

One Hundred Fifth Congress
of the
United States of America

AT THE SECOND SESSION

*Begun and held at the City of Washington on Tuesday,
the twenty-seventh day of January, one thousand nine hundred and ninety-eight*

An Act

To amend title 38, United States Code, to improve benefits and services provided to Persian Gulf War veterans, to provide a cost-of-living adjustment in rates of compensation paid to veterans with service-connected disabilities, to enhance programs providing health care, compensation, education, insurance, and other benefits for veterans, and for other purposes.

*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 Programs Enhancement Act of 1998”.

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

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

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- Sec. 907. Interim appointment of Under Secretary for Health.

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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—PROVISIONS RELATING TO VETERANS OF PERSIAN GULF WAR AND FUTURE CONFLICTS

SEC. 101. AGREEMENT WITH NATIONAL ACADEMY OF SCIENCES REGARDING EVALUATION OF HEALTH CONSEQUENCES OF SERVICE IN SOUTHWEST ASIA DURING THE PERSIAN GULF WAR.

(a) PURPOSE.—The purpose of this section is to provide for the National Academy of Sciences, an independent nonprofit scientific organization with appropriate expertise which is not a part of the Federal Government, to review and evaluate the available scientific evidence regarding associations between illness and service in the Persian Gulf War.

(b) AGREEMENT.—(1) The Secretary of Veterans Affairs shall seek to enter into an agreement with the National Academy of Sciences for the Academy to perform the activities covered by this section. The Secretary shall seek to enter into the agreement not later than 2 months after the date of the enactment of this Act.

(2)(A) If the Secretary is unable within the time period set forth in paragraph (1) to enter into an agreement with the Academy for the purposes of this section on terms acceptable to the Secretary, the Secretary shall seek to enter into an agreement for purposes of this section with another appropriate scientific organization that is not part of the Federal Government, operates as a not-for-profit entity, and has expertise and objectivity comparable to that of the Academy.

(B) If the Secretary enters into an agreement with another organization under this paragraph, any reference in this section

to the National Academy of Sciences shall be treated as a reference to such other organization.

(c) REVIEW OF SCIENTIFIC EVIDENCE.—(1) Under the agreement under subsection (b), the National Academy of Sciences shall conduct a comprehensive review and evaluation of the available scientific and medical information regarding the health status of Gulf War veterans and the health consequences of exposures to risk factors during service in the Persian Gulf War. In conducting such review and evaluation, the Academy shall—

(A) identify the biological, chemical, or other toxic agents, environmental or wartime hazards, or preventive medicines or vaccines (including the agents specified in subsection (d)(1)) to which members of the Armed Forces who served in the Southwest Asia theater of operations during the Persian Gulf War may have been exposed by reason of such service;

(B) identify the illnesses associated with the agents, hazards, or medicines or vaccines identified under subparagraph (A); and

(C) identify the illnesses (including diagnosed illnesses and undiagnosed illnesses) for which there is scientific evidence of a higher prevalence among populations of Gulf War veterans when compared with other appropriate populations of individuals.

(2) In identifying illnesses under subparagraphs (B) and (C) of paragraph (1), the Academy shall review and summarize the relevant scientific evidence regarding illnesses, including symptoms, adverse reproductive health outcomes, and mortality, among the members described in paragraph (1)(A) and among other appropriate populations of individuals.

(3) In conducting the review and evaluation under paragraph (1), the Academy shall, for each illness identified under subparagraph (B) or (C) of that paragraph, assess the latency period, if any, between service or exposure to any potential risk factor (including an agent, hazard, or medicine or vaccine identified under subparagraph (A) of that paragraph) and the manifestation of such illness.

(d) SPECIFIED AGENTS.—(1) In identifying under subsection (c)(1)(A) the agents, hazards, or preventive medicines or vaccines to which members of the Armed Forces may have been exposed, the National Academy of Sciences shall consider the following:

(A) The following organophosphorous pesticides:

- (i) Chlorpyrifos.
- (ii) Diazinon.
- (iii) Dichlorvos.
- (iv) Malathion.

(B) The following carbamate pesticides:

- (i) Proxpur.
- (ii) Carbaryl.
- (iii) Methomyl.

(C) The carbamate pyridostigmine bromide used as nerve agent prophylaxis.

