

REQUIREMENT FOR COORDINATION OF DATA AMONG THE DEPARTMENTS OF VETERANS AFFAIRS, DEFENSE, AND LABOR WITH RESPECT TO ON-JOB TRAINING

*Current Law*

There is no applicable current law.

*Senate Bill*

The Senate Bills contain no comparable provision.

*House Bill*

Section 107 of H.R. 1716, as amended, would require certain coordination of information among the Departments of Veterans Affairs, Defense, and Labor with respect to on-job training and apprenticeship programs. First, at the time of a servicemember's separation from active duty, the Secretary of Defense would be required to furnish the Secretary of Veterans Affairs with information concerning each registered apprenticeship pursued by the servicemember during his or her active duty service. Second, it would require the Secretary of Veterans Affairs, in coordination with the Secretary of Labor, to encourage and assist States and private organizations to accord credit to servicemembers for skills in any related apprenticeship the servicemember may pursue in civilian life.

*Compromise Agreement*

Section 107 of the Compromise Agreement follows the House language.

PILOT PROGRAM TO PROVIDE ON-JOB BENEFITS TO TRAIN DEPARTMENT OF VETERANS AFFAIRS CLAIMS ADJUDICATORS

*Current Law*

There is no applicable current law.

*Senate Bill*

The Senate Bills contain no comparable provision.

*House Bill*

Section 106 of H.R. 1716, as amended, would require the Secretary of Veterans Affairs to establish a pilot program to furnish struc-

tured on-job training and on-job training benefits to claims adjudicators training in its disability compensation, dependency and indemnity compensation (DIC), and pension programs. The Secretary would be required to submit reports concerning continuation and expansion of the pilot program.

*Compromise Agreement*

Section 108 of the Compromise Agreement generally follows the House language, but authorizes the Secretary to establish a pilot program to furnish formal, structured on-job training/benefits to claims adjudicators at the Secretary's discretion, and not by statutory mandate. The Committees note that one of VA's four regional offices that adjudicate educational assistance claims already offer such formal, structured on-job training.

COLLECTION OF PAYMENT FOR EDUCATIONAL ASSISTANCE UNDER MONTGOMERY GI BILL FROM MEMBERS OF THE SELECTED RESERVE CALLED TO ACTIVE DUTY

*Current Law*

Sections 3011(b) and 3012(c) require that for a servicemember to be eligible for Montgomery GI Bill (MGIB) educational assistance benefits, the servicemember's active duty pay must be reduced by \$100 for each of the first 12 months that the individual is entitled to such pay. The Secretary of Defense (or, in cases involving the activation of U.S. Coast Guard personnel, the Secretary of Homeland Security) is responsible for the collection of the \$1,200 payment.

*Senate Bill*

Section 201 of S. 2486, as amended, would permit the Secretary of Defense (or, in cases involving the activation of Coast Guard personnel, the Secretary of Homeland Security) to collect an activated Selected Reserve member's \$1,200 payment before the servicemember commences use of MGIB educational assistance benefits.

*House Bill*

The House Bills contain no comparable provision.

*Compromise Agreement*

Section 109 of the Compromise Agreement follows the Senate language with the requirement that the servicemember furnish a \$1,200 payment not later than 1 year after completion of the 2 years of active duty.

TITLE II—EMPLOYMENT MATTERS  
Subtitle A—Employment and Reemployment Rights

TWO-YEAR PERIOD OF CONTINUATION OF EMPLOYER-SPONSORED HEALTH CARE COVERAGE

*Current Law*

Section 4317(a)(1)(A) of title 38, United States Code, allows servicemembers covered under the Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA) to elect to continue employer-provided health coverage for up to 18 months while on active duty, provided the servicemember pays up to 102 percent of the premium.

*Senate Bill*

The Senate Bills contain no comparable provision.

*House Bill*

Section 201 of H.R. 4658, as amended, would increase from 18 months to 24 months the maximum period of employer-provided health coverage that an employee covered by USERRA may elect to continue. The coverage would become effective on the first day of the servicemember's absence from employment following the date of enactment of this provision.

*Compromise Agreement*

Section 201 of the Compromise Agreement follows the House language.

# REINSTATEMENT OF REPORTING REQUIREMENTS Current Law

Section 4332 of title 38, United States Code, formerly required that the Secretary of Labor, in consultation with the Office of Special Counsel and the U.S. Attorney General, provide annual reports to Congress on the disposition of cases filed under USERRA. This requirement expired on February 1, 1996.

## Senate Bill

The Senate Bills contain no comparable provision.

## House Bill

Section 202 of H.R. 4658, as amended, would reinstate a requirement that the Secretary of Labor, in consultation with the Office of Special Counsel and the U.S. Attorney General, provide annual reports to Congress on the disposition of cases filed under USERRA, effective February 1, 2005.

## Compromise Agreement

Section 202 of the Compromise Agreement follows the House language.

# REQUIREMENT FOR EMPLOYERS TO PROVIDE NOTICE OF RIGHTS AND DUTIES UNDER USERRA

## Current Law

There is no applicable current law.

## Senate Bill

The Senate Bills contain no comparable provision.

## House Bill

Section 211 of H.R. 4658, as amended, would require employers to provide notice to employees of the rights, benefits and obligations under USERRA. Section 211 would also require the Department of Labor to make available to employers, within 90 days after the date of enactment of this provision, the text of the notice.

## Compromise Agreement

Section 203 of the Compromise Agreement follows the House language.

# DEMONSTRATION PROJECT FOR REFERRAL OF USERRA CLAIMS AGAINST FEDERAL AGENCIES TO THE OFFICE OF SPECIAL COUNSEL

## Current Law

Section 4322 of title 38, United States Code, provides that an individual who believes his or her USERRA rights have been violated by a Federal executive agency may file a complaint with the Secretary of Labor to investigate such complaint. If the Secretary of Labor is unable to resolve the complaint, then in accordance with section 4324 of title 38, United States Code, the individual may request that the Secretary of Labor refer the complaint to the Office of Special Counsel (OSC) for resolution before the Merit Systems Protection Board.

## Senate Bill

The Senate Bills contain no comparable provision.

## House Bill

Section 212 of H.R. 4658, as amended, would require the Secretary of Labor and the Office of Special Counsel (OSC) to carry out a three-year demonstration project on enforcement of USERRA rights for Federal executive branch employees. The demonstration project would allow certain individuals who allege a Federal executive agency has violated their USERRA rights to file a complaint with OSC. For the OSC demonstration project, USERRA cases involving Federal agencies would be selected by the terminal digit of the claimant's social security number or, if there is no social security number, the claimant's case number. Cases with odd terminal digits would be sent directly to OSC. The Comptroller General of the United States would be required to conduct periodic

evaluations of the demonstration project and submit to Congress a final report.

## Compromise Agreement

Section 204 of the Compromise Agreement follows the House language. While this demonstration project would be limited to USERRA cases involving Federal executive agency employees, the Committees intend to examine further USERRA education and enforcement activities by the Departments of Labor, Justice and Defense to determine whether all claimants are being effectively and efficiently served under the current system.

## Subtitle B—Other Matters

# REPORT OF EMPLOYMENT PLACEMENT, RETENTION, AND ADVANCEMENT OF RECENTLY SEPARATED SERVICEMEMBERS

## Current Law

There is no applicable current law.

## Senate Bill

The Senate Bills contain no comparable provision.

## House Bill

Section 206 of H.R. 1716, as amended, would direct the Secretary of Veterans Affairs to contract for a report within 180 days of enactment on employment placement, retention, and advancement of recently-separated veterans.

## Compromise Agreement

Section 211 of the Compromise Agreement follows the House language.

## TITLE III—BENEFITS MATTERS

# ADDITIONAL DEPENDENCY AND INDEMNITY COMPENSATION FOR SURVIVING SPOUSES WITH DEPENDENT CHILDREN

## Current Law

Section 1311(a) of title 38, United States Code, prescribes the payment of dependency and indemnity compensation (DIC) to the surviving spouse of a veteran or servicemember who dies as a result of a service-connected disability. Section 1311(b) provides for an additional amount of DIC to be paid for each of the surviving spouse's children who are under the age of 18.

## Senate Bill

Section 4 of S. 1132, as introduced, would provide for a \$250 monthly increase in DIC payments for a surviving spouse with children below the age of 18. Such payments would be authorized during the 5-year period following the service-connected death of the servicemember or veteran. Such payments would cease when all children of a surviving spouse reach age 18.

## House Bill

The House Bills contain no comparable provision.

## Compromise Agreement

Section 301 of the Compromise Agreement follows the Senate language, except that the \$250 monthly increase in DIC would only be authorized during the 2-year period following the application for such benefit. The Committees intend that when the Secretary notifies a DIC recipient of the additional benefit provided by this section, such notice shall clearly indicate that this is a transitional benefit which is limited to two years.

# OFFSET OF VETERANS' DISABILITY COMPENSATION AND DEPENDENCY AND INDEMNITY COMPENSATION FROM AWARDS UNDER RADIATION EXPOSURE COMPENSATION PROGRAM

## Current Law

Under current law, a veteran who first applies for and receives an award under the compensation program administered by the Department of Justice pursuant to the Radiation Exposure Compensation Act (RECA),

Public Law 101-426, is prohibited from receiving benefits from the Department of Veterans Affairs. However, a veteran who applies for VA benefits first may then apply for the RECA award, subject to an offset by the Department of Justice of the amounts received from VA.

## Senate Bill

The Senate Bills contain no comparable provision.

## House Bill

Section 202 of H.R. 1716, as amended, would repeal the bar that prevents a veteran or survivor from applying for VA benefits if the individual had previously received compensation from the Department of Justice's RECA program. The bill would allow individuals to receive VA compensation or dependency and indemnity compensation (DIC) benefits to which they are entitled. However, VA would be required to withhold compensation or DIC payments until the amount of the RECA award has been deducted. This provision is effective for compensation or DIC benefits paid after March 26, 2002. This is the date regulations providing for a presumption of service-connection for certain radiation-related disabilities were established.

## Compromise Agreement

Section 302 of the Compromise Agreement follows the House language.

# EXCLUSION OF LIFE INSURANCE PROCEEDS FROM CONSIDERATION AS INCOME FOR VETERANS' PENSION PURPOSES

## Current Law

Section 1503(a) of title 38, United States Code, requires VA in determining eligibility for death pension benefits to consider annual income, including all payments of any kind or from any source.

## Senate Bill

The Senate Bills contain no comparable provision.

## House Bill

Section 203 of H.R. 1716, as amended, would exclude life insurance proceeds from consideration of income for death pension benefits.

## Compromise Agreement

Section 303 of the Compromise Agreement follows the House language.

# CERTAIN SERVICE-CONNECTED DISABILITY BENEFITS AUTHORIZED FOR PERSONS DISABLED BY TREATMENT OR VOCATIONAL REHABILITATION PROVIDED BY THE DEPARTMENT OF VETERANS AFFAIRS

## Current Law

Section 1151(a) of title 38, United States Code, authorizes disability compensation or dependency and indemnity compensation for veterans and their dependents who are injured or die as a result of negligent VA medical treatment, or in VA-sponsored rehabilitation or training. Under the decision of the United States Court of Appeals for the Federal Circuit in *Kilpatrick v. Secretary of Veterans Affairs*, 327 F.3d 1375 (Fed. Cir. 2003), veterans disabled under section 1151 are eligible for specially adapted housing allowances under chapter 21 of title 38, United States Code. Section 1151(b) prohibits the receipt of VA compensation benefits or DIC (for amounts attributable to loss of consortium or society) where an individual, on or after December 1, 1962, receives a judgment against, or settlement or compromise payment from, the United States, until an amount equal to any judgment against, or settlement or compromise payment from the United States is recouped.

## Senate Bill

The Senate Bills contain no comparable provision.

## House Bill

Section 205(a) of H.R. 1716, as amended, would allow veterans and dependents who

are injured as a result of negligent VA medical treatment or rehabilitation or training to qualify for vocational rehabilitation benefits, in addition to specially adapted automobile and adaptive equipment grants. Section 205(b) would provide that where a judgment, settlement or compromise of a claim is offset against benefits provided by the Secretary, such offset would be applied only to the comparable benefit.

#### *Compromise Agreement*

Section 304 of the Compromise Agreement generally follows the House language, but omits eligibility for vocational rehabilitation benefits. Section 205(c) is amended to provide that in the event that a judgment, settlement or compromise specifically designates a portion of such award for housing or automobile benefits such as those provided under Chapters 21 or 39, and the beneficiary later applies for benefits under Chapter 21 or 39, benefits under those chapters would be reduced by the amount of benefits specifically designated in the judgment, settlement or compromise. Any amounts in excess of those permitted under Chapter 21 or 39 would be offset against benefits paid under Chapter 11.

#### EFFECTIVE DATE OF DEATH PENSION

#### *Current Law*

Section 5110(d) of title 38, United States Code, provides that an award based on a death pension claim received more than 45 days after the veteran's death can be effective no earlier than the date of the claim. If the application is received within 45 days of the veteran's death, then the effective date of the death pension award is the first day of the month in which the death occurred.

#### *Senate Bill*

The Senate Bills contain no comparable provision.

#### *House Bill*

Section 204 of H.R. 1716, as amended, would repeal the 45-day rule for the effective date of death pension. Therefore, a claim for death pension received within one year from the date of the veteran's death would be effective the first day of the month in which the death occurred.

#### *Compromise Agreement*

Section 305 of the Compromise Agreement follows the House language.

#### CODIFICATION OF ADMINISTRATIVE ACTIONS RELATING TO PRESUMPTIONS OF SERVICE CONNECTION FOR VETERANS EXPOSED TO IONIZING RADIATION

#### *Current Law*

Section 1112(c)(2) of title 38, United States Code, lists 16 diseases that VA presumes are related to exposure to ionizing radiation. In addition to the 16 listed in statute, VA regulations list an additional five diseases: bone cancer, brain cancer, colon cancer, lung cancer, and ovarian cancer. Servicemembers who participated in certain radiation-risk activities, as defined in section 1112(c)(3)(B), benefit from the presumption of service-connection to ionizing radiation.

#### *Senate Bill*

The Senate Bills contain no comparable provision.

#### *House Bill*

Section 201 of H.R. 1716, as amended, would add bone cancer, brain cancer, colon cancer, lung cancer, and ovarian cancer to the statutory list of those diseases presumed to be related to ionizing radiation exposure during participation in certain radiation-risk activities. Section 201 would also codify additional locations where radiation-risk activities occurred for purposes of determining which veterans qualify for the presumption

of service-connection of certain diseases related to ionizing radiation exposure.

#### *Compromise Agreement*

Section 306 of the Compromise Agreement follows the House language.

#### TITLE IV—HOUSING MATTERS

#### AUTHORITY TO PROVIDE SPECIALLY ADAPTED HOUSING TO CERTAIN DISABLED VETERANS

#### *Current Law*

Chapter 21 of title 38, United States Code, authorizes the Secretary to provide grants to adapt or acquire suitable housing for certain severely disabled veterans.

#### *Senate Bill*

The Senate Bills contain no comparable provision.

#### *House Bill*

Section 302 of H.R. 1716, as amended, would extend eligibility for specially adapted housing grants to veterans with permanent and total service-connected disabilities due to the loss, or loss of use, of both arms at or above both elbows.

#### *Compromise Agreement*

Section 401 of the Compromise Agreement follows the House language.

#### TRANSITIONAL HOUSING AMENDMENTS

#### *Current Law*

Section 2051 of title 38, United States Code, establishes the general authority governing loan guarantees for multifamily transitional housing. Section 2052 establishes eligibility and other requirements for such loans.

#### *Senate Bill*

The Senate Bills contain no comparable provision.

#### *House Bill*

Section 303 of H.R. 1716, as amended, would provide that a multifamily transitional housing project that is funded by a VA-guaranteed loan may accept uncompensated voluntary services as defined in section 2011(d) of title 38, United States Code, in connection with the construction, alteration, or repair of such project. This section would also add commercial activities, other than neighborhood retail services or job training programs, to the purposes for which multifamily transitional housing space may be used.

#### *Compromise Agreement*

Section 402 of the Compromise Agreement follows the House language. The Committees intend that veterans be hired at these new centers of commercial activity where practicable.

#### INCREASE IN, AND ANNUAL INDEXING OF, MAXIMUM AMOUNT OF HOME LOAN GUARANTY FOR CONSTRUCTION AND PURCHASE OF HOMES

#### *Current Law*

Section 3703 of title 38, United States Code, establishes that a loan of more than \$144,000 made to an eligible veteran under section 3710 for purchase or construction of a home is automatically guaranteed by the United States in an amount not to exceed the lesser of \$60,000 or 25 percent of the loan.

#### *Senate Bill*

Section 101 of S. 2486, as amended, would increase the maximum VA home loan guaranty to 25 percent of the Freddie Mac conforming loan amount for a single-family residence and annually index the maximum amount of VA's home loan guaranty for construction or purchase of a home to the Freddie Mac limit.

#### *House Bill*

Section 301 of H.R. 1716, as amended, and H.R. 4345 contain a similar provision.

#### *Compromise Agreement*

Section 403 of the Compromise Agreement follows the Senate language.

#### EXTENSION OF AUTHORITY FOR GUARANTEE OF ADJUSTABLE RATE MORTGAGES

#### *Current Law*

Section 3707 of title 38, United States Code, formerly authorized a three-year test of a VA-guaranteed adjustable rate mortgage program (ARM). The VA ARM program was in force from fiscal year 1993 through fiscal year 1995.

#### *Senate Bill*

Section 102 of S. 2486, as amended, would reinstate the VA ARM program and extend its authorization through fiscal year 2011.

#### *House Bill*

The House Bills contain no comparable provision.

#### *Compromise Agreement*

Section 404 of the Compromise Agreement follows the Senate language but would extend the VA ARM program authorization through fiscal year 2008.

#### EXTENSION AND IMPROVEMENT OF AUTHORITY FOR GUARANTEE OF HYBRID ADJUSTABLE RATE MORTGAGES

#### *Current Law*

Section 3707A of title 38, United States Code, authorizes VA, during fiscal years 2004 and 2005, to guarantee hybrid adjustable rate mortgage (hybrid ARM) loans. Annual interest rate adjustments on VA-guaranteed hybrid ARM loans are subject to a maximum increase or decrease of one percentage point and are limited over the term of the mortgage to a maximum increase of five percentage points above the initial fixed rate of interest.

#### *Senate Bill*

Section 103 of S. 2486, as amended, would extend the authority of VA to guarantee hybrid ARM loans through fiscal year 2011. For hybrid ARM loans with fixed periods of interest of less than 5 years, the initial and subsequent annual interest rate adjustments would be limited to one percentage point. For hybrid ARM loans with an initial rate of interest fixed for 5 years or more, section 103 would give VA the authority to set an appropriate interest rate cap for the initial interest rate adjustment. Annual adjustments thereafter would be subject to a one percentage point cap. Finally, section 103 would require VA to prescribe the maximum number of percentage points above the initial fixed rate of interest that would limit, over the term of a hybrid ARM mortgage, interest rate adjustments.

#### *House Bill*

The House Bills contain no comparable provision.

#### *Compromise Agreement*

Section 405 of the Compromise Agreement follows the Senate language but would extend the VA hybrid ARM program through fiscal year 2008.

#### TERMINATION OF COLLECTION OF LOAN FEES FROM VETERANS RATED ELIGIBLE FOR COMPENSATION AT PRE-DISCHARGE RATING EXAMINATIONS

#### *Current Law*

Section 3729(a) of title 38, United States Code, requires VA to collect a fee from each person obtaining a housing loan guaranteed by VA. Section 3729(c) prohibits the collection of loan fees from veterans who are receiving VA disability compensation. Disability compensation may only be paid upon an active duty servicemember's discharge from service.

#### *Senate Bill*

Section 104 of S. 2486, as amended, would allow a servicemember who is rated eligible to receive disability compensation as a result of a pre-discharge medical examination



to qualify for a waiver of the VA home loan funding fee.

#### *House Bill*

The House Bills contain no comparable provision.

#### *Compromise Agreement*

Section 406 of the Compromise Agreement follows the Senate language.

#### THREE-YEAR EXTENSION OF NATIVE AMERICAN VETERAN HOUSING LOAN PILOT PROGRAM

#### *Current Law*

Section 3761 of title 38, United States Code, establishes the general authority governing a pilot program for housing loans to Native Americans residing on tribal lands. The pilot program is authorized through December 31, 2005.

#### *House Bill*

H.R. 5153 would extend the Native American Home Loan Program through December 31, 2010.

#### *Senate Bill*

The Senate Bills contain no comparable provision.

#### *Compromise Agreement*

Section 407 of the Compromise Agreement extends the pilot program until December 31, 2008.

#### TITLE V—MATTERS RELATING TO FIDUCIARIES

##### DEFINITION OF FIDUCIARY

#### *Current Law*

There is no applicable current law.

#### *Senate Bill*

The Senate Bills contain no comparable provision.

#### *House Bill*

Section 301 of H.R. 4658, as amended, would define a fiduciary for the purposes of chapters 55 and 61 of title 38, United States Code, as (1) the guardian, curator, conservator, committee or person legally vested with the responsibility or care of a claimant (or the estate) or of a beneficiary (or beneficiary's estate); or (2) any other person appointed in a representative capacity to receive money paid from VA.

#### *Compromise Agreement*

Section 501 of the Compromise Agreement follows the House language.

#### INQUIRY, INVESTIGATIONS, AND QUALIFICATION OF FIDUCIARIES

#### *Current Law*

There is no applicable current law.

#### *Senate Bill*

The Senate Bills contain no comparable provision.

#### *House Bill*

Section 302 of H.R. 4658, as amended, would require VA to certify, following an inquiry or investigation, the fitness of a fiduciary. Such inquiry or investigation would be conducted through, to the extent practicable, a face-to-face interview, review of a credit report issued within one year of the fiduciary's proposed appointment, and the furnishing of any bond that may be required by the Secretary. Additionally, the Secretary would be required to request information on whether that person has been convicted of any offense under Federal or State law resulting in imprisonment for more than one year. If the proposed fiduciary has been convicted of such an offense, the Secretary may certify the person as a fiduciary only if the Secretary makes a specific finding of rehabilitation and finds that the proposed fiduciary is an appropriate one to act as the fiduciary for the beneficiary.

In cases of a parent or step-parent of a minor beneficiary (natural or adopted),

spouse or parent of an incompetent beneficiary, a person who has been appointed by a court of competent jurisdiction, or a person appointed to manage an estate where the annual amount of veterans benefits to be managed does not exceed \$3,600 (adjusted for annual cost-of-living increases), the Secretary may certify the potential fiduciary on an expedited basis.

If needed to protect the assets of the beneficiary when a determination of incompetence is being made or appealed, or a fiduciary is appealing a determination of misuse of veteran's benefits, the Secretary would have the authority to appoint a temporary fiduciary, for a period not to exceed 120 days. If a final decision has not been made within 120 days of the appointment of the temporary fiduciary, the Secretary would not be able to continue the temporary appointment without a court order for the appointment of a guardian, conservator, or similar legal fiduciary.

#### *Compromise Agreement*

Section 502 of the Compromise Agreement follows the House language with modifications. Language requiring a specific finding of rehabilitation before a person with a prior felony conviction may be appointed to serve as a fiduciary is omitted. The Committees intend that the Secretary have discretion in determining when such a person would be an appropriate person to serve as a fiduciary. The Committees expect the Secretary to consider such factors as the length of time since the conviction, the nature of the offense, the relationship of the proposed fiduciary to the beneficiary, and other factors which would demonstrate the appropriateness of the appointment.

#### MISUSE OF BENEFITS BY FIDUCIARIES

#### *Current Law*

There is no applicable current law.

#### *Senate Bill*

The Senate Bills contain no comparable provision.

#### *House Bill*

Section 303 of H.R. 4658, as amended, would, if the Secretary or a court of competent jurisdiction determines the fiduciary misused some or all of the veterans' benefits, prohibit a fiduciary from collecting a fee from a beneficiary for any month benefits were misused. Additionally, any fee collected would be considered to be misused.

Any fiduciary, except a Federal, State or local government agency, would be liable for the amount misused, and that amount would be treated as an erroneous payment to the fiduciary for purposes of laws pertaining to the recovery of overpayments. The misappropriated amount would be recovered in the same manner as any other debt due the United States, and the Secretary would repay to the beneficiary or the beneficiary's successor fiduciary, an amount equal to the recovered amount.

In the event the misused benefits are due to the Secretary's negligent failure to investigate or monitor the fiduciary, the Secretary would be liable to reissue all the benefits. Examples of failure to monitor a fiduciary adequately would include the Secretary's failing to review, in a timely manner, a fiduciary's accounting; failing to act in a timely manner when notified of allegations of misuse; and any other case when actual negligence is shown. In any case, a fiduciary who is (1) not an individual (i.e., an agency) or (2) is an individual who, for any month during a period when misuse occurs, serves ten or more individuals who are beneficiaries under title 38, United States Code, the Secretary would also reissue benefits. When the Secretary reissues a benefit pay-

ment, the Secretary is directed to make a good-faith effort to recoup the funds from the fiduciary to which the original payment was made.

#### *Compromise Agreement*

Section 503 of the Compromise Agreement follows the House language with modifications. The Committees have omitted language authorizing the Secretary to make a finding of misuse and treat the portions of benefits misused as erroneous payments to the fiduciary. Also omitted is language authorizing the Secretary to impose liability upon the fiduciary and recover misused funds in the same manner as any other debt owed to the United States. In addition, the Committees have omitted the provision that would have made a determination by the Secretary that a fiduciary has misused benefits a decision of the Secretary for purposes of section 511(a) of title 38, United States Code. The Committees recognize that it is the duty of the Federal government to recover misused funds and expect that VA and other government agencies will make every effort to recover misused funds. However, at this time, the Committees need to assess further the appropriateness of requiring a fiduciary accused of misuse by the Secretary to appeal such a finding in the appeals venue established for adjudicating veterans' entitlement claims.

The Committees have also amended the provision requiring the Secretary to reissue benefits when the Secretary has negligently failed to monitor or investigate a fiduciary. In particular, the Committees have specified that a timely review of a scheduled accounting or investigation of misuse is one that occurs within 60 days of the scheduled accounting or notification of alleged misuse.

#### ADDITIONAL PROTECTIONS FOR BENEFICIARIES WITH FIDUCIARIES

#### *Current Law*

There is no applicable current law.

#### *Senate Bill*

The Senate Bills contain no comparable provision.

#### *House Bill*

Section 304 of H.R. 4658, as amended, would require the Secretary to conduct periodic on-site reviews of any person or agency located in the United States that serves as a fiduciary to more than 20 beneficiaries and who administers a total annual amount of benefits administered of \$50,000 or more (to be adjusted annually to reflect cost-of-living adjustments). Additionally, the Secretary would be authorized to require a fiduciary to file a report or accounting of disbursement of benefits in accordance with regulations prescribed by the Secretary. In the event a fiduciary fails to file the requested report, the Secretary would be authorized to require a fiduciary to appear in person at a VA regional office to receive payment.

In the event the Secretary determines a fiduciary converts a payment for some use other than for use on the beneficiary's behalf, the Secretary would be authorized to assess, in addition to any other penalty that may be prescribed by law, a civil monetary penalty of not more than \$5,000 per conversion. Such person would also be subject to an assessment by the Secretary of not more than twice the amount of any payments converted.

Additionally, any Federal court, when sentencing a defendant convicted of an offense arising from the misuse of benefits, could have ordered, in addition to or in lieu of any other penalty authorized by law, that the defendant make restitution to the Department and the court would have been required to state on the record the reasons for not ordering restitution, or only ordering partial restitution. Any amounts received or recovered

would be available to defray the expenses incurred by the VA's Office of Inspector General for the inquiry or investigation of fiduciaries.

#### *Compromise Agreement*

Section 504 of the Compromise Agreement follows the House language with modifications. The title of new section 5509, of title 38, United States Code, has been changed to reflect more accurately the requirements of that section. The provision for imposition of civil monetary penalties has been omitted. The Compromise Agreement omits provisions allowing amounts received in excess of benefit restitution to be made available to the Office of the Inspector General.

#### ANNUAL REPORT

#### *Current Law*

There is no applicable current law.

#### *Senate Bill*

The Senate Bills contain no comparable provision.

#### *House Bill*

Section 305 of H.R. 4658, as amended, would require the Secretary to include in the "Annual Benefits Report of the Veterans Benefits Administration" or the "Secretary's Annual Performance and Accountability Report" information concerning fiduciaries who have been appointed to receive benefits. The required report would include the following (1) the number of beneficiaries in each category (veteran, surviving spouse, child, adult disabled child or parent); (2) the types of benefit being paid (compensation, pension, dependency and indemnity compensation, death pension or benefits payable to a disabled child under chapter 18 of title 38, United States Code); (3) the total annual amounts and average annual amounts of benefits paid to fiduciaries for each category and type of benefit; (4) the number of fiduciaries who are the spouse, parent, step-parent, legal custodian, court-appointed fiduciary, institutional fiduciary, custodian-in-fact and supervised direct payee; (5) the number of cases in which the fiduciary was changed by the Secretary because of a finding that benefits had been misused; (6) how such cases of misuse of benefits were addressed by the Secretary; (7) the final disposition of such cases of misuse of benefits, including the number and dollar amount of any civil or criminal penalties imposed; and (8) such other information as the Secretary considers appropriate.

#### *Compromise Agreement*

Section 505 of the Compromise Agreement follows the House language with modifications. Additional reporting requirements concerning cases referred to the Office of the Inspector General and the amounts of money recovered by the government have been added. Language referring to civil or criminal penalties has been omitted.

#### TITLE VI—MEMORIAL AFFAIRS MATTERS

DESIGNATION OF PRISONER OF WAR/MISSING IN ACTION NATIONAL MEMORIAL, RIVERSIDE NATIONAL CEMETERY, RIVERSIDE, CALIFORNIA

#### *Current Law*

There is no applicable current law.

#### *Senate Bill*

Section 122 of S. 2485 would designate the Prisoner of War/Missing in Action National Memorial at the Riverside National Cemetery in Riverside, California. Federal funds would be permitted, but not required, at the discretion of the Secretary for maintenance of the memorial, should private funding sources prove to be inadequate.

#### *House Bill*

Section 402 of H.R. 1716, as amended, contains a similar provision.

#### *Compromise Agreement*

Section 601 of the Compromise Agreement generally follows the House language. However, the memorial is designated: "Prisoner of War/Missing in Action National Memorial."

#### LEASE OF CERTAIN NATIONAL CEMETERY ADMINISTRATION PROPERTY

#### *Current Law*

There is no applicable provision in current law.

#### *Senate Bill*

Section 107 of S. 2485, as amended, would authorize the Secretary to lease any undeveloped land and unused or underutilized buildings belonging to the United States and administered by the National Cemetery Administration (NCA). The term of any such lease would not be permitted to exceed ten years. Proceeds from the lease of land or buildings and proceeds from licenses sold in return for the agricultural use of NCA lands would be deposited in a National Cemetery Administration Facilities Operation Fund along with any appropriation, or other authorized payment, designated for that fund. Fund proceeds would be available to cover costs incurred by NCA in the operation and maintenance of national cemeteries.

#### *House Bill*

The House Bills contain no comparable provision.

#### *Compromise Agreement*

Section 602 of the Compromise Agreement follows the Senate language.

#### EXCHANGES OF REAL PROPERTY FOR NATIONAL CEMETERIES

#### *Current Law*

Section 2406 of title 38, United States Code, authorizes the Secretary to acquire additional lands for national cemeteries by purchase, gift, condemnation, or transfer from other Federal agencies.

#### *Senate Bill*

The Senate Bills contain no comparable provision.

#### *House Bill*

The House Bills contain no comparable provision.

#### *Compromise Agreement*

Section 603 of the Compromise Agreement would authorize the Secretary to acquire additional lands for national cemeteries by exchanging existing national cemetery land.

#### TITLE VII—IMPROVEMENTS TO SERVICEMEMBERS CIVIL RELIEF ACT CLARIFICATION OF MEANING OF "JUDGMENT" AS USED IN THE SERVICEMEMBERS CIVIL RELIEF ACT (SCRA)

#### *Current Law*

Section 101 of the SCRA provides definitions for purposes of the Act. The section does not define the term "judgment."

#### *Senate Bill*

The Senate Bills contain no comparable provision.

#### *House Bill*

Section 101 of H.R. 4658, as amended, would clarify that "[t]he term 'judgment' means any judgment, decree, order, or ruling, final or temporary."

#### *Compromise Agreement*

Section 701 of the Compromise Agreement follows the House language.

#### REQUIREMENTS RELATING TO WAIVER OF RIGHTS UNDER THE SCRA

#### *Current Law*

Section 107 of the SCRA provides that servicemembers may waive any of the rights and protections under the Act if certain re-

quirements are met, including a requirement in section 107(b) that waivers be in writing for specified actions.

#### *Senate Bill*

The Senate Bills contain no comparable provision.

#### *House Bill*

Section 102 of H.R. 4658, as amended, would provide that those actions requiring waivers in writing pursuant to section 107(b) of the SCRA must also be executed in a separate instrument. Additionally, section 102 would provide a new requirement that any waiver, in writing, of a right or protection under section 107 of the Act that applies to a contract, lease or similar legal instrument must be in at least 12-point type.

#### *Compromise Agreement*

Section 702 of the Compromise Agreement follows the House language.

#### RIGHT OF SERVICEMEMBERS PLAINTIFFS TO REQUEST STAY OF CIVIL PROCEEDINGS

#### *Current Law*

Section 202 of the SCRA provides for a stay of any civil action or proceeding when a servicemember who is a defendant has notice of the action or proceeding.

#### *Senate Bill*

The Senate Bills contain no comparable provision.

#### *House Bill*

Section 103 of H.R. 4658, as amended, would include plaintiffs as well as defendants under section 202 of the SCRA.

#### *Compromise Agreement*

Section 703 of the Compromise Agreement follows the House language.

#### TERMINATION OF LEASES

#### *Current Law*

Section 305 of the SCRA provides that servicemembers may, under certain circumstances, terminate residential or motor vehicle leases and specifies the manner of termination.

#### *Senate Bill*

The Senate Bills contain no comparable provision.

#### *House Bill*

Section 104 of H.R. 4658, as amended, would clarify that if, under section 305 of the SCRA the servicemember terminates a lease entered into jointly with a dependent, the obligations of both the servicemember and the dependent are terminated. Section 104 would also modify section 305 of the SCRA to allow motor vehicle lease terminations for any permanent change of station move from a state outside of the continental United States to any other location outside that state, and the term "continental United States" would be defined as the "48 contiguous states and the District of Columbia." Further, section 104 would broaden the definition of the term "military orders" to mean "official military orders, or any notification, certification, or verification from the servicemember's commanding officer, with respect to the servicemember's current or future military duty status." Finally, section 104 would amend section 305 of the SCRA to include individual as well as unit deployments for a period of not less than 90 days among the circumstances under which a servicemember could terminate a lease.

#### *Compromise Agreement*

Section 704 of the Compromise Agreement follows the House language.

#### TITLE VIII—OTHER MATTERS

#### PRINCIPAL OFFICE OF THE UNITED STATES COURT OF APPEALS FOR VETERANS CLAIMS

#### *Current Law*

Section 7255 of title 38, United States Code, requires the principal office of the U.S. Court

of Appeals for Veterans Claims be located in the District of Columbia.

#### *Senate Bill*

The Senate Bills contain no comparable provision.

#### *House Bill*

Section 1 of H.R. 3936 would authorize the principal office of the U.S. Court of Appeals for Veterans Claims to be located at any location in the Washington, D.C., metropolitan area. Section 2 would make findings and express the sense of Congress regarding a new veterans' courthouse and justice center.

#### *Compromise Agreement*

Section 801 of the Compromise Agreement follows the House language, but omits section 2 of the bill.

EXTENSION OF BIENNIAL REPORT OF ADVISORY COMMITTEE ON FORMER PRISONERS OF WAR

#### *Current Law*

Section 541 of title 38, United States Code, establishes an Advisory Committee on Former Prisoners of War. The Advisory Committee is required to submit to the Secretary, no later than July 1st of each odd numbered year through 2003, a report on the programs and activities of the Department as they pertain to veterans who are former prisoners of war.

#### *Senate Bill*

Section 302 of S. 2486, as amended, would extend the reporting requirement through 2009.

#### *House Bill*

The House Bills contain no comparable provision.

#### *Compromise Agreement*

Section 803 of the Compromise Agreement follows the Senate language.

AVAILABILITY OF ADMINISTRATIVE AND JUDICIAL REDRESS FOR CERTAIN VETERANS DENIED OPPORTUNITY TO COMPETE FOR FEDERAL EMPLOYMENT

#### *Current Law*

Section 3304(f)(1) of title 5, United States Code, grants "preference eligible" veterans (generally, veterans who served during a wartime period; veterans who served during a period for which a campaign badge or expeditionary medal was awarded; or veterans with service-connected disabilities) and veterans who separated from the armed forces under honorable conditions after three years or more of active service the opportunity to compete for vacant positions in the Federal government for which an agency is accepting applications from individuals outside its own workforce under merit promotion procedures.

Section 3330a of title 5, United States Code, allows preference eligible veterans who allege their veterans' preference rights have been violated to seek administrative redress by filing a complaint with the Secretary of Labor. Section 3330b of title 5, United States Code, provides preference eligible veterans with judicial redress for claims arising from allegations of violations of veterans' preference laws.

#### *Senate Bill*

Section 204 of S. 2486, as amended, would provide a veteran who has been separated from the armed forces under honorable conditions after three years or more of active service with administrative and judicial redress for alleged violations of his or her rights under section 3304(f)(1) of title 5, United States Code.

#### *House Bill*

The House Bills contain no comparable provision.

#### *Compromise Agreement*

Section 804 of the Compromise Agreement follows the Senate language.

REPORT ON SERVICEMEMBERS' AND VETERANS' AWARENESS OF BENEFITS AVAILABLE UNDER LAWS ADMINISTERED BY THE SECRETARY OF VETERANS AFFAIRS

#### *Current Law*

Section 7722 of title 38, United States Code, requires the Secretary of Veterans Affairs to distribute full information to eligible servicemembers, veterans and dependents regarding all benefits and services to which they may be entitled under laws administered by the Department.

#### *Senate Bill*

The Senate Bills contain no comparable provision.

#### *House Bill*

The House Bills contain no comparable provision.

#### *Compromise Agreement*

In conjunction with the improvements in veterans' benefits, section 805 of the Compromise Agreement would direct the Secretary of Veterans Affairs to submit a report to Congress detailing VA's efforts to make veterans and servicemembers aware of VA benefits and services to which they are entitled. The report would include: (1) a description of the outreach activities conducted by VA at each of its three Administrations and by other internal VA entities; (2) the results of a national survey to ascertain servicemembers' and veterans' level of awareness of VA benefits and services; and (3) recommendations the Secretary may have to improve VA's outreach activities. The report would be due 1 year after the enactment of the Compromise Agreement.

#### LEGISLATIVE PROVISIONS NOT ADOPTED

IMPROVED VETERANS' BENEFITS FOR FORMER PRISONERS OF WAR

#### *Current Law*

Section 1112(b) of title 38, United States Code, specifies 16 disabilities that VA presumes are related to the prisoner of war (POW) experience for the purposes of veterans' and survivors' benefits.

#### *Senate Bill*

The Senate Bills contain no comparable provision.

#### *House Bill*

Section 4 of H.R. 4175 would add osteoporosis to the list of diseases presumed to be the result of the POW experience.

FINDINGS RELATED TO ON-JOB TRAINING AND APPRENTICESHIP PROGRAMS

#### *Current Law*

There is no applicable current law.

#### *Senate Bill*

The Senate Bills contain no comparable provision.

#### *House Bill*

Section 101 of H.R. 1716, as amended, would make Congressional findings with respect to broad purposes for VA's OJT and apprenticeship programs in both the private and public sectors of our economy. These include: helping employers hire and retain skilled workers; establishing a link between the training afforded to servicemembers while serving in the Armed Forces and the training available in civilian settings for purposes of occupational licensing and credentialing; and developing a more highly educated and productive workforce.

INCENTIVE PAYMENT FOR EARLY COMPLETION OF APPRENTICESHIP TRAINING

#### *Current Law*

Sections 3032, 3233, and 3687 of title 38, United States Code, and Section 16131 of title 10, United States Code, do not currently con-

tain any incentive to finish on-job training or apprenticeships earlier than the established completion date.

#### *Senate Bill*

The Senate Bills contain no comparable provision.

#### *House Bill*

Section 103 of H.R. 1716, as amended, would establish an incentive payment for program participants who finish their apprenticeship training early. As an incentive for trainees to complete their apprenticeship or attain journeyworker status early, this provision would require VA to pay the trainee a lump-sum amount for the months of VA entitlement remaining that would have been needed to complete the apprenticeship. This provision would be applicable for months beginning on or after October 1, 2005, and ending on October 1, 2010.

ELIGIBILITY OF CERTAIN PERSONS FOR BURIAL IN ARLINGTON NATIONAL CEMETERY

#### *Current Law*

Eligibility for burial at Arlington National Cemetery is governed by Federal regulations at section 553.15 of title 32, Code of Federal Regulations. The following categories of persons are eligible for in-ground burial: active duty members of the Armed Forces, except those members serving on active duty for training; retired members of the Armed Forces who have served on active duty, are on a retired list and are entitled to receive retirement pay; former members of the Armed Forces discharged for disability before October 1, 1949, who served on active duty and would have been eligible for retirement under 10 U.S.C. 1202 had the statute been in effect on the date of separation; honorably discharged members of the Armed Forces awarded the Medal of Honor, Distinguished Service Cross, Air Force Cross or Navy Cross, Distinguished Service Medal, Silver Star, or Purple Heart; former prisoners of war who served honorably and who died on or after November 30, 1993; provided they were honorably discharged from the Armed Forces, elected Federal officials (the President, Vice President, and Members of Congress), Federal cabinet secretaries and deputies, agency directors and certain other high Federal officials (level I and II executives), Supreme Court Justices, and chiefs of certain diplomatic missions; the spouse, widow or widower, minor child and, at the discretion of the Secretary of the Army, certain unmarried adult children, and certain surviving spouses of persons eligible for in-ground burial.

#### *Senate Bill*

The Senate Bills contain no comparable provision.

#### *House Bill*

Section 401 of H.R. 1716, as amended, would make eligible for in-ground burial at Arlington National Cemetery (1) a member or former member of a reserve component of the Armed Forces who at the time of death was under 60 years of age and who, but for age, would have been eligible for military retired pay under title 10, United States Code; and (2) a member of a reserve component of the Armed Forces who dies in the line of duty while on active duty for training or inactive duty training. Eligibility in both instances would also extend to the servicemember's dependents.

TECHNICAL AMENDMENTS TO EDUCATION PROGRAM PROVISIONS

#### *Current Law*

Section 3452(e) of title 38, United States Code, as amended by section 301 of the Veterans Benefits Act of 2003 (Public Law 108-183; 117 Stat. 2658) authorizes education assistance benefits for certain self-employment

and on-job training programs (franchises) for less than six months under the Montgomery GI Bill (MGIB) when the beneficiary receives a training wage.

#### *Senate Bill*

The Senate Bills contain no comparable provision.

#### *House Bill*

Section 403 of H.R. 4658, as amended, would make a technical correction to waive the training-wage requirement for programs of less than six months beginning October 1, 2005, and ending on September 30, 2010. The Department of Veterans Affairs would be required to review and approve all such programs before any MGIB educational assistance benefits could be dispersed.

#### PREVENTION OF DOUBLE TAXATION OF CERTAIN SERVICEMEMBERS

#### *Current Law*

There is no applicable current law.

#### *Senate Bill*

The Senate Bills contain no comparable provision.

#### *House Bill*

Section 105 of H.R. 4658, as amended, would prohibit a tax jurisdiction from imposing a use, excise or similar tax on the personal property of a servicemember who is not a resident, if the tax jurisdiction's laws do not provide a credit against such taxes previously paid on the same personal property in another tax jurisdiction.

#### FINDINGS AND SENSE OF CONGRESS REGARDING NEW VETERANS COURTHOUSE AND JUSTICE CENTER

#### *Current Law*

There is no applicable current law.

#### *Senate Bill*

The Senate Bills contain no comparable provision.

#### *House Bill*

Section 2 of H.R. 3936 would make findings and express the sense of Congress that all other Article I courts of the United States are located in a dedicated courthouse; that the U.S. Court of Appeals for Veterans Claims, since its creation in 1988, has been located in a commercial office building; and that a dedicated Veterans Courthouse and Justice Center should be provided for the Court and the veterans it serves, and should be located, if feasible, at a site owned by the United States that is part of or proximate to the Pentagon Reservation. Section 2 would also require that not later than 90 days after the date of enactment of this provision, the Secretary of Defense, the Secretary of Veterans Affairs, and the Administrator of General Services submit to the House and Senate Committees on Veterans' Affairs and Armed Services a joint report on the feasibility of locating a new Veterans Courthouse and Justice Center at an appropriate Pentagon Reservation site.

#### EDUCATIONAL ASSISTANCE UNDER THE MONTGOMERY GI BILL FOR MEMBERS OF THE SELECTED RESERVE WHO AGGREGATE TWO OR MORE YEARS OF ACTIVE DUTY SERVICE DURING ANY FIVE-YEAR PERIOD

#### *Current Law*

Section 3012 of title 38, United States Code, authorizes the Department of Veterans Affairs to provide Chapter 30 educational assistance benefits to an individual who, after June 30, 1985, first enters on active duty and has his or her pay reduced by \$100 per month for the first 12 months of active duty and serves at least two continuous years on active duty.

#### *Senate Bill*

Section 202 of S. 2486, as amended, would grant entitlement to Chapter 30 educational

assistance benefits to an individual in the Selected Reserve who, during any five-year period beginning on or after September 11, 2001, and ending on June 30, 2008, serves an aggregate of two years of active duty service. The activated Selected Reserve member would be required to make a \$1,200 contribution within one year of completing two years of aggregate active duty service.

#### *House Bill*

The House Bills contain no comparable provision.

#### MODIFICATION OF DEFINITION OF MINORITY GROUP MEMBER FOR PURPOSES OF ADVISORY COMMITTEE ON MINORITY VETERANS

#### *Current Law*

Section 544 of title 38, United States Code, establishes an Advisory Committee on Minority Veterans. For purposes of that section of law the term "minority group members" includes veterans who are: Asian American; Black; Hispanic; Native American (including American Indian, Alaskan Native, and Native Hawaiian); or Pacific-Islander American.

#### *Senate Bill*

Section 303 of S. 2486, as amended, would amend the definition of "minority group member" to conform to the new Race and Ethnic Standards used in Federal statistical reporting and in the 2000 United States Census. Specifically, section 303 would redefine the categories of minority group members making the following changes: substituting "Asian" for "Asian American;" "Black or African American" for "Black;" "Hispanic, Latino, or Spanish Origin" for "Hispanic;" and "American Indian or Alaska Native" and "Native Hawaiian or other Pacific Islander" for "Native American (including American Indian, Alaskan Native, and Native Hawaiian)."

#### *House Bill*

The House Bills contain no comparable provision.

#### INCREASE IN RATES OF DISABILITY COMPENSATION AND DEPENDENCY AND INDEMNITY COMPENSATION

#### *Current Law*

Current law does not require an annual cost-of-living adjustment to veterans' and survivors' disability compensation.

#### *Senate Bill*

S. 2483 contains a similar provision.

#### *House Bill*

Section 2 of H.R. 4175 would provide, effective December 1, 2004, a cost-of-living adjustment to the rates of disability compensation for veterans with service-connected disabilities and the rates of dependency and indemnity compensation for survivors of certain service-connected disabled veterans. The percentage increase would be equal to the percentage increase for benefits provided under the Social Security Act.

#### HOUSE OF REPRESENTATIVES, COMMITTEE ON THE JUDICIARY, Washington, DC, November 16, 2004.

Hon. CHRIS SMITH,

*Chairman, Committee on Veterans' Affairs, House of Representatives, Washington, DC.*

DEAR CHAIRMAN SMITH: In recognition of the desire to expedite floor consideration of S. 2486, the "Veterans Benefits Improvement Act of 2004," the Committee on the Judiciary hereby waives consideration of the bill. Section 504(b) of the bill creates a new §6108 of Title 38 of the U.S. Code. This new section gives courts the authority to order restitution to the Department of Veterans Affairs when a fiduciary is convicted of missing veterans benefits. These provisions fall within the committee on the Judiciary's Rule X jurisdiction. However, given the need to expedite

this legislation, I will not seek a referral of S. 2486 based on their inclusion.

The Committee on the Judiciary takes this action with the understanding that the Committee's jurisdiction over these provisions is in no way diminished or altered. I would appreciate your including this letter and your response in the Congressional Record during consideration of S. 2486 on the House floor.

Sincerely,

F. JAMES SENSENBRENNER, JR.,  
*Chairman.*

#### HOUSE OF REPRESENTATIVES, COMMITTEE ON VETERANS' AFFAIRS, Washington, DC, November 16, 2004.

Hon. F. JAMES SENSENBRENNER, JR.,  
*Chairman, Committee on the Judiciary, Rayburn House Office Building, Washington, DC.*

DEAR MR. CHAIRMAN: Thank you for your letter of November 16, 2004, regarding the jurisdictional interest of the Committee on the Judiciary in section 504(b) of S. 2486, the Veterans Benefits Improvement Act of 2004.

Your willingness to forego a sequential referral to expedite House consideration of S. 2486 is most appreciated. The Committee on Veterans' Affairs understands that your letter does not waive jurisdiction of the Committee on the Judiciary over the bill and is not a precedent for other bills.

Again, thank you for your cooperation in this matter. Be assured I will include our exchange of letters in the Congressional Record.

Sincerely,

CHRISTOPHER H. SMITH,  
*Chairman.*

Mr. Speaker, I reserve the balance of my time.

Mr. MICHAUD. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker I rise in strong support of S. 2486, the Veterans Benefits Improvement Act of 2004. I would like to thank the ranking member, the gentleman from Illinois (Mr. EVANS), and the gentleman from New Jersey (Mr. SMITH) for their leadership on this legislation and my good friend and colleague on the Subcommittee on Benefits, the gentleman from South Carolina (Mr. BROWN). I have enjoyed working with him during this Congress.

I was proud to join Members on both sides of the aisle in introducing provisions to help our veterans and servicemembers and their families. It is good to see that work contained in this final bill.

This legislation demonstrates the bipartisan nature of the Committee on Veterans Affairs and our ability to work together for the good of our Nation's veterans. The Members and staff of both sides of the aisle also should be recognized for their efforts in putting legislation together.

Finally, I would like to acknowledge the good work done by the other body. Senator SPECTER and Senator GRAHAM and their staffs worked diligently to bring this bill forward. It has been a bipartisan and bicameral effort. Our Nation's veterans and their families would be better off with this legislation.

S. 2486 is a comprehensive bill drawn from a number of provisions that came before our committee. I would like to take a moment to point out just a few.

Many of the provisions in Title I, the Veterans Earn and Learn Act of S. 2486, are drawn from H.R. 1716. Title I will provide improved benefits and job assistance for future skilled workers as they leave military service. The gentleman from South Carolina (Mr. BROWN) introduced and I was happy to support a provision to extend eligibility of employer-sponsored health care coverage to Reservists who have been activated for up to 24 months of active service. This provision is found in section 201 of the bill.

Section 2111 drawn from a bipartisan H.R. 4173 provides for a report of employment placement, retention and advancement of recently separated servicemembers.

I am also pleased that the other body included provisions similar to H.R. 1750 to increase by \$250 the amount of dependency and indemnity compensation benefits received by surviving spouses with children under age 18 for the first 2 years of eligibility. The ranking member, the gentleman from Illinois (Mr. EVANS), has been a long-time advocate for our Nation's disabled veterans and their families.

S. 2486 contains provisions drawn from the Evans bill, H.R. 4172, to codify certain disabilities as presumptive disabilities for atomic veterans and to provide an offset rather than a bar to benefits when an atomic veteran or survivor receives benefits under the Radiation Exposure Compensation Act.

I would like to thank the gentleman from New Hampshire (Mr. BRADLEY) for the opportunity to join with him in introducing H.R. 2163 to equalize the position of surviving spouses who receive death pension benefits and who are also the beneficiaries of veterans' life insurance. The provisions of H.R. 2163 are contained in section 303 and 305 of this bill.

The Veterans Benefits Improvement Act of 2004 includes a provision that is drawn from my bill, H.R. 2612, to allow veterans who have lost or lost the use of both arms at or above the elbow due to a service-connected disability to receive a special adaptive housing grant. This will provide needed assistance to those veterans currently being disabled in Iraq and Afghanistan as well as veterans of former wars, such as James Moore of Lincoln, Nebraska, who contacted the committee concerning this issue.

The gentlewoman from California (Mrs. DAVIS) has been a leader on our committee for veterans' housing issues, and her work is reflected in S. 2486. Section 103 is drawn from her bill, H.R. 4616, and provisions from the Senate to extend the authority for hybrid adjustable mortgages.

S. 2486 will also benefit Native American veterans in my State and across the country. The Pleasant Point and Indian Township Passamaquoddy Tribe of Maine has entered into a memorandum of understanding to participate in the VA's Native America Home Loan pilot project. The newest member of

our committee, the gentlewoman from South Dakota (Ms. HERSETH), introduced H.R. 5153 to extend this program. That provision is included as section 406 of this bill.

The gentlewoman from California (Mrs. DAVIS) has also been a leader in working to protect our most vulnerable veterans, and I was pleased to join her in introducing H.R. 4032 to improve protection and remedies in the event of fiduciary misuse. Many of the provisions of H.R. 4032 are included in Title V of the Veterans Benefit Improvement Act of 2004.

Mr. Speaker, as you can see, there has been a great deal of bipartisan support put together in this bill. S. 2486 will improve the lives of veterans of today and provide a sense of security for those servicemembers who are risking their lives all around the world. I urge all Members to support this bill.

Mr. Speaker, I reserve the balance of my time.

Mr. SMITH of New Jersey. Mr. Speaker, I yield such time as he may consume to the gentleman from South Carolina (Mr. BROWN), who has been a great workhorse on this committee. As I indicated earlier, this bill alone has some 40 disparate provisions. It encompasses over 14 bills. The gentleman, as the subcommittee chairman, has walked point on all of this; and I want to thank the distinguished chairman for his very able and very effective leadership as subcommittee chairman.

Mr. BROWN of South Carolina. Mr. Speaker, I thank the gentleman for his kind remarks.

Mr. Speaker, I rise today in strong support of S. 2486, the Veterans Benefit Improvement Act of 2004. We have been working on this comprehensive bill throughout the 108th Congress, like our chairman said. I commend the Committee on Veteran's Affairs leadership for bringing it to the floor today.

It incorporates 14 separate House bills and comprises 43 substantive provisions. Countless servicemembers, veterans and their families will directly benefit from S. 2486. Likewise, Mr. Speaker, by significant enhancing and modernizing the VA on-the-job training and apprenticeship programs for veterans, American businesses and industry will feel the positive effects of this bill, as well as 858 civilian occupations offer apprenticeships. These improvements can be especially useful to American small businesses, the bedrock of our economy.

I would like to briefly note Title V of the bill, which addresses the needs of our most vulnerable veterans, those who require a fiduciary to handle monetary benefits received from the VA. It is an unfortunate fact that when someone is responsible for another person's money, temptations may arise to take advantage of that position, ultimately to the detriment of the person being assisted. S. 2486 would add protection for incompetent veterans or dependents when their benefits are misused.

Currently, over 100,000 veterans, widows or adult helpless children and mi-

nors have an appointed fiduciary. While VA overall does a good job of protecting this population, S. 2486 addresses many of our concerns with the fiduciary program.

Mr. Speaker, I applaud the gentleman from New Jersey (Mr. SMITH), our great chairman, and the gentleman from Illinois (Mr. EVANS), the ranking member, for their continuing foresight and leadership, as well as my great friend, the gentleman from Maine (Mr. MICHAUD), the ranking member of the Subcommittee on Benefits.

In addition to the Subcommittee on Benefits as a whole, I thank the members of the committee who worked with the gentleman from Maine (Mr. MICHAUD) and myself for bringing the bill forward.

□ 1415

The full committee's vice chairman, the gentleman from Florida (Mr. BILIRAKIS), the gentlewoman from Florida (Ms. GINNY BROWN-WAITE), the gentlewoman from California (Mrs. DAVIS), the gentleman from New Hampshire (Mr. BRADLEY), the gentleman from Texas (Mr. REYES); indeed, this has been a team effort.

I also want to thank the Subcommittee on Benefits staff on both sides of the aisle.

Mr. Speaker, I urge my colleagues to support the Veterans Benefit Improvement Act of 2004.

Mr. MICHAUD. Mr. Speaker, I yield 2 minutes to the gentleman from Illinois (Mr. EVANS), the ranking member of the committee.

Mr. EVANS. Mr. Speaker, I rise in strong support of S. 2486. This legislation includes a number of measures to improve the lives of this Nation's veterans and their families.

I also want to thank the gentleman from New Jersey (Mr. SMITH), the chairman of committee, and the gentleman from South Carolina (Mr. BROWN) and the gentleman from Maine (Mr. MICHAUD), the chairman and ranking member of the Subcommittee on Benefits, and both of their staffs for their hard work in bringing this legislation to the floor.

In particular, I also want to acknowledge the work and contribution of Pat Ryan, who is retiring from the committee after many years of service.

I also want to thank the members of the other body, Senator SPECTER and Senator GRAHAM and their staffs for the contributions made to this bill.

Mr. Speaker, today, we recognize the sacrifices of the men and women in uniform who served our Nation. By passing this important legislative package, this bill honors their service and provides them with the care that they have earned.

As is the committee's custom, this bill incorporates a large number of provisions from bills introduced by other Members from both sides of the aisle in both bodies. The House Committee on Veterans Affairs has a long-standing record of working in a bipartisan manner, and I am glad that we have the

gentleman from New Jersey's (Mr. SMITH's) leadership on his side, who has worked together with us on our side so that we can continue this practice.

I am very pleased to be a sponsor or an original cosponsor of many of the other bills which were incorporated into this package and look forward to their implementation.

Mr. Speaker, we can finalize the committee's work for this Congress. We have many accomplishments that we can be proud of, and I want to thank the chairman and members of the committee for working so hard and dedicating our work to our Nation's veterans. I urge all Members to vote for this legislation.

Mr. Speaker, I rise in strong support of S. 2486, a legislative package encompassing a number of important measures to assist this nation's veterans and their families.

I would like to thank the Chairman of our Committee, CHRIS SMITH, and the Chairman and Ranking Member of the Benefits Subcommittee, HENRY BROWN and MIKE MICHAUD, and their staffs for their work in bringing this important legislation to the floor.

I also want to thank the Members of the other body, Senator SPECTER and Senator GRAHAM and their staffs for their contribution to this bill.

Mr. Speaker, it is incumbent upon us to recognize the many sacrifices of the brave men and women in uniform who have so gallantly served our Nation. We do so by passing legislation honoring their service and providing them with the benefits they surely have earned.

As is the Committee's custom, this bill incorporates a large number of provisions, from bills introduced by Members from both sides of the aisle and both bodies. The House Veterans' Affairs committee has a long-standing tradition of working in a bipartisan manner and I am proud that we have continued this practice as exhibited in this bill. I thank the Chairman for his leadership in continuing this tradition. This bill is truly the product of a bipartisan, bicameral effort.

I am very pleased to be a sponsor or an original cosponsor of many of the bills which were incorporated into this measure. These provisions will improve the quality of our life of our Nation's veterans and their families. It honors their service and sacrifice to this country.

Mr. Speaker, Congress has made important strides in providing quality educational assistance to servicemembers, veterans and their families; however, we have not made similar progress with respect to the job training and vocational programs available under the Montgomery G.I. Bill. Accordingly, S. 2486, as amended, is a strong step in the right direction in the job training and economic development area.

Specifically, this bill includes important provisions that would modernize, enhance and encourage greater participation in the on-job training and apprenticeship programs administered by the Department of Veterans Affairs (VA). It is important for veterans to be able to use the Montgomery G.I. bill education benefits for academic courses leading to a degree. I used VA education benefits to further my own education upon leaving military service. It is, however, just as important for the future

electricians, plumbers, auto mechanics and other skilled workers to be able to effectively use the Montgomery G.I. Bill to fulfill the training and certification requirements they may need to prepare them to transition to the civilian workforce and contribute to society. The Committee worked diligently to ensure that these provisions accurately reflect contemporary industry and labor practices. We also worked with the VA to address its administrative concerns regarding these provisions. More important, Mr. Speaker, these provisions will provide veterans with improved job-training skills and opportunities under the Montgomery G.I. Bill.

I am pleased to support in the bill a measure brought forth by the other body which will allow an additional 10-year period for those Gold Star Wives and the surviving widowers of men and women who die during military service to use their education benefits. Men and women who die during military service are often in their early twenties and leave behind young children. By providing an additional 10 years, we will allow those surviving spouses an opportunity to raise their children before resuming their education. We have learned that this benefit is underutilized because surviving spouses are reluctant to resume their education while raising young children.

The bill recognizes the need for continued health insurance for those members of the Guard and Reserve who are called up for increasing periods of time. Therefore, a provision is included allowing these reservists to maintain employer-sponsored health insurance for 24 months, 6 months longer than that provided by current law.

I am pleased that a measure introduced by my good friend, the gentleman from Massachusetts, Mr. MCGOVERN, is included. He recognized that one of the biggest obstacles to effective utilization of employment-related rights for returning servicemembers is the lack of information concerning those rights. The bill requires the Department of Labor to provide employers with a notice of employee rights under the Uniformed Services Employment and Reemployment Rights Act, known as USERRA, and requires employers to post those notices.

S. 2486, as amended, also includes a provision requiring a study and report on employment, retention and advancement in employment of former servicemembers. This study and report will provide valuable information and assist Congress in our efforts to do all we can to facilitate the transition of servicemembers to the civilian workforce and promote veterans' employment opportunities generally.

Several years ago, an evaluation of VA's programs for survivors found that surviving spouses of veterans who have children and who receive Dependency and Indemnity Compensation (DIC) need an additional \$250 per month to maintain the same standard of living as DIC recipients without children for the first 5 years after the veteran's death. I joined the Ranking Member of the Benefits Subcommittee, MIKE MICHAUD and others in introducing H.R. 1750 to implement that recommendation. I am pleased that the bill will provide the increased benefit to DIC recipients for the first 2 years following eligibility. I regret that funding was not available to provide benefits for a longer period. Nonetheless, this is an important step in implementing the evalua-

tion's recommendations and providing for the widows and widowers who have borne the battle and their children.

I am particularly pleased that included within this bill are provisions that would codify current VA regulations regarding additional cancers recognized as presumptively service connected under the "Atomic Veterans" program, and repeal a bar that prevents a veteran or survivor from applying for VA compensation, subject to an offset, if they have already received compensation from the Justice Department under the Radiation Exposure Compensation Act. As the son of a veteran who was exposed to ionizing radiation in the Pacific, I have long been an advocate for the "Atomic Veterans" program and will continue my efforts to recognize and honor their often dangerous confidential service in defense of this country.

Additionally, Mr. Speaker, I support the provision of this bill which will exclude VA life insurance proceeds from being counted as income for those very low-income survivors of wartime veterans. Currently, those who have an effective advocate are able to time their request for death pension in a manner which will allow them to give up a few months of death pension benefits in order to keep the veteran's life insurance proceeds. Those without effective advocacy often lose a year of benefits. We care for the widow and widower of those who have borne the battle by providing a simple solution to the problem identified by VA in current law.

Veterans who are disabled by reason of VA medical treatment or vocational rehabilitation activities qualify for cash benefits and grants for specially adapted housing. They are, however, denied grants for automobiles and other motor vehicle adaptations. A provision drawn from a bill introduced by Mr. REYES and myself will not allow such veterans to obtain an automobile grant.

Veterans who have lost the use of their arms do not currently qualify for specially adapted housing. I joined Mr. MICHAUD in introducing a bill to permit such veterans to qualify for this benefit and am pleased this bill includes a provision drawn from that bill.

This bill will significantly improve VA's home loan program, including home loans for Native Americans. I am pleased that provision from bills introduced by Mrs. DAVIS of California and the newest Member of our Committee, Ms. HERSETH of South Dakota, are included in the final bill.

VA's most vulnerable veterans are those who require a fiduciary to handle their financial benefits. I joined Mrs. DAVIS of California in introducing legislation to provide improved protections for beneficiaries whose benefits are misused by fiduciaries. This bill contains a number of important provisions drawn from H.R. 4032.

The bill also makes a number of improvements to the Servicemembers Civil Relief Act which was substantially rewritten in the first session of this Congress.

Mr. Speaker, many provisions from this comprehensive package are drawn from bills which have been considered by the House Committee on Veterans Affairs. The bill has been enhanced and improved by measures considered by the other body. As we finalize the Committee's work for this Congress we have many accomplishments of which we can be proud.



Again, I want to thank Chairman SMITH for his leadership and his dedication to serving our nation's veterans. This is an excellent bill which will make a difference in the lives of this nation's veterans and their families. I urge all Members to show their support for the men and women who have worn the uniform in defense of our country by voting to pass this legislative package.

Mr. SMITH of New Jersey. Mr. Speaker, I yield such time as he may consume to the gentlewoman from Florida (Ms. GINNY BROWN-WAITE), a distinguished member of our committee.

Ms. GINNY BROWN-WAITE of Florida. Mr. Speaker, I thank the gentleman very much for the time.

I am very pleased to support Senate 2486, the Veterans Benefit Improvement Act of 2004, and I am glad we got it finished this year. I know that there was some question about whether or not we would have time to get this very important bill up, and I certainly commend the gentleman from New Jersey (Mr. SMITH), the chairman, and the gentleman from Illinois (Mr. EVANS), the ranking member, for their efforts on behalf of veterans, along with all the members of the committee who are truly dedicated to America's heroes.

This bill includes an expansion of educational benefits for veterans and clarifies protections to servicemen and -women under the Servicemember Civil Relief Act, and it also improves the housing benefit available to veterans through the VA home loan.

It is the last provision of this bill that I would like to elaborate on as it is the product of a bipartisan collaboration between the gentlewoman from California (Mrs. DAVIS) and myself. Certainly, the chairman of the committee was very, very generous in working so hard on the bill and all the provisions of the bill, but this particular provision is one that will certainly impact our young men and women returning from Iraq.

Like so many other aspects of a soldier's life, many soldiers postpone homeownership until after they are out of the service. For these soldiers, as housing prices increase, the VA home loan value actually decreases in real terms.

The rising housing market erodes the purchasing power of the VA home loan. Depending on where the veteran lives, the current maximum of \$240,000 is simply insufficient to meet their housing needs.

The bill, which encompasses a bill which the gentlewoman from California (Mrs. DAVIS) and I had worked on, which passed this House, indexes the maximum VA guarantee amount to 25 percent of the Freddie Mac conforming loan rate. The prevailing VA loan under this new change would be \$333,700 in 2004, and it would continue to adjust as housing market needs increase.

We are all very proud of the young men and women who serve our Nation, past and present, and I am sure that

the Members will agree that the value of their benefit should not vary depending on where they live or where they choose to purchase a home.

This legislation is very important and timely, and I urge my colleagues' support. I urge all the Members to support this.

Again, I commend my colleagues and especially the chairman for working so hard on this, what could very easily be called an omnibus, comprehensive bill to benefit our Nation's veterans.

Mr. MICHAUD. Mr. Speaker, how much time do I have remaining?

The SPEAKER pro tempore (Mr. SIMPSON). The gentleman from Maine (Mr. MICHAUD) has 12 minutes remaining. The gentleman from New Jersey (Mr. SMITH) has 10 minutes remaining.

Mr. MICHAUD. Mr. Speaker, I yield 3 minutes to the gentleman from Texas (Mr. RODRIGUEZ).

Mr. RODRIGUEZ. Mr. Speaker, I rise today in support of S. 2486, the Veterans Benefit Improvement Act, and I would like to take this opportunity to thank the gentleman from New Jersey (Chairman SMITH), as well as the gentleman from Illinois (Ranking Member Evans) and the gentleman from Maine (Mr. MICHAUD), the ranking member of the Subcommittee on Benefits, for their leadership in this particular issue.

One of the best things about being a member of this committee is the ability to pass a comprehensive bill, a benefits bill, every year while keeping on with the PAYGO provisions.

Although I was worried this particular year that that might not happen, I am glad that our colleagues in the Senate and the staff of our committees worked out this compromise.

Mr. Speaker, this bill has many wonderful provisions that would enhance the benefits of our veterans, National Guardsmen and their families receive, including additional educational benefits.

With passage of this particular piece of legislation, veterans will be able to use their Montgomery GI bill for apprenticeships and on-the-job training, as well as national admissions exams.

I am very pleased that this bill acknowledges the rewards and sacrifices many of our Reservists are making. With the passage of this particular piece of legislation, those men and women, Reservists who are called to active duty for more than 24 consecutive months, will be able to pay into the GI bill and become eligible for benefits.

This bill also includes some enhanced VA home loan language, which I know the gentlewoman from California (Mrs. DAVIS), my colleague, has been advocating for.

Like all Americans, our veterans dream of obtaining the American dream of homeownership. Our veterans have fought selflessly on behalf of our country and are entitled to the benefits we have promised them, including home loan benefits. Unfortunately, for

many, this dream is faced with many obstacles.

The current VA home loan limit of \$240,000 prevents many veterans from using their loan benefits to purchase a home in high-cost areas, such as in California or Florida and parts of the State of Texas. This legislation indexes the maximum loan amount to 100 percent of the Freddie Mac conforming loan rate to make the VA home loans compatible with the home loans available to the public nationwide. Additionally, this legislation allows the maximum VA loan amounts to adjust automatically each year to Freddie Mac standards in order to remain compatible with the national housing markets.

This legislation is extremely important. During 2003, 3 million veterans took advantage of the VA home loans, and I am positive more veterans will be able to take advantage of this particular benefit because of the improvements we are making today. As our troops are fighting in Iraq and Afghanistan, we must continue to show them the thanks of a grateful Nation.

I cannot think of a better way of saying thank you than improving the benefits of our soldiers, and so by this particular legislation, although there are many benefits we would like to take advantage of for our veterans, I am glad that the committee has been able to work with the money to make this happen.

Mr. SMITH of New Jersey. Mr. Speaker, we reserve the balance of our time.

Mr. MICHAUD. Mr. Speaker, I yield 3 minutes to the gentlewoman from California (Mrs. DAVIS).

Mrs. DAVIS of California. Mr. Speaker, with another Veterans Day recently passed, we heard much about the incredible sacrifices made by America's veterans and their tremendous bravery. I strongly echo those sentiments.

Because our courageous military personnel are willing to go into battle and sacrifice on our behalf, America's independence and liberties have remained intact for over 200 years, and we are truly indebted to those who fought in the Armed Forces.

However, Mr. Speaker, I strongly feel that we must honor these brave men and women with more than our words. After risking everything on our behalf, our veterans ask only that we work to improve the services they earned through their dedication and their bravery.

This is why the Veterans Benefit Improvement Act of 2004 before us today greatly enhances the services we provide to our military heroes. It increases the compensation we provide to surviving spouses and their children; gives veterans new opportunities to receive vocational training when leaving the military; and protects the civilian jobs of Reservists deployed overseas.

I was very honored, Mr. Speaker, by the opportunity to contribute directly to this comprehensive benefits legislation.

During my first term in Congress, I became interested in improving the home loan program offered by the Department of Veterans Affairs and introduced H.R. 1735 and cosponsored H.R. 4345, which increases the home loan limit available to veterans. I also introduced H.R. 4616 to offer adjustable-rate mortgages through the VA program.

Our veterans certainly deserve the same opportunity for home ownership as the public at large and the freedom to choose which loan will best meet their needs.

This legislation links the VA home loan amount to the Freddie Mac index to guarantee annual increases, and at the same time, it extends a program offering veterans the freedom to choose a fixed-rate or an adjustable-rate mortgage.

It is particularly helpful and a real victory for those veterans in San Diego because we are a high-cost area.

Additionally, S. 2486 provides new protections from fraud and abuse to a vulnerable class of veterans who require a guardian or fiduciary to oversee their finances and VA payments.

My staff in San Diego tried to assist a veteran who lost out on his VA disability compensation over a long period of time because his fiduciary had withheld payment for herself. Unfortunately, we could not recover the veteran's losses because current law did not provide revenues to recoup stolen payments.

After learning about this abuse, we introduced H.R. 4032 to give the VA the authority to conduct more thorough background checks of fiduciaries and to give veterans who fall victim to this abuse new revenues to recover their losses, and I am pleased these provisions were included in the legislation before us today.

I want to thank the House leadership for bringing this comprehensive veterans benefits package before the Congress and for acting in the interest of our former service members, and I urge my colleagues to support it.

Mr. SMITH of New Jersey. Mr. Speaker, I yield 2 minutes to the gentleman from Maine (Mr. MICHAUD), my good friend and colleague, to allocate as he would like.

Mr. MICHAUD. Mr. Speaker, I yield 2 minutes to the gentlewoman from South Dakota (Ms. HERSETH).

Ms. HERSETH. Mr. Speaker, I rise in support of the veterans bills being considered today and to thank and congratulate my colleagues, especially the gentleman from New Jersey (Chairman SMITH), the gentleman from Illinois (Ranking Member EVANS), the gentleman from South Carolina (Mr. BROWN) and the gentleman from Maine (Mr. MICHAUD) and their staff for their hard work and commitment to these important bills. I want to commend the gentleman from Texas (Mr. RODRIGUEZ), my colleague and friend, as well for his distinguished service on the Committee on Veterans Affairs.

I express my strong support today for the Veterans Benefits Improvement Act which includes two measures I introduced earlier this year to extend important veterans programs scheduled to expire.

The first of these measures is a provision to extend to 2010 the Veterans Administration's Native American Home Loan pilot program. This program directs home loans to eligible Native American veterans who wish to purchase, construct or improve a home on tribal trust lands. This extension will allow more veterans living on tribal trust lands to take advantage of this important benefit over the next 6 years.

Since the inception of this pilot program in 1992, the Department of Veterans Affairs has made more than 400 direct loans to Native American veterans, including loans to 17 veterans from my State of South Dakota. These loans are important tools for helping Native Americans purchase, construct or improve homes in Indian country.

The second measure which I introduced extends to 2009 the requirement that the Advisory Committee on Former Prisoners of War submit biennial reports to the Secretary of Veterans Affairs on the programs and activities of the Department of Veterans Affairs that pertain to former prisoners of war.

The Advisory Committee on Former Prisoners of War reviews Department policies and makes suggestions to improve compensation, rehabilitation programs and health care benefits for former POWs. Passage of the Veterans Benefits Improvement Act would require reports from the Advisory Committee on former POWs every 2 years through 2009, a 5-year extension of current law.

Thanks again to my fellow members of the Committee on Veterans Affairs and all staff for their work on these important bills. At a time in our Nation's history when we are asking men and women in our Armed Forces for greater sacrifices, we must make sure we provide the services promised to our veterans. I look forward to supporting these measures and continuing to work with my colleagues to ensure they receive the benefits they have earned and deserve.

□ 1430

Mr. SMITH of New Jersey. Mr. Speaker, I reserve the balance of my time.

Mr. MICHAUD. Mr. Speaker, I yield 2 minutes to the gentlewoman from California (Ms. WATERS).

(Ms. WATERS asked and was given permission to revise and extend her remarks.)

Ms. WATERS. Mr. Speaker, I am very pleased to join with my colleagues today in support of veterans. On Veterans Day, I visited a program in my district known as U.S. Vets. This is a program that houses veterans in transition. They really work with the

homeless. They have a huge residential complex, and the veterans are able to stay at this complex while they get job training leading to a job. In addition to that, they have a central facility there where they prepare meals for the veterans. They also have a wonderful computer room where veterans are learning computer skills.

And while I was very pleased to be there on Veterans Day with them, I was reminded of all those things we need to do for veterans that should have been done a long time ago. This bill goes a long way to attending to some of those things that we should have done.

For example, surviving spouses can now get \$250 in dependency and indemnity compensation. Veterans who were exposed to radiation can now be eligible for VA compensation. We increase the educational assistance by 10 percent, allowing veterans to pursue a full-time apprenticeship program, or on-the-job training. There are other benefits in this bill.

We can all be proud on both sides of the aisle that we are finally paying attention in a real way. I know that there has been a lot of debate about the cost of some of the things we would like to do, but I do not think at a time in particular where we are at war and where veterans are coming back with the loss of a limb, with health impairments and other kinds of deficiencies that they are now confronted with that we can talk about not being able to afford to pay in order to make their lives comfortable when they return from war.

So I am very pleased, and I wish to commend all my colleagues on both sides of the aisle for pursuing this bill that will help our veterans.

Mr. SMITH of New Jersey. Mr. Speaker, I continue to reserve the balance of my time.

Mr. MICHAUD. Mr. Speaker, I yield myself such time as I may consume, before yielding to my last speaker, to thank our chairman, the gentleman from New Jersey (Mr. SMITH); the subcommittee chairman, the gentleman from South Carolina (Mr. BROWN); and our ranking member, the gentleman from Illinois (Mr. EVANS), as well as the committee staff on both sides of the aisle for all the hard work that they have done in the Committee on Veterans' Affairs over the last 2 years.

Mr. Speaker, I yield the balance of my time to the gentlewoman from Texas (Ms. JACKSON-LEE).

Mr. SMITH of New Jersey. Mr. Speaker, I yield 2 minutes to the gentlewoman from Texas (Ms. JACKSON-LEE) as well.

The SPEAKER pro tempore (Mr. SIMPSON). The gentlewoman from Texas (Ms. JACKSON-LEE) is recognized for 6 minutes.

(Ms. JACKSON-LEE of Texas asked and was given permission to revise and extend her remarks.)

Ms. JACKSON-LEE of Texas. Mr. Speaker, I think this is a very important moment on this floor, and I think

that we owe this entire committee a debt of gratitude; the chairman, the gentleman from New Jersey (Mr. SMITH); the ranking member, the gentleman from Illinois (Mr. EVANS); certainly to the chairman of the subcommittee, the gentleman from South Carolina (Mr. BROWN). I thank the gentleman from Maine (Mr. MICHAUD) for yielding me this time. And, of course, on the health bills that I will speak very briefly to, our ranking member, the gentleman from Texas (Mr. RODRIGUEZ) and the gentleman from Connecticut (Mr. SIMMONS).

Mr. Speaker, let me say why I think it is important that Members owe these colleagues a debt of gratitude. There is not one district that does not confront the dilemma of a veteran. There is not one district that does not owe to those veterans appreciation and applause. Many times we find those families and the veterans wondering about the concern and the commitment of this body or of their fellow Americans for the work they have done.

In the backdrop of Veterans Day, I want to acknowledge both the chairman and the ranking member of the full committee, who are always steadfast in reminding us not to forget the veterans. This comprehensive Veterans Benefits Improvement Act is a gift long overdue. And the reason I say that is because I represent the Veterans Hospital in Houston, Texas, and among the issues that we are concerned about, in addition to taking care of the health needs of those veterans, there are the psychological needs and the employment needs.

Americans need to know that this legislation is now going to deal head-on with the large unemployment that we find among veterans, and returning veterans. For a number of years, Mr. Speaker, I have worked with an organization called Stand Down, which works with our communities' homeless veterans. Whenever I go to Stand Down, the veterans simply say, all we want is an opportunity; all we want is to be able to be apprentices, as this particular bill is doing; all we want is to be able to have full-time VA monthly educational assistance, as this bill is doing; all we want is to have competency-based apprenticeships; all we want is for our families to have increased benefits and to show our pride in our Nation and also to make our Nation again proud of us.

So I want to thank my colleagues for this legislation, and I add my appreciation as well as someone who represents the veterans hospitals for the legislation that deals with S. 2484, the Department of Veterans Affairs Health Care Personnel Enhancement Act, and as well the Veterans Health Programs Improvement Act of 2004. What this does is of course say to our veterans that we care.

Let me also say to my colleagues that I spent some time in Iraq just a few weeks ago, and visited, after going to Iraq, the Landstuhl Hospital in

Ramstein, where there were a number of injured soldiers, many of them who will be returning veterans. I want my colleagues to know that what they wanted most of all was to return to conflict, to combat, to be with their comrades as soldiers. But they were grateful, as returning veterans, that we would show them that we care, and today we are showing them we do so. We could not have done it without the leaders of this committee.

So, Mr. Speaker, I am today thanking them, and as I close, I want to add a very special appreciation for a dear friend of this House and a dear friend of veterans in the United States of America, and that is our friend and colleague, the gentleman from San Antonio, Texas (Mr. RODRIGUEZ).

I cannot say enough, Mr. Speaker, about the compassion of CIRO RODRIGUEZ. I cannot say enough about the kindness and the caring attitude that he has exhibited to his colleagues and friends on the floor of this body. More importantly, I cannot say enough about his voice of reason when challenging the system for health care for all Americans, but clearly challenging the system for health care for our veterans. He demonstrated such a cooperative spirit with his own chairman, the gentleman from Connecticut (Mr. SIMMONS), and I know they had a special bond and a special friendship in working together.

We know that health care for our veterans is an indication to their families and an indication to veterans and the enlisted personnel as to how much America thanks them and how much America recognizes their sacrifice. We could not have done it without the face of CIRO RODRIGUEZ going out day after day visiting with his own veterans, speaking across the country, speaking as the chairman of the Congressional Hispanic Caucus, and recognizing the importance of thanking our veterans in a real meaningful way by the legislation he has helped to produce.

Might I also thank him for his support in providing posthumous citizenship to those who lost their lives in Afghanistan and Iraq, to those who were not citizens but who came from our immigrant community. CIRO, we owe you a debt of gratitude. It is my honor and privilege to have served with you. The veterans of America will thank you continuously as they rise again to serve their country and in their daily lives, and their families owe you also a debt of gratitude. Thank you again, my friend. We wish you the very best. We honor you as you honor the veterans.

Mr. Speaker, I thank each and every one of the members of this committee for allowing this body to thank the veterans by this legislation. I ask my colleagues to support all the legislation on the floor for the veterans of America.

I rise today as a strong supporter of S. 2486, the Veterans' Benefits Improvements Act of 2004, which received unanimous approval in the Senate and is now before this

body for passage. The Veterans' Benefits Improvements Act would improve and enhance education, housing, employment, medical, and other benefits for veterans.

As a Member of this body I have always been an ardent supporter of our Nation's brave veterans and of the idea that they should receive the best of care and support that our Nation has to offer. I am heartened by this legislation because it takes steps toward improving opportunities that veterans can receive as a condition of their service.

I am especially pleased to find provisions in this legislation that will increase education opportunities for Armed Service members after they leave the Armed Forces. Specifically, the Veterans' Benefits Improvements Act increases the voluntary contribution amount that active duty members of the Armed Forces may make in order to receive increased monthly educational assistance under the Montgomery GI Bill. This additional assistance can very well mean the difference between whether our veterans will be able to afford an education. Furthermore, this legislation excludes veterans' education benefits from the determination of eligibility for, or the amount of, Federal education grants and loans. This is an important distinction because veterans education benefits have been earned through service and should not count against any other aid an individual may be able to receive due to their level of financial hardship. These provisions together will provide more opportunities for our veterans to attend institutions of higher learning and obtain high paying career jobs after they leave the Armed Forces.

The Veterans' Benefits Improvements Act also provides important housing provisions for our Nation's deserving veterans. This legislation calls for increasing the maximum housing loan guarantee amount for which veterans are eligible. As well, the legislation gives power to the Secretary for permanent authority to guarantee adjustable rate mortgages (ARMs) and hybrid ARMs, and to modify interest rates applicable to hybrid ARMs. These important housing provisions will make it easier and more likely for our veterans to purchase suitable housing for themselves and their families.

While The Veterans' Benefits Improvements Act contains a large number of different provisions, this legislation is really about providing our veterans with the ability to improve their lives once they leave the Armed Forces. These men and women left their civilian lives behind to serve our Nation; we owe it to them to allow them to improve their lives once they return to civilian status.

Mr. SMITH of New Jersey. Mr. Speaker, I yield myself such time as I may consume to say once again that this is a good bill. As a matter of fact, it is a very, very important bill. And I do want to thank my friend, the gentleman from Illinois (Mr. EVANS), and the gentleman from South Carolina (Mr. BROWN), our distinguished subcommittee chairman, who has done yeoman's work on this, and also the gentleman from Maine (Mr. MICHAUD), who is the ranking member on that subcommittee. This has been a true bipartisan product. I think when President Bush signs this piece of legislation we can all be very, very proud.

I also want to join my friend from Texas in thanking the gentleman from

Texas (Mr. RODRIGUEZ) for his outstanding and exemplary work in the Congress for the past 8 years, and he certainly has put veterans first. So again I want to thank him for his work as well.

Mr. REYES. Mr. Speaker, I rise today in support of S. 2486, the Veteran's Benefits Improvement Act of 2004. I would like to thank my colleagues for bringing it to the floor for a vote.

As you may know, S. 2486 would expand educational and housing benefits to qualified veterans and their dependents. With the rise in cost for educational services and home loans, our Nation's veterans are required to supplement the high costs through loans that can become financially burdensome. With the expansion of these two benefits, we can better ensure they are given the opportunity of continuing their education and purchasing their own home.

In addition, I am glad to see the inclusion of important language to provide housing and automobile benefits to veterans disabled by VA medical treatment or vocational rehabilitation. As you may know, I am a sponsor of H.R. 843 which aims to address this same issue by providing full service-connected disability to persons injured while under the care of the Department of Veterans Affairs. Although this bill does not provide full service-connected disability to injured persons, I am certainly glad to see this piece of legislation included in the bill.

I believe this bill will provide them with the resources needed to fulfil their dreams and long term goals for education and home ownership. In addition, this legislation will solidify the care for our veterans welfare and health while under the care of the Department of Veterans Affairs.

Mr. Speaker, I strongly urge my colleagues to support the passage of this important bill.

Mr. SMITH of New Jersey. Mr. Speaker, I yield back the balance of my time.

Mr. MICHAUD. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New Jersey (Mr. SMITH) that the House suspend the rules and pass the Senate bill, S. 2486.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the Senate bill was passed.

A motion to reconsider was laid on the table.

#### GENERAL LEAVE

Mr. SMITH of New Jersey. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on S. 2486, the Senate bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

#### VETERANS HEALTH PROGRAMS IMPROVEMENT ACT OF 2004

Mr. SMITH of New Jersey. Mr. Speaker, I move to suspend the rules

and concur in the Senate amendments to the bill (H.R. 3936) to amend title 38, United States Code, to authorize the principal office of the United States Court of Appeals for Veterans Claims to be at any location in the Washington, DC, metropolitan area, rather than only in the District of Columbia, and expressing the sense of Congress that a dedicated Veterans Courthouse and Justice Center should be provided for that Court and those it serves and should be located, if feasible, at a site owned by the United States that is part of or proximate to the Pentagon Reservation, and for other purposes.

The Clerk read as follows:

Senate amendments:

Strike out all after the enacting clause and insert:

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

(a) *SHORT TITLE.*—This Act may be cited as the “Veterans Health Programs Improvement Act of 2004”.

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

Sec. 1. Short title; table of contents.

Sec. 2. Reference to title 38, United States Code.

#### TITLE I—ASSISTANCE TO HOMELESS VETERANS

Sec. 101. Authorization of appropriations.

#### TITLE II—VETERANS LONG-TERM CARE PROGRAMS

Sec. 201. Assistance for hiring and retention of nurses at State veterans' homes.

Sec. 202. Treatment of Department of Veterans Affairs per diem payments to State homes for veterans.

Sec. 203. Extension of authority to provide care under long-term care pilot programs.

Sec. 204. Prohibition on collection of copayments for hospice care.

#### TITLE III—MEDICAL CARE

Sec. 301. Sexual trauma counseling program.

Sec. 302. Centers for research, education, and clinical activities on complex multi-trauma associated with combat injuries.

Sec. 303. Enhancement of medical preparedness of Department of Veterans Affairs.

#### TITLE IV—MEDICAL FACILITIES MANAGEMENT AND ADMINISTRATION

##### Subtitle A—Major Medical Facility Leases

Sec. 401. Major medical facility leases.

Sec. 402. Authorization of appropriations.

Sec. 403. Authority for long-term lease of certain lands of University of Colorado.

##### Subtitle B—Facilities Management

Sec. 411. Department of Veterans Affairs Capital Asset Fund.

Sec. 412. Annual report to Congress on inventory of Department of Veterans Affairs historic properties.

Sec. 413. Authority to acquire and transfer real property for use for homeless veterans.

Sec. 414. Limitation on implementation of mission changes for specified Veterans Health Administration facilities.

Sec. 415. Authority to use project funds to construct or relocate surface parking incidental to a construction or nonrecurring maintenance project.

Sec. 416. Inapplicability of limitation on use of advance planning funds to authorized major medical facility projects.

Sec. 417. Improvements to enhanced-use lease authority.

Sec. 418. First option for Commonwealth of Kentucky on Department of Veterans Affairs Medical Center, Louisville, Kentucky.

Sec. 419. Transfer of jurisdiction, General Services Administration property, Boise, Idaho.

#### Subtitle C—Designation of Facilities

Sec. 421. Thomas E. Creek Department of Veterans Affairs Medical Center.

Sec. 422. James J. Peters Department of Veterans Affairs Medical Center.

Sec. 423. Bob Michel Department of Veterans Affairs Outpatient Clinic.

Sec. 424. Charles Wilson Department of Veterans Affairs Outpatient Clinic.

Sec. 425. Thomas P. Noonan, Jr. Department of Veterans Affairs Outpatient Clinic.

#### TITLE V—PERSONNEL ADMINISTRATION

Sec. 501. Pilot program to study innovative recruitment tools to address nursing shortages at Department of Veterans Affairs health care facilities.

Sec. 502. Technical correction to listing of certain hybrid positions in Veterans Health Administration.

Sec. 503. Under Secretary for Health.

#### TITLE VI—OTHER MATTERS

Sec. 601. Extension and codification of authority for recovery audits.

Sec. 602. Inventory of medical waste management activities at Department of Veterans Affairs health care facilities.

Sec. 603. Inclusion of all enrolled veterans among persons eligible to use canteens operated by Veterans' Canteen Service.

Sec. 604. Annual reports on waiting times for appointments for specialty care.

Sec. 605. Technical clarification.

#### SEC. 2. REFERENCE TO TITLE 38, UNITED STATES CODE.

Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of title 38, United States Code.

#### TITLE I—ASSISTANCE TO HOMELESS VETERANS

##### SEC. 101. AUTHORIZATION OF APPROPRIATIONS.

Section 2013 is amended in paragraph (4) by striking “\$75,000,000” and inserting “\$99,000,000”.

#### TITLE II—VETERANS LONG-TERM CARE PROGRAMS

##### SEC. 201. ASSISTANCE FOR HIRING AND RETENTION OF NURSES AT STATE VETERANS' HOMES.

(a) *IN GENERAL.*—(1) Chapter 17 is amended by inserting after section 1743 the following new section:

##### “§1744. Hiring and retention of nurses: payments to assist States

“(a) *PAYMENT PROGRAM.*—The Secretary shall make payments to States under this section for the purpose of assisting State homes in the hiring and retention of nurses and the reduction of nursing shortages at State homes.

“(b) *ELIGIBLE RECIPIENTS.*—Payments to a State for a fiscal year under this section shall, subject to submission of an application, be made to any State that during that fiscal year—

“(1) receives per diem payments under this subchapter for that fiscal year; and

“(2) has in effect an employee incentive scholarship program or other employee incentive program at a State home designed to promote the hiring and retention of nursing staff and to reduce nursing shortages at that home.