

### AMENDING THE PUBLIC HEALTH SERVICE ACT

Mr. FRIST. Mr. President, I ask unanimous consent that the Senate now proceed to the immediate consideration of H.R. 3858, which is at the desk.

The PRESIDING OFFICER. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (H.R. 3858) to amend the Public Health Service Act to increase the supply of pancreatic islet cells for research, and to provide for better coordination of Federal efforts and information on islet cell transplantation.

There being no objection, the Senate proceeded to consider the bill.

Mr. FRIST. Mr. President, I ask unanimous consent that the bill be read a third time and passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (H.R. 3858) was read the third time and passed.

### VETERANS' BENEFITS IMPROVEMENTS ACT OF 2004

Mr. FRIST. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 706, S. 2486, the veterans' non-health care benefits bill.

The PRESIDING OFFICER. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (S. 2486) to amend title 38, United States Code, to improve and enhance education, housing, employment, medical, and other benefits for veterans and to improve and extend certain authorities relating to the administration of benefits for veterans, and for other purposes.

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Veterans' Affairs with an amendment to strike all after the enacting clause and insert in lieu thereof the following:

(Strike the part shown in black brackets and insert the part shown in italic.)

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 Improvements 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. References to title 38, United States Code.

#### TITLE I—EDUCATION BENEFITS

[Sec. 101. Increase in maximum amount of contribution for increased amount of basic educational assistance under Montgomery GI Bill.

[Sec. 102. Pilot program on additional two-year period for use of entitlement by participants in Montgomery GI Bill for vocational or job readiness training.

[Sec. 103. Exclusion of veterans education benefits in determination of eligibility or amount of Federal educational grants and loans.

[Sec. 104. Collection of contributions for educational assistance under Montgomery GI Bill from Reserves called to active duty.

#### TITLE II—HOUSING BENEFITS

[Sec. 201. Increase in maximum amount of housing loan guarantee.

[Sec. 202. Permanent authority for guarantee of adjustable rate mortgages.

[Sec. 203. Permanent authority for guarantee of hybrid adjustable rate mortgages and modification of guarantee authority.

[Sec. 204. Termination of collection of loan fees from veterans rated eligible for compensation at pre-discharge rating examinations.

#### TITLE III—OTHER BENEFITS AND BENEFITS MATTERS

##### Subtitle A—Employment Benefits

[Sec. 301. Availability of administrative and judicial redress for certain veterans denied opportunity to compete for Federal employment.

##### Subtitle B—Medical Benefits

[Sec. 311. Prohibition on collection of co-payments for hospice care.

##### Subtitle C—Extension of Benefits and Related Authorities

[Sec. 321. Extension of various authorities relating to benefits for veterans.

##### Subtitle D—Other Matters

[Sec. 331. Modification of definition of minority group member for purposes of Advisory Committee on Minority Veterans.

#### SEC. 2. REFERENCES 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—EDUCATION BENEFITS

[SEC. 101. INCREASE IN MAXIMUM AMOUNT OF CONTRIBUTION FOR INCREASED AMOUNT OF BASIC EDUCATIONAL ASSISTANCE UNDER MONTGOMERY GI BILL.

[(a) ACTIVE DUTY BENEFIT.—Section 3011(e)(3) is amended by striking "\$600" and inserting "\$2,000".

[(b) SELECTED RESERVE BENEFIT.—Section 3012(f)(3) is amended by striking "\$600" and inserting "\$2,000".

[SEC. 102. PILOT PROGRAM ON ADDITIONAL TWO-YEAR PERIOD FOR USE OF ENTITLEMENT BY PARTICIPANTS IN MONTGOMERY GI BILL FOR VOCATIONAL OR JOB READINESS TRAINING.

[(a) IN GENERAL.—(1) Subchapter I of chapter 30 is amended by adding at the end the following new section:

["§ 3020A. Additional two-year period for use of entitlement for vocational or job readiness instruction or training; pilot program

[(a) PILOT PROGRAM REQUIRED.—(1) The Secretary shall carry out a pilot program to

assess the feasibility and advisability of permitting individuals whose entitlement to basic educational assistance under this chapter expires under section 3031 of this title before their complete use of such entitlement to be entitled to an additional two-year period for their use of such entitlement.

["(2) The pilot program shall commence six months after the date of the enactment of this section, and shall terminate four years after the date of the commencement of the pilot program.

["(b) ADDITIONAL TWO-YEAR PERIOD OF ENTITLEMENT.—Notwithstanding any provision of section 3031 of this title, an individual described in subsection (c) shall, at the expiration of the 10-year period beginning on the educational assistance entitlement commencement date of such individual, be entitled to an additional two-year period for the use of entitlement to basic educational assistance under this chapter.

["(c) ELIGIBLE INDIVIDUALS.—(1) An individual described in this subsection is any individual who—

["(A) as of the end of the 10-year period beginning on the educational assistance entitlement commencement date of such individual—

["(i) would remain entitled to basic educational assistance under this chapter but for the expiration of the 10-year delimiting period applicable to such individual under section 3031 of this title; and

["(ii) has not utilized all of the entitlement of such individual to basic educational assistance under this chapter; and

["(B) at the time of the application for entitlement under this subsection (d), is accepted, enrolled, or otherwise participating (as determined by the Secretary) in instruction or training described in subsection (e).

["(2) This subsection does not apply to an individual otherwise described by paragraph (1) whose remaining entitlement to basic educational assistance under this chapter as described in subparagraph (A)(i) of that paragraph is based on the transfer of basic educational assistance under section 3020 of this title.

["(d) APPLICATION.—(1) An individual seeking an additional two-year period for the use of entitlement under this section shall submit to the Secretary an application therefor containing such information as the Secretary may require for purposes of this section.

["(2) The Secretary may not receive applications under this subsection after the termination date of the pilot program under subsection (a)(2).

["(e) COMMENCEMENT OF ADDITIONAL PERIOD FOR USE.—The additional two-year period for the use of entitlement by an individual under this section shall commence on the date the application of the individual under subsection (d) is received by the Secretary if the Secretary determines pursuant to a review of the application that the individual is an individual described by subsection (c) for purposes of this section.

["(f) INSTRUCTION OR TRAINING COVERED BY ADDITIONAL PERIOD FOR USE.—(1) The instruction or training for which entitlement to basic educational assistance under this

chapter may be used during the additional two-year period for the use of entitlement under this section is as follows:

["(A) Education leading to employment in a high technology industry for purposes of section 3014A of this title.

["(B) A full-time program of apprenticeship or other on-job training approved as provided in clause (1) or (2), as appropriate, of section 3687 of this title.

["(C) A cooperative program (as defined in section 3482(a)(2) of this title).

["(D) A licensing or certification test approved under section 3689 of this title.

["(E) Training or education leading toward a professional or vocational objective which has been approved in accordance with the provisions of subchapter I of chapter 36 of this title and is identified by the Secretary in regulations to be prescribed by the Secretary for purposes of this section.

["(2) Entitlement to basic educational assistance under this chapter may not be used during the additional two-year period for the instruction or training as follows:

["(A) General education leading toward a standard college degree (as defined in section 3452(g) of this title), unless the program or training concerned will result in an associates degree that is approved by the Secretary in the manner specified in paragraph (1)(E) to be necessary to obtain a professional or vocational objective.

["(B) Preparatory courses for a test that is required or used for admission to an institution of higher education or graduate school.

["(g) COORDINATION WITH CERTAIN OTHER BENEFITS.—(1) An individual entitled to basic educational assistance under subsection (c) is entitled to educational and vocational counseling under section 3697A of this title in connection with the use of entitlement under this section.

["(2) An individual using entitlement to basic educational assistance under this chapter during the additional two-year period for the use of entitlement under this section is not entitled during the use of such entitlement to the following:

["(A) Supplemental educational assistance under subchapter III of this chapter.

["(B) A work-study allowance under section 3485 of this title.

["(h) EDUCATIONAL ASSISTANCE ENTITLEMENT COMMENCEMENT DATE DEFINED.—In this section, the term 'educational assistance entitlement commencement date', in the case of an individual described in subsection (b)(1), means the date on which begins the period during which the individual may use the individual's entitlement to educational assistance under chapter as determined under section 3031 of this title.

["(i) EFFECT OF TERMINATION OF PILOT PROGRAM.—The termination of the pilot program under subsection (a)(2) shall not effect the continuing use of entitlement under this section of any individual whose additional two-year period for the use of entitlement under this section continues after the date of the termination of the pilot program under that subsection."

["(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 3020 the following new item:

["3020A. Additional two-year period for use of entitlement for vocational or job readiness instruction or training: pilot program."

["(b) CROSS-REFERENCE AMENDMENT.—Section 3031 is amended—

["(1) in subsection (a), by striking "subsections (b) through (g), and subject to subsection (h)," and inserting "subsections (b) through (h), and subject to subsection (i),";

["(2) by redesignating subsection (h) as subsection (i); and

["(3) by inserting after subsection (g) the following new subsection (h):

["(h) An individual whose period for the use of entitlement to basic educational assistance under this chapter would otherwise expire under this section may be eligible for an additional two-year period for the use of entitlement under section 3020A of this title."

**ISEC. 103. EXCLUSION OF VETERANS EDUCATION BENEFITS IN DETERMINATION OF ELIGIBILITY OR AMOUNT OF FEDERAL EDUCATIONAL GRANTS AND LOANS.**

["(a) IN GENERAL.—(1) Subchapter II of chapter 36 is amended by inserting after section 3694 the following new section:

**["§3694A. Exclusion of veterans education benefits in determination of eligibility or amount of Federal education grants and loans**

["(a) EXCLUSION.—Notwithstanding any other provision of law and subject to subsection (b), education benefits shall not be considered as income, assets, or other monetary resource in determining eligibility for, or the amount of, grant or loan assistance provided under title IV of the Higher Education Act of 1965 (20 U.S.C. 1070 et seq.).

["(b) EXCEPTION.—In the case of campus-based student financial assistance, the amount of such assistance for which an individual would otherwise be eligible without taking into consideration education benefits as described in subsection (a) shall be reduced to the extent that the sum of such amount, the amount of the education benefits of the individual, and the amount of the Federal Pell Grant, if any, of the individual exceeds the cost of attendance of the individual.

["(c) DEFINITIONS.—In this section:

["(1) The term 'campus-based student financial assistance' means grant, work, or loan assistance provided under subpart 3 of part A, and parts C and E of title IV of the Higher Education Act of 1965 (20 U.S.C. 1070b et seq.; 42 U.S.C. 2751 et seq.; 20 U.S.C. 1087aa et seq.).

["(2) The term 'cost of attendance' has the meaning given such term in section 472 of the Higher Education Act of 1965 (20 U.S.C. 1087ll).

["(3) The term 'education benefits' means education benefits under chapters 30, 32, and 35 of this title and under chapter 1606 of title 10.

["(4) The term 'Federal Pell Grant' means a grant provided under subpart 1 of part A of title IV of the Higher Education Act of 1965 (20 U.S.C. 1070a)."

["(2) The table of sections at the beginning of chapter 36 is amended by inserting after the item referring to section 3694 the following new item:

["3694A. Exclusion of veterans education benefits in determination of eligibility or amount of Federal education grants and loans."

["(b) EFFECTIVE DATE.—The amendments made by this section shall be effective with respect to award years, as that term is defined in section 481(a)(1) of the Higher Education Act of 1965 (20 U.S.C. 1088(a)(1)), beginning on or after July 1, 2004.

**ISEC. 104. COLLECTION OF CONTRIBUTIONS FOR EDUCATIONAL ASSISTANCE UNDER MONTGOMERY GI BILL FROM RESERVES 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), indenting the left margin of

such paragraph, as so designated, two ems, and, in that paragraph by striking "this chapter" and inserting "this subsection"; and

["(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 Reserve, the Secretary shall collect from the individual an amount equal to \$1,200 before the commencement by the individual of the use of entitlement to basic educational assistance under this chapter. The Secretary may collect such amount through reductions in basic pay in accordance with paragraph (1) or through such other method as the Secretary determines 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), indenting the left margin of such paragraph, as so designated, two ems, and, in that paragraph by striking "this chapter" and inserting "this subsection"; and

["(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 Reserve, the Secretary shall collect from the individual an amount equal to \$1,200 before the commencement by the individual of the use of entitlement to basic educational assistance under this chapter. The Secretary may collect such amount through reductions in basic pay in accordance with paragraph (1) or through such other method as the Secretary determines appropriate."

**[TITLE II—HOUSING BENEFITS**

**ISEC. 201. INCREASE IN MAXIMUM AMOUNT OF HOUSING LOAN GUARANTEE.**

["(a) IN GENERAL.—Subparagraph (A)(i)(IV) of section 3703(a)(1) is amended by striking "\$60,000" and inserting "\$83,425".

["(b) CONFORMING AMENDMENT.—Subparagraph (B) of such section is amended by striking "\$60,000" and inserting "\$83,425".

**ISEC. 202. PERMANENT AUTHORITY FOR GUARANTEE OF ADJUSTABLE RATE MORTGAGES.**

["Section 3707(a) is amended by striking "The Secretary shall" and all that follows through "guaranteeing loans" and inserting "The Secretary shall guarantee loans".

**ISEC. 203. PERMANENT AUTHORITY FOR GUARANTEE OF HYBRID ADJUSTABLE RATE MORTGAGES AND MODIFICATION OF GUARANTEE AUTHORITY.**

["(a) PERMANENT AUTHORITY.—Subsection (a) of section 3707A is amended by striking "The Secretary shall" and all that follows through "guaranteeing loans" and inserting "The Secretary shall guarantee loans".

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

["(1) by striking paragraph (3) and inserting the following new paragraph (3):

["(3) in the case of the initial interest rate adjustment under such provisions, be limited to a maximum increase or decrease of 1 percentage point if the interest rate remained fixed for 3 or fewer years; and"; and

["(2) in paragraph (4), 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. 204. 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.”.

**[TITLE III—OTHER BENEFITS AND BENEFITS MATTERS]**

**[Subtitle A—Employment Benefits]**

**[SEC. 301. 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)”; and

[(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)(1) of such title 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”.

**[Subtitle B—Medical Benefits]**

**[SEC. 311. PROHIBITION ON COLLECTION OF CO-PAYMENTS FOR HOSPICE CARE.]**

[Section 1710B(c)(2) is amended—

[(1) in subparagraph (A), by striking “or” at the end;

[(2) by redesignating subparagraph (B) as subparagraph (C); and

[(3) by inserting after subparagraph (A) the following new subparagraph (B):

“(B) to a veteran being furnished hospice care under this section; or”.

**[Subtitle C—Extension of Benefits and Related Authorities]**

**[SEC. 321. EXTENSION OF VARIOUS AUTHORITIES RELATING TO BENEFITS FOR VETERANS.]**

[(a) SIX-YEAR EXTENSION OF BIENNIAL REPORT OF ADVISORY COMMITTEE ON FORMER PRISONERS OF WAR.—Section 541(c)(1) is amended by striking “2003” and inserting “2009”.

[(b) PERMANENT AUTHORITY FOR COUNSELING AND TREATMENT FOR SEXUAL TRAUMA.—Section 1720D(a) is amended—

[(1) in paragraph (1), by striking “During the period through December 31, 2004, the Secretary” and inserting “The Secretary”; and

[(2) in paragraph (2), by striking “, during the period through December 31, 2004.”.

[(c) FIVE-YEAR EXTENSION OF REPORTS BY SPECIAL MEDICAL ADVISORY GROUP.—Section 7312(d) is amended by striking “December 31, 2004” and inserting “December 31, 2009”.

**[Subtitle D—Other Matters]**

**[SEC. 331. MODIFICATION OF DEFINITION OF MINORITY GROUP MEMBER FOR PURPOSES OF ADVISORY COMMITTEE ON MINORITY VETERANS.]**

[Subsection (d) of section 544 is amended to read as follows:

“(d) In this section, the term ‘minority group member’ means an individual who is—

[(1) American Indian or Alaska Native;

[(2) Asian;

[(3) Black or African American;

[(4) Native Hawaiian or other Pacific Islander; or

[(5) of Hispanic, Latino, or Spanish origin.”.]

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

(a) *SHORT TITLE.*—This Act may be cited as the “Veterans’ Benefits Improvements 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. References to title 38, United States Code.

**TITLE I—HOUSING MATTERS**

Sec. 101. Increase in maximum amount of home loan guaranty for construction and purchase of homes and annual indexing of amount.

Sec. 102. Extension of authority for guarantee of adjustable rate mortgages.

Sec. 103. Extension and improvement of authority for guarantee of hybrid adjustable rate mortgages.

Sec. 104. Termination of collection of loan fees from veterans rated eligible for compensation at pre-discharge rating examinations.

**TITLE II—EDUCATION MATTERS**

Sec. 201. Collection of contributions for educational assistance under Montgomery GI Bill from members of the Selected Reserve called to active duty.

Sec. 202. Educational assistance under Montgomery GI Bill for members of the Selected Reserve who aggregate 2 or more years of active duty service during any 5-year period.

Sec. 203. Ten-year extension of delimiting period for survivors’ and dependents’ educational assistance for spouses of members who die on active duty.

Sec. 204. Availability of education benefits for payment for national admissions exams and national exams for credit at institutions of higher education.

**TITLE III—OTHER MATTERS**

Sec. 301. Availability of administrative and judicial redress for certain veterans denied opportunity to compete for Federal employment.

Sec. 302. Extension of biennial report of Advisory Committee on Former Prisoners of War.

Sec. 303. Modification of definition of minority group member for purposes of Advisory Committee on Minority Veterans.

**SEC. 2. REFERENCES 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—HOUSING MATTERS**

**SEC. 101. 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. 102. 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 2011”.

**SEC. 103. 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 2011”.

(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 interest rate adjustment—

“(A) if the initial 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 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 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. 104. 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.”.

**TITLE II—EDUCATION MATTERS****SEC. 201. COLLECTION OF CONTRIBUTIONS 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), indenting the left margin of such paragraph, as so designated, two ems, and, in that paragraph by striking “this chapter” and inserting “this subsection”; and

(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 Reserve, the Secretary of Defense shall collect from the individual an amount equal to \$1,200 before the commencement by the individual of the use of entitlement to basic educational assistance under this chapter. 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), indenting the left margin of such paragraph, as so designated, two ems, and, in that paragraph by striking “this chapter” and inserting “this subsection”; and

(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 Reserve, the Secretary of Defense shall collect from the individual an amount equal to \$1,200 before the commencement by the individual of the use of entitlement to basic educational assistance under this chapter. 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. 202. EDUCATIONAL ASSISTANCE UNDER MONTGOMERY GI BILL FOR MEMBERS OF THE SELECTED RESERVE WHO AGGREGATE 2 OR MORE YEARS OF ACTIVE DUTY SERVICE DURING ANY 5-YEAR PERIOD.**

(a) **ENTITLEMENT.**—Section 3012(a)(1) is amended—

(1) in subparagraph (B), by striking “or” at the end;

(2) in subparagraph (C), by adding “or” at the end; and

(3) by inserting after subparagraph (C) the following new subparagraph (D):

“(D) during any five-year period beginning on or after September 11, 2001, and ending on or before June 30, 2008, while in the Selected Reserve, serves on active duty in the Armed Forces for one or more periods (whether continuous or otherwise) aggregating not less than two years of service on active duty during such period.”

(b) **COLLECTION OF CONTRIBUTIONS.**—Section 3012(c), as amended by section 201(b) of this Act, is further amended by adding at the end the following new paragraph:

“(4)(A) In the case of an individual who becomes entitled to basic educational assistance under this chapter by reason of subsection (a)(1)(D), the Secretary of Defense shall collect from the individual an amount equal to \$1,200 not later than one year after the completion by the individual of the two years of service on active duty providing the basis for such entitlement.

“(B) An individual described in subparagraph (A) shall not be entitled to basic educational assistance as described in that subparagraph unless an amount equal to \$1,200 is first collected from the individual as required under that subparagraph.

“(C) The Secretary of Defense may collect amounts under subparagraph (A) through reductions in basic pay in accordance with paragraph (1) or through such other method as the Secretary of Defense considers appropriate.”

(c) **DURATION OF ASSISTANCE.**—Section 3013(b) is amended by striking “is entitled to” and all that follows and inserting the following: “is entitled to—

“(1) one month of educational assistance benefits under this chapter—

“(A) in the case of an individual described in section 3012(a)(1)(A) of this title, for each month of continuous active duty served by such individual after June 30, 1985, as part of the obligated period of active duty on which such entitlement is based;

“(B) in the case of an individual described in section 3012(a)(1)(B) of this title, for each month of continuous active duty served by such individual after June 30, 1985; or

“(C) in the case of an individual described in section 3012(a)(1)(D) of this title, for each month of active duty served by such individual after September 11, 2001, and before July 1, 2008, as part of the aggregate period of active duty on which such entitlement is based; and

“(2) one month of educational assistance benefits under this chapter for each four months served by such individual in the Selected Reserve after the applicable date specified in paragraph (1) of this subsection (other than any month in which the individual served on active duty).”

(d) **AMOUNT OF ASSISTANCE.**—Section 3015 is amended—

(1) in subsections (a)(1)(D) and (b)(1)(D), by striking “subsection (h)” and inserting “subsection (i)”;

(2) by redesignating subsection (h) as subsection (i); and

(3) by inserting after subsection (g) the following new subsection (h):

“(h) In the case of an individual entitled to an educational assistance allowance under section 3012(a)(1)(D) of this title, the amount of the basic educational assistance allowance payable under this chapter is the amount determined under subsection (b) of this section.”

(e) **OUTREACH.**—(1) The Secretary concerned shall take actions to inform members of the Selected Reserve who are or may become entitled to basic educational assistance benefits under chapter 30 of title 38, United States Code, as a result of section 3012(a)(1)(D) of such title (as amended by subsection (a) of this section) of the minimum service requirements for entitlement to such benefits under that chapter and of the scope and nature of such benefits.

(2) In this subsection:

(A) The term “Secretary concerned” has the meaning given such term in section 101(25) of title 38, United States Code.

(B) The term “Selected Reserve” has the meaning given such term in section 3002(4) of title 38, United States Code.

**SEC. 203. 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. 204. 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 SAT, LSAT, GRE, and GMAT exams) and national tests providing an opportunity for course credit at institutions of higher learning (such as the AP exam).”

(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 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 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 34.**—Section 3482 is amended by adding at the end the following new subsection:

“(i)(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.”.

(4) 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.”.

### TITLE III—OTHER MATTERS

#### SEC. 301. 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)”; and  
(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) of such title 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. 302. 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. 303. MODIFICATION OF DEFINITION OF MINORITY GROUP MEMBER FOR PURPOSES OF ADVISORY COMMITTEE ON MINORITY VETERANS.

Subsection (d) of section 544 is amended to read as follows:

“(d) In this section, the term ‘minority group member’ means an individual who is—

- “(1) American Indian or Alaska Native;
- “(2) Asian;
- “(3) Black or African American;
- “(4) Native Hawaiian or other Pacific Islander; or
- “(5) of Hispanic, Latino, or Spanish origin.”.

Mr. SPECTER. Mr. President, I have sought recognition to comment on a substitute amendment I propose to make to S. 2486, the Veterans' Benefits Improvements Act of 2004, as part of my request that the bill, as so amended, be approved by the Senate. The underlying bill, S. 2486, was reported by the Senate Committee on Veterans Affairs on July 20, 2004, and is explained in detail in Senate Report 108-352. My comments at this time are limited to explaining how the proposed substitute amendment, which reflects a bipartisan agreement between Senate and House Veterans' Affairs Committees on issues related to veterans' non-medical benefits and services, differ from the provisions of S. 2486, as reported.

Almost all of the provisions set forth in S. 2486, as reported, are included in the substitute agreement that I present to the Senate today. Changes made, for the most part, simply reflect provisions that the House has approved which are acceptable to the Senate. There is, however, one notable excision of material from the Committee-reported bill: a provision crafted by Committee Member ZELL MILLER that would have increased educational assistance benefits for Reserves who are activated for extended periods. That provision is not included in the substitute amendment. Similar legislation, however, is in the offing via another legislative vehicle.

After S. 2486 was reported by the Veterans' Committee, the President requested that the Armed Services Committees, in the course of their conferencing on the Fiscal Year 2005 Defense Authorization bill, approve enhancements to educational assistance benefits that are substantially the same as those which are included in S. 2486, as reported. I have been given every indication that the President's proposal will be included in the conference agreement on the Defense Authorization bill. Expecting this to be the case, Senator MILLER's provision—a provision that was a centerpiece of the Committee-reported bill—has been laid aside. In its place, the substitute amendment includes a provision that would increase benefits to the neediest survivors of service members who are killed in combat or who subsequently die from service-related injuries or illnesses.

Under current law, the surviving spouse of a service member who is killed in service is eligible for dependency and indemnity compensation (DIC) benefits. The new provision, which is drawn from a provision contained in a bill, S. 1132, that I introduced last year, would provide, for a two-year period, an additional \$250 per month of DIC to a surviving spouse who has dependent children. VA estimates that approximately 27 percent of service members killed in Iraq and Afghanistan are survived by spouses who have at least one dependent child. These survivors need an additional measure of help; the substitute amendment would provide it.

The substitute amendment also makes substantial improvements, authored by the House, to VA educational assistance benefits provided to service members and veterans who pursue apprenticeship and on-the-job training programs. VA programs for supporting those who pursue such opportunities have not been updated for over 50 years. These amendments are overdue. I applaud Chairman CHRIS SMITH, the author of these provisions, for his efforts to expand employment and training opportunities afforded to veterans.

There are many other fine additions to the reported bill contained in the substitute amendment. They include provisions to strengthen the oversight

of VA fiduciaries, to enhance the Servicemembers Civil Relief Act and the Uniformed Services Employment and Reemployment Rights Act, and to improve on a myriad of other veterans' benefits and services. I encourage my colleagues to read the accompanying Explanatory Statement, which I ask be printed in the RECORD, for a better accounting of these worthy items.

This legislation will affect positively the lives of many deserving service members, veterans, and survivors. It merits the support of my colleagues. I request that support.

I yield the floor and I request the unanimous consent of the Senate that the “Explanatory Statement” that accompanies this statement be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

#### EXPLANATORY STATEMENT ON SENATE AMENDMENT TO SENATE BILL S. 2486, AS AMENDED

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 further 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 percentages 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 structured 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 U.S. 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. The requirement

that the contract be entered into within 180 days of enactment was deleted. Nonetheless, the Committees expect the Secretary of Veterans Affairs to enter into such a contract promptly.

## 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 18 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 payment, 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 An-

nual Performance and Accountability Report" information concerning fiduciaries who have been appointed to receive benefits. The required report would include: (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 requirements 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*

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 contain 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 educational 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.

#### Compromise Agreement

The Committees expect that a veterans' cost-of-living adjustment effective December 1, 2004, will be considered in another bill.

Mr. GRAHAM of Florida. Mr. President, as ranking member of the Committee on Veterans' Affairs, I urge my colleagues to continue to support our veterans and their families by passing the Veterans Benefits Improvement Act of 2004.

This bill, which I shall call the Compromise Agreement, is the final version of a veterans omnibus bill. The Compromise Agreement will improve and expand a host of veterans benefits, including: survivors benefits for spouses with dependent children; housing benefits; and educational benefits for Guard and Reserve members, veterans, and spouses of veterans killed on active duty.

It is very appropriate that at a time when our airmen, soldiers, sailors and marines are in harm's way, that we remember the sacrifices that those before them have made on behalf of this great Nation by improving and expanding veterans benefits for our Nation's bravest and their families.

I will briefly highlight some of the more important provisions, and then ask that my colleagues direct their attention to the Joint Explanatory Statement for further explanation of the proposed legislation.

Dependency and indemnity compensation is a monthly benefit paid to eligible survivors of servicemembers who died on active duty, and of certain veterans. A larger monthly benefit is paid to surviving spouses with children under the age of 18. Under this legislation, dependency and indemnity compensation for survivors, with dependent

children, of spouses killed on active duty would be increased by \$250 a month, for 2 years, beginning on the date when entitlement to benefits begins. A VA contracted study found that spouses with children had a higher level of unmet need than spouses without children. This provision is included to further aid the transition of surviving spouses with dependent children. We must make every effort to make certain that the families of servicemembers who paid the ultimate sacrifice have their needs met.

Owning a home of one's own is the American Dream. This legislation would make that dream a reality for more of our veterans by increasing the maximum amount of the VA home loan guaranty. The current VA loan limit of \$240,000 restricts beneficiaries from using the guaranty because it is insufficient to cover median housing prices in many parts of the Nation. Section 403 of the Compromise Agreement would increase the maximum VA loan amount to \$333,700. It would also index the loan limit to 25 percent of the conforming loan limit for a single-family residence as set by Freddie Mac. This would allow the loan limit to continue to rise with the cost of housing inflation automatically. This change, coupled with the reinstatement of the VA adjustable rate mortgage loan program and improvement of the hybrid adjustable rate mortgage loan program will allow many more veterans to be able to purchase a home.

The second half of the American Dream is a college education. Educational assistance is provided to 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 to be totally and permanently disabled. The spouse has 10 years to use the entitlement. However, many surviving spouses, during this difficult transitional period, are busy raising children and working making it impossible to use the education benefit. This legislation would give an additional 10 years to the surviving spouse of a servicemember who died of a service-connected disability to use the benefit.

Under current law, a member of the Selected Reserve or National Guard must contribute a non-refundable \$1,200 in order to participate in the Montgomery GI Bill education program. However, a member of the Selected Reserve must spend 1 year on active duty before being eligible for the program. Section 109 of the committee bill would create flexibility and allow the Montgomery GI Bill participation fee to be collected not later than 1 year after the completion of 2 years of active duty, ensuring that the Reserve or Guard has become eligible by satisfying the service requirement.

With the costs of attending college rising, it is important that we do as much for our veterans as possible so that they may reach their academic objectives. This legislation would allow

VA to reimburse eligible beneficiaries for the cost of certain national admission tests, such as the Law School Admission Test, Graduate Record Exam, Graduate Management Admission Test, and Scholastic Aptitude Test, and for course credit at institutions of higher learning, such as the Advanced Placement Exam and College-Level Examination Program.

In keeping with this committee's continuing effort to aid veterans in attaining appropriate education and employment opportunities, this legislation improves the full-time apprenticeship and on-job training programs under the MGIB. Section 103 of the Compromise Agreement, for more than a 2-year period, would increase the full-time VA monthly educational assistance allowance payable to individuals participating in these training programs. For the first 6 months of training, the monthly benefit would increase to 85 percent from 75 percent; for the second 6 months, 65 percent from 55 percent; and the remainder of months, 45 percent from 35 percent. Additionally, Section 104 of the Compromise Agreement authorizes VA to pay educational benefits to veterans participating in competency-based apprenticeships, in addition to time-based apprenticeships, bringing the VA program in line with the way most apprenticeship programs are structured today.

These provisions show our veterans America's continuing unwavering support of the service and sacrifice that they have made on behalf of this country. Particularly at a time when we are at war, we must ensure our servicemembers that we will fulfill the commitment promised by Abraham Lincoln, "to care for him that shall have borne the battle and for his widow and his orphan."

In conclusion, I would like to specifically thank Senator SPECTER and his benefits staff for their work on this comprehensive bill, specifically Bill Tuerk, Jon Towers and Chris McNamee, and my staff, Buddy Menn, Mary Schoelen, Dahlia Melendrez, Ted Pusey, Amanda Krohn, and Tandy Barrett, who recently left the committee, for all of their hard work in helping to put this legislation together. I urge my colleagues to support this legislation on behalf of America's veterans and their families.

I ask unanimous consent that the text of the bill be printed in the RECORD following this statement.

Mr. FRIST. Mr. President, I ask unanimous consent that the amendment at the desk be agreed to, the committee amendment, as amended, be agreed to, the bill, as amended, be read a third time and passed, the amendment to the title be agreed to, the motions to reconsider be laid upon the table en bloc, and that any statements relating to the bill be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment (No. 4044) was agreed to.

(The amendment is printed in today's RECORD under "Text of Amendments.")

The committee amendment in the nature of a substitute, as amended, was agreed to.

The bill (S. 2486), as amended, was read the third time and passed.

The title was amended so as to read:

"A bill 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."

#### ORDERS FOR SATURDAY, OCTOBER 9, 2004

Mr. FRIST. Mr. President, I ask unanimous consent that when the Senate completes its business today, it adjourn until 10 a.m. on Saturday, October 9; I further ask that following the prayer and pledge, the morning hour be deemed expired, the Journal of proceedings be approved to date, the time for the two leaders be reserved, and the Senate resume consideration of S. Res. 445, the Senate intelligence reform resolution; provided further that the time until 11:15 be equally divided between the two managers, with 30 minutes under the control of Senator HARKIN.

The PRESIDING OFFICER (Mr. ENZI). Without objection, it is so ordered.

#### PROGRAM

Mr. FRIST. Mr. President, tomorrow the Senate will resume consideration of the Senate intelligence reform resolution. Under the previous order, each of the remaining amendments in order will be offered, and the time until 11:15 will be equally divided for debate on the amendments. At 11:15 a.m., the Senate will proceed to a stacked series of votes on the remaining amendments, to be followed by a vote on adoption of the resolution, and a vote on the Harkin resolution.

Following disposition of the Senate intelligence reform resolution, the Senate will resume consideration of the conference report to accompany H.R. 4520, the FSC/ETI JOBS bill. It remains my hope that we can expedite consideration of the conference report, but I would remind all Senators that a cloture motion is pending and that vote is now scheduled to occur at 1 p.m. on Sunday. If cloture is invoked, we would hope that Members will allow us to move forward with the vote on passage at the earliest possible time.

The Senate may also take up the Department of Defense authorization conference report tomorrow or any appropriations conference report when it becomes available. I thank my colleagues for their patience. Weekend sessions are rare, but we have a lot of work to accomplish prior to adjourning. That work we will accomplish.