(D) The following chlorinated hydrocarbons and other pesticides and repellents:

- (i) Lindane.
- (ii) Pyrethrins.
- (iii) Permethrins.
- (iv) Rodenticides (bait).

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- (v) Repellent (DEET).
- (E) The following low-level nerve agents and precursor compounds at exposure levels below those which produce immediately apparent incapacitating symptoms:
 - (i) Sarin.
 - (ii) Tabun.
- (F) The following synthetic chemical compounds:
 - (i) Mustard agents at levels below those which cause immediate blistering.
 - (ii) Volatile organic compounds.
 - (iii) Hydrazine.
 - (iv) Red fuming nitric acid.
 - (v) Solvents.
- (G) The following sources of radiation:
 - (i) Depleted uranium.
 - (ii) Microwave radiation.
 - (iii) Radio frequency radiation.
- (H) The following environmental particulates and pollutants:
 - (i) Hydrogen sulfide.
 - (ii) Oil fire byproducts.
 - (iii) Diesel heater fumes.
 - (iv) Sand micro-particles.
- (I) Diseases endemic to the region (including the following):
 - (i) Leishmaniasis.
 - (ii) Sandfly fever.
 - (iii) Pathogenic escherichia coli.
 - (iv) Shigellosis.
- (J) Time compressed administration of multiple live, "attenuated", and toxoid vaccines.

(2) The consideration of agents, hazards, and medicines and vaccines under paragraph (1) shall not preclude the Academy from identifying other agents, hazards, or medicines or vaccines to which members of the Armed Forces may have been exposed for purposes of any report under subsection (h).

(3) Not later than 6 months after entry into the agreement under subsection (b), the Academy shall submit to the Committees on Veterans' Affairs of the Senate and the House of Representatives a report specifying the agents, hazards, and medicines and vaccines considered under paragraph (1).

(e) SCIENTIFIC DETERMINATIONS CONCERNING ILLNESSES.—(1) For each illness identified under subparagraph (B) or (C) of subsection (c)(1), the National Academy of Sciences shall determine (to the extent available scientific evidence permits) whether there is scientific evidence of an association of that illness with Gulf War service or exposure during Gulf War service to one or more agents, hazards, or medicines or vaccines. In making those determinations, the Academy shall consider—

(A) the strength of scientific evidence, the replicability of results, the statistical significance of results, and the appropriateness of the scientific methods used to detect the association;

(B) in any case where there is evidence of an apparent association, whether there is reasonable confidence that that apparent association is not due to chance, bias, or confounding;

(C) the increased risk of the illness among human or animal populations exposed to the agents, hazards, or medicines or vaccines;

(D) whether a plausible biological mechanism or other evidence of a causal relationship exists between exposure to the agents, hazards, or medicines or vaccines and the illnesses;

(E) in any case where information about exposure levels is available, whether the evidence indicates that the levels of exposure of the studied populations were of the same magnitude as the estimated likely exposures of Gulf War veterans; and

(F) whether there is an increased risk of illness among Gulf War veterans in comparison with appropriate peer groups.

(2) The Academy shall include in its reports under subsection

(h) a full discussion of the scientific evidence and reasoning that led to its conclusions under this subsection.

(f) RECOMMENDATIONS FOR ADDITIONAL SCIENTIFIC STUDIES.—

(1) Under the agreement under subsection (b), the National Academy of Sciences shall make any recommendations that it considers appropriate for additional scientific studies (including studies relating to treatment models) to resolve areas of continuing scientific uncertainty relating to the health consequences of service in the Persian Gulf War or exposure to toxic agents, environmental or wartime hazards, or preventive medicines or vaccines associated with Gulf War service.

(2) In making recommendations for additional studies, the Academy shall consider the available scientific data, the value and relevance of the information that could result from such studies, and the cost and feasibility of carrying out such studies.

(g) SUBSEQUENT REVIEWS.—(1) Under the agreement under subsection (b), the National Academy of Sciences shall conduct on a periodic and ongoing basis additional reviews of the evidence and data relating to its activities under this section.

(2) As part of each review under this subsection, the Academy shall—

(A) conduct as comprehensive a review as is practicable of the information referred to in subsection (c), the evidence referred to in subsection (e), and the data referred to in subsection (f) that became available since the last review of such information, evidence, and data under this section; and

(B) make determinations under the subsections referred to in subparagraph (A) on the basis of the results of such review and all other reviews previously conducted for purposes of this section.

(h) REPORTS BY ACADEMY.—(1) Under the agreement under subsection (b), the National Academy of Sciences shall submit to the Committees on Veterans' Affairs of the Senate and the House of Representatives and the Secretary of Veterans Affairs periodic written reports regarding the Academy's activities under the agreement.

(2) The first report under paragraph (1) shall be submitted not later than 2 years after entry into the agreement under subsection (b). That report shall include—

(A) the determinations and discussion referred to in subsection (e); and

(B) any recommendations of the Academy under subsection (f).

(3) Reports shall be submitted under this subsection at least once every 2 years, as measured from the date of the report under paragraph (2).

(4) In any report under this subsection (other than the report under paragraph (2)), the Academy may specify an absence of meaningful developments in the scientific or medical community with respect to the activities of the Academy under this section during the 2-year period ending on the date of such report.

(i) REPORTS BY SECRETARY.—(1) The Secretary shall review each report from the Academy under subsection (h). As part of such review, the Secretary shall seek comments on, and evaluation of, the Academy's report from the heads of other affected departments and agencies of the United States.

(2) Based upon a review under paragraph (1), the Secretary shall submit to the Committees on Veterans' Affairs of the Senate and the House of Representatives a report on the available scientific and medical information regarding the health consequences of Persian Gulf War service and of exposures to risk factors during service in the Persian Gulf War. The Secretary shall include in the report the Secretary's recommendations as to whether there is sufficient evidence to warrant a presumption of service-connection for the occurrence of a specified condition in Gulf War veterans. In determining whether to make such a recommendation, the Secretary shall consider the matters specified in subparagraphs (A) through (F) of subsection (e)(1).

(3) The report under this subsection shall be submitted not later than 120 days after the date on which the Secretary receives the report from the Academy.

(j) SUNSET.—This section shall cease to be effective 11 years after the last day of the fiscal year in which the National Academy of Sciences enters into an agreement with the Secretary under subsection (b).

(k) DEFINITION.—In this section, the term “toxic agent, environmental or wartime hazard, or preventive medicine or vaccine associated with Gulf War service” means a biological, chemical, or other toxic agent, environmental or wartime hazard, or preventive medicine or vaccine that is known or presumed to be associated with service in the Armed Forces in the Southwest Asia theater of operations during the Persian Gulf War, whether such association arises as a result of single, repeated, or sustained exposure and whether such association arises through exposure singularly or in combination.

SEC. 102. HEALTH CARE FOR VETERANS OF PERSIAN GULF WAR AND FUTURE CONFLICTS.

(a) AUTHORITY.—Section 1710(e) is amended—

(1) by adding at the end of paragraph (1) the following new subparagraph:

“(D) Subject to paragraphs (2) and (3), a veteran who served on active duty in a theater of combat operations (as determined by the Secretary in consultation with the Secretary of Defense) during a period of war after the Persian Gulf War, or in combat against a hostile force during a period of hostilities (as defined in section 1712A(a)(2)(B) of this title) after the date of the enactment of this subparagraph, is eligible for hospital care, medical services, and nursing home care under subsection (a)(2)(F) for any illness,

notwithstanding that there is insufficient medical evidence to conclude that such condition is attributable to such service.”;

(2) in paragraph (2)(B), by inserting “or (1)(D)” after “paragraph (1)(C)”;

(3) in paragraph (3)—

(A) by striking “and” at the end of subparagraph (A);

(B) by striking “December 31, 1998.” in subparagraph

(B) and inserting “December 31, 2001; and”; and

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

“(C) in the case of care for a veteran described in paragraph (1)(D), after a period of 2 years beginning on the date of the veteran’s discharge or release from active military, naval, or air service.”; and

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

“(5) When the Secretary first provides care for veterans using the authority provided in paragraph (1)(D), the Secretary shall establish a system for collection and analysis of information on the general health status and health care utilization patterns of veterans receiving care under that paragraph. Not later than 18 months after first providing care under such authority, the Secretary shall submit to Congress a report on the experience under that authority. The Secretary shall include in the report any recommendations of the Secretary for extension of that authority.”.

(b) IMPLEMENTATION REPORT.—Not later than October 1, 1999, the Secretary of Veterans Affairs shall submit to the Committees on Veterans’ Affairs of the Senate and House of Representatives a report on the Secretary’s plan for establishing and operating the system for collection and analysis of information required by paragraph (5) of section 1710(e) of title 38, United States Code, as added by subsection (a)(4).

SEC. 103. NATIONAL CENTER ON WAR-RELATED ILLNESSES AND POST-DEPLOYMENT HEALTH ISSUES.

(a) ASSESSMENT.—The Secretary of Veterans Affairs shall seek to enter into an agreement with the National Academy of Sciences, or another appropriate independent organization, under which such entity shall assist in developing a plan for the establishment of a national center or national centers for the study of war-related illnesses and post-deployment health issues. The purposes of such a center may include—

(1) carrying out and promoting research regarding the etiologies, diagnosis, treatment, and prevention of war-related illnesses and post-deployment health issues; and

(2) promoting the development of appropriate health policies, including monitoring, medical recordkeeping, risk communication, and use of new technologies.

(b) RECOMMENDATIONS AND REPORT.—With respect to such a center, an agreement under this section shall provide for the Academy (or other entity) to—

(1) make recommendations regarding: (A) design of an organizational structure or structures, operational scope, staffing and resource needs, establishment of appropriate databases, the advantages of single or multiple sites, mechanisms for implementing recommendations on policy, and relationship to academic or scientific entities; (B) the role or roles that relevant

Federal departments and agencies should have in the establishment and operation of any such center or centers; and (C) such other matters as it considers appropriate; and

(2) report to the Secretary, the Secretaries of Defense and Health and Human Services, and the Committees on Veterans' Affairs of the Senate and House of Representatives, not later than 1 year after the date of the enactment of this Act, on its recommendations.

(c) **REPORT ON ESTABLISHMENT OF NATIONAL CENTER.**—Not later than 60 days after receiving the report under subsection (b), the Secretaries specified in subsection (b)(2) shall submit to the Committees on Veterans' Affairs and Armed Services of the Senate and the Committees on Veterans' Affairs and National Security of the House of Representatives a joint report on the findings and recommendations contained in that report. Such report may set forth an operational plan for carrying out any recommendation in that report to establish a national center or centers for the study of war-related illnesses. No action to carry out such plan may be taken after the submission of such report until the end of a 90-day period following the date of the submission.

SEC. 104. COORDINATION OF ACTIVITIES.

Section 707 of the Persian Gulf War Veterans' Health Status Act (title VII of Public Law 102-585; 38 U.S.C. 527 note) is amended—

(1) in the heading, by striking “**GOVERNMENT ACTIVITIES ON HEALTH-RELATED RESEARCH**” and inserting the following: “**HEALTH-RELATED GOVERNMENT ACTIVITIES**”;

(2) in subsection (a), by striking “research”; and

(3) by striking subsection (b) and inserting the following:

“(b) **PUBLIC ADVISORY COMMITTEE.**—Not later than January 1, 1999, the head of the department or agency designated under subsection (a) shall establish an advisory committee consisting of members of the general public, including Persian Gulf War veterans and representatives of such veterans, to provide advice to the head of that department or agency on proposed research studies, research plans, or research strategies relating to the health consequences of military service in the Southwest Asia theater of operations during the Persian Gulf War. The department or agency head shall consult with such advisory committee on a regular basis.

“(c) **REPORTS.**—(1) Not later than March 1 of each year, the head of the department or agency designated under subsection (a) shall submit to the Committees on Veterans' Affairs of the Senate and House of Representatives a report on—

“(A) the status and results of all such research activities undertaken by the executive branch during the previous year; and

“(B) research priorities identified during that year.

“(2)(A) Not later than 120 days after submission of the epidemiological research study conducted by the Department of Veterans Affairs entitled ‘VA National Survey of Persian Gulf Veterans—Phase III’, the head of the department or agency designated under subsection (a) shall submit to the congressional committees specified in paragraph (1) a report on the findings under that study and any other pertinent medical literature.

“(B) With respect to any findings of that study and any other pertinent medical literature which identify scientific evidence of

a greater relative risk of illness or illnesses in family members of veterans who served in the Persian Gulf War theater of operations than in family members of veterans who did not so serve, the head of the department or agency designated under subsection (a) shall seek to ensure that appropriate research studies are designed to follow up on such findings.

“(d) PUBLIC AVAILABILITY OF RESEARCH FINDINGS.—The head of the department or agency designated under subsection (a) shall ensure that the findings of all research conducted by or for the executive branch relating to the health consequences of military service in the Persian Gulf theater of operations during the Persian Gulf War (including information pertinent to improving provision of care for veterans of such service) are made available to the public through peer-reviewed medical journals, the World Wide Web, and other appropriate media.

“(e) OUTREACH.—The head of the department or agency designated under subsection (a) shall ensure that the appropriate departments consult and coordinate in carrying out an ongoing program to provide information to those who served in the Southwest Asia theater of operations during the Persian Gulf War relating to: (1) the health risks, if any, resulting from any risk factors associated with such service; and (2) any services or benefits available with respect to such health risks.”.

SEC. 105. IMPROVING EFFECTIVENESS OF CARE OF PERSIAN GULF WAR VETERANS.

(a) ASSESSMENT BY NATIONAL ACADEMY OF SCIENCES.—Not later than April 1, 1999, the Secretary of Veterans Affairs shall enter into a contract with the National Academy of Sciences to review the available scientific data in order to—

(1) assess whether a methodology could be used by the Department of Veterans Affairs for determining the efficacy of treatments furnished to, and health outcomes (including functional status) of, Persian Gulf War veterans who have been treated for illnesses which may be associated with their service in the Persian Gulf War; and

(2) identify, to the extent feasible, with respect to each undiagnosed illness prevalent among such veterans and for any other chronic illness that the Academy determines to warrant such review, empirically valid models of treatment for such illness which employ successful treatment modalities for populations with similar symptoms.

(b) ACTION ON REPORT.—(1) After receiving the final report of the National Academy of Sciences under subsection (a), the Secretary shall, if a reasonable and scientifically feasible methodology is identified by the Academy, develop an appropriate mechanism to monitor and study the effectiveness of treatments furnished to, and health outcomes of, Persian Gulf War veterans who suffer from diagnosed and undiagnosed illnesses which may be associated with their service in the Persian Gulf War.

(2) The Secretary shall submit to the Committees on Veterans' Affairs of the Senate and House of Representatives a report on the implementation of paragraph (1).

(3) The Secretary shall carry out paragraphs (1) and (2) not later than 180 days after receiving the final report of the National Academy of Sciences under subsection (a).

SEC. 106. CONTRACT FOR INDEPENDENT RECOMMENDATIONS ON RESEARCH AND FOR DEVELOPMENT OF CURRICULUM ON CARE OF PERSIAN GULF WAR VETERANS.

Section 706 of the Persian Gulf War Veterans' Health Status Act (title VII of Public Law 102-585; 38 U.S.C. 527 note) is amended by adding at the end the following new subsection:

“(d) RESEARCH REVIEW AND DEVELOPMENT OF MEDICAL EDUCATION CURRICULUM.—(1) In order to further understand the health consequences of military service in the Persian Gulf theater of operations during the Persian Gulf War and of new research findings with implications for improving the provision of care for veterans of such service, the Secretary of Veterans Affairs and the Secretary of Defense shall seek to enter into an agreement with the National Academy of Sciences under which the Institute of Medicine of the Academy would—

“(A) develop a curriculum pertaining to the care and treatment of veterans of such service who have ill-defined or undiagnosed illnesses for use in the continuing medical education of both general and specialty physicians who provide care for such veterans; and

“(B) on an ongoing basis, periodically review and provide recommendations regarding the research plans and research strategies of the Departments relating to the health consequences of military service in the Persian Gulf theater of operations during the Persian Gulf War.

“(2) Recommendations to be provided under paragraph (1)(B) include any recommendations that the Academy considers appropriate for additional scientific studies (including studies related to treatment models) to resolve areas of continuing scientific uncertainty relating to the health consequences of any aspects of such military service. In making recommendations for additional studies, the Academy shall consider the available scientific data, the value and relevance of the information that could result from such studies, and the cost and feasibility of carrying out such studies.

“(3) Not later than 9 months after the Institute of Medicine provides the Secretaries the curriculum developed under paragraph (1)(A), the Secretaries shall provide for the conduct of continuing education programs using that curriculum. Those programs shall include instruction which seeks to emphasize use of appropriate protocols of diagnosis, referral, and treatment of such veterans.”.

SEC. 107. EXTENSION AND IMPROVEMENT OF EVALUATION OF HEALTH STATUS OF SPOUSES AND CHILDREN OF PERSIAN GULF WAR VETERANS.

(a) ONE-YEAR EXTENSION.—Subsection (b) of section 107 of the Persian Gulf War Veterans' Benefits Act (title I of Public Law 103-446; 38 U.S.C. 1117 note) is amended by striking “December 31, 1998” and inserting “December 31, 1999”.

(b) TERMINATION OF CERTAIN TESTING AND EVALUATION REQUIREMENTS.—Subsection (a) of such section is amended—

(1) by striking “the” after “Secretary of”;

(2) by striking “study” both places it appears and inserting “program”; and

(3) by striking the sentence following paragraph (3).

(c) ENHANCED FLEXIBILITY IN EXAMINATIONS.—Subsection (d) of such section is amended—

(1) by striking “shall” and inserting “may”; and
(2) by inserting “, including fee arrangements described in section 1703 of title 38, United States Code” after “arrangements”.

(d) OUTREACH.—Subsection (g) of such section is amended—
(1) by striking “to ensure” and all that follows through the period at the end of paragraph (2) and inserting “for the purposes of the program.”; and

(2) by adding at the end the following new sentence: “In conducting such outreach activities, the Secretary shall advise that medical treatment is not available under the program.”.

(e) REPORT TO CONGRESS.—Subsection (i) of such section is amended to read as follows:

“(i) REPORT TO CONGRESS.—Not later than July 31, 1999, the Secretary shall submit to the Committees on Veterans’ Affairs of the Senate and House of Representatives a report on activities with respect to the program, including the provision of services under subsection (d).”.

TITLE II—EDUCATION AND EMPLOYMENT

Subtitle A—Education Matters

SEC. 201. CALCULATION OF REPORTING FEE BASED ON TOTAL VETERAN ENROLLMENT DURING A CALENDAR YEAR.

(a) IN GENERAL.—The second sentence of section 3684(c) is amended by striking “on October 31” and all that follows through the period and inserting “during the calendar year.”.

(b) FUNDING.—Section 3684(c), as amended by subsection (a), is further amended by adding at the end the following new sentence: “The reporting fee payable under this subsection shall be paid from amounts appropriated for readjustment benefits.”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to calendar years beginning after December 31, 1998.

SEC. 202. ELECTION OF ADVANCE PAYMENT OF WORK-STUDY ALLOWANCE.

(a) IN GENERAL.—The third sentence of section 3485(a)(1) is amended by striking “An individual shall be paid in advance” and inserting “An individual may elect, in a manner prescribed by the Secretary, to be paid in advance”.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply with respect to agreements entered into under section 3485 of title 38, United States Code, on or after January 1, 1999.

SEC. 203. ALTERNATIVE TO TWELVE SEMESTER HOUR EQUIVALENCY REQUIREMENT.

(a) IN GENERAL.—The following sections of chapter 30 are each amended by striking “successfully completed” each place it appears and inserting “successfully completed (or otherwise received academic credit for)”: sections 3011(a)(2), 3012(a)(2), 3018(b)(4)(ii), 3018A(a)(2), 3018B(a)(1)(B), 3018B(a)(2)(B), and 3018C(a)(3).

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect on October 1, 1998.

SEC. 204. MEDICAL EVIDENCE FOR FLIGHT TRAINING REQUIREMENTS.

(a) TITLE 38, UNITED STATES CODE.—Sections 3034(d)(2) and 3241(b)(2) are each amended—

(1) by striking “pilot’s license” each place it appears and inserting “pilot certificate”; and

(2) by inserting “, on the day the individual begins a course of flight training,” after “meets”.

(b) TITLE 10, UNITED STATES CODE.—Section 16136(c)(2) of title 10, United States Code, is amended—

(1) by striking “pilot’s license” each place it appears and inserting “pilot certificate”; and

(2) by inserting “, on the day the individual begins a course of flight training,” after “meets”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to courses of flight training beginning on or after October 1, 1998.

SEC. 205. WAIVER OF WAGE INCREASE AND MINIMUM PAYMENT RATE REQUIREMENTS FOR GOVERNMENT JOB TRAINING PROGRAM APPROVAL.

(a) IN GENERAL.—Section 3677(b) is amended—

(1) by inserting “(1)” after “(b)”;

(2) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively;

(3) in subparagraph (A), as so redesignated, by striking “(A)” and “(B)” and inserting “(i)” and “(ii)”, respectively; and

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

“(2) The requirement under paragraph (1)(A)(ii) shall not apply with respect to a training establishment operated by the United States or by a State or local government.”.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply with respect to approval of programs of training on the job under section 3677 of title 38, United States Code, on or after October 1, 1998.

SEC. 206. EXPANSION OF EDUCATION OUTREACH SERVICES.

(a) EXPANSION OF EDUCATION OUTREACH SERVICES TO MEMBERS OF THE ARMED FORCES.—Section 3034 is amended by adding at the end the following new subsection:

“(e)(1) In the case of a member of the Armed Forces who participates in basic educational assistance under this chapter, the Secretary shall furnish the information described in paragraph (2) to each such member. The Secretary shall furnish such information as soon as practicable after the basic pay of the member has been reduced by \$1,200 in accordance with section 3011(b) or 3012(c) of this title and at such additional times as the Secretary determines appropriate.

“(2) The information referred to in paragraph (1) is information with respect to the benefits, limitations, procedures, eligibility requirements (including time-in-service requirements), and other important aspects of the basic educational assistance program under this chapter, including application forms for such basic educational assistance under section 5102 of this title.

“(3) The Secretary shall furnish the forms described in paragraph (2) and other educational materials to educational institutions, training establishments, and military education personnel, as the Secretary determines appropriate.

“(4) The Secretary shall use amounts appropriated for readjustment benefits to carry out this subsection and section 5102 of this title with respect to application forms under that section for basic educational assistance under this chapter.”.

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect 180 days after the date of the enactment of this Act.

SEC. 207. INFORMATION ON MINIMUM REQUIREMENTS FOR EDUCATION BENEFITS FOR MEMBERS OF THE ARMED FORCES DISCHARGED EARLY FROM DUTY FOR THE CONVENIENCE OF THE GOVERNMENT.

(a) ACTIVE DUTY PROGRAM.—Section 3011 is amended by adding at the end the following new subsection:

“(i) The Secretary concerned shall inform any member of the Armed Forces who has not completed that member’s initial obligated period of active duty (as described in subsection (a)(1)(A)) and who indicates the intent to be discharged or released from such duty for the convenience of the Federal Government of the minimum active duty requirements for entitlement to educational assistance benefits under this chapter. Such information shall be provided to the member in a timely manner.”.

(b) RESERVE PROGRAM.—Section 3012 is amended by adding at the end the following new subsection:

“(g)(1) The Secretary concerned shall inform any member of the Armed Forces who has not completed that member’s initial service (as described in paragraph (2)) and who indicates the intent to be discharged or released from such service for the convenience of the Federal Government of the minimum service requirements for entitlement to educational assistance benefits under this chapter. Such information shall be provided to the member in a timely manner.

“(2) The initial service referred to in paragraph (1) is the initial obligated period of active duty (described in subparagraphs (A)(i) or (B)(i) of subsection (a)(1)) or the period of service in the Selected Reserve (described in subparagraphs (A)(ii) or (B)(ii) of subsection (a)(1)).”.

(c) REPORT TO CONGRESS.—Section 3036(b)(1) is amended—

(1) by striking “and (B)” and inserting “(B)”; and

(2) by inserting before the semicolon the following: “, and (C) describing the efforts under sections 3011(i) and 3012(g) of this title to inform members of the Armed Forces of the minimum service requirements for entitlement to educational assistance benefits under this chapter and the results from such efforts”.

(d) EFFECTIVE DATES.—(1) The amendments made by subsections (a) and (b) shall take effect 120 days after the date of the enactment of this Act.

(2) The amendments made by subsection (c) shall apply with respect to reports to Congress submitted by the Secretary of Defense under section 3036 of title 38, United States Code, on or after January 1, 2000.

Subtitle B—Uniformed Services Employment and Reemployment Rights Act Amendments

SEC. 211. ENFORCEMENT OF RIGHTS WITH RESPECT TO A STATE AS AN EMPLOYER.

(a) IN GENERAL.—Section 4323 is amended to read as follows:

“§ 4323. Enforcement of rights with respect to a State or private employer

“(a) ACTION FOR RELIEF.—(1) A person who receives from the Secretary a notification pursuant to section 4322(e) of this title of an unsuccessful effort to resolve a complaint relating to a State (as an employer) or a private employer may request that the Secretary refer the complaint to the Attorney General. If the Attorney General is reasonably satisfied that the person on whose behalf the complaint is referred is entitled to the rights or benefits sought, the Attorney General may appear on behalf of, and act as attorney for, the person on whose behalf the complaint is submitted and commence an action for relief under this chapter for such person. In the case of such an action against a State (as an employer), the action shall be brought in the name of the United States as the plaintiff in the action.

“(2) A person may commence an action for relief with respect to a complaint against a State (as an employer) or a private employer if the person—

“(A) has chosen not to apply to the Secretary for assistance under section 4322(a) of this title;

“(B) has chosen not to request that the Secretary refer the complaint to the Attorney General under paragraph (1); or

“(C) has been refused representation by the Attorney General with respect to the complaint under such paragraph.

“(b) JURISDICTION.—(1) In the case of an action against a State (as an employer) or a private employer commenced by the United States, the district courts of the United States shall have jurisdiction over the action.

“(2) In the case of an action against a State (as an employer) by a person, the action may be brought in a State court of competent jurisdiction in accordance with the laws of the State.

“(3) In the case of an action against a private employer by a person, the district courts of the United States shall have jurisdiction of the action.

“(c) VENUE.—(1) In the case of an action by the United States against a State (as an employer), the action may proceed in the United States district court for any district in which the State exercises any authority or carries out any function.

“(2) In the case of an action against a private employer, the action may proceed in the United States district court for any district in which the private employer of the person maintains a place of business.

“(d) REMEDIES.—(1) In any action under this section, the court may award relief as follows:

“(A) The court may require the employer to comply with the provisions of this chapter.

“(B) The court may require the employer to compensate the person for any loss of wages or benefits suffered by reason of such employer’s failure to comply with the provisions of this chapter.

“(C) The court may require the employer to pay the person an amount equal to the amount referred to in subparagraph (B) as liquidated damages, if the court determines that the employer’s failure to comply with the provisions of this chapter was willful.

“(2)(A) Any compensation awarded under subparagraph (B) or (C) of paragraph (1) shall be in addition to, and shall not diminish, any of the other rights and benefits provided for under this chapter.

“(B) In the case of an action commenced in the name of the United States for which the relief includes compensation awarded under subparagraph (B) or (C) of paragraph (1), such compensation shall be held in a special deposit account and shall be paid, on order of the Attorney General, directly to the person. If the compensation is not paid to the person because of inability to do so within a period of 3 years, the compensation shall be covered into the Treasury of the United States as miscellaneous receipts.

“(3) A State shall be subject to the same remedies, including prejudgment interest, as may be imposed upon any private employer under this section.

“(e) EQUITY POWERS.—The court may use its full equity powers, including temporary or permanent injunctions, temporary restraining orders, and contempt orders, to vindicate fully the rights or benefits of persons under this chapter.

“(f) STANDING.—An action under this chapter may be initiated only by a person claiming rights or benefits under this chapter under subsection (a) or by the United States under subsection (a)(1).

“(g) RESPONDENT.—In any action under this chapter, only an employer or a potential employer, as the case may be, shall be a necessary party respondent.

“(h) FEES, COURT COSTS.—(1) No fees or court costs may be charged or taxed against any person claiming rights under this chapter.

“(2) In any action or proceeding to enforce a provision of this chapter by a person under subsection (a)(2) who obtained private counsel for such action or proceeding, the court may award any such person who prevails in such action or proceeding reasonable attorney fees, expert witness fees, and other litigation expenses.

“(i) INAPPLICABILITY OF STATE STATUTE OF LIMITATIONS.—No State statute of limitations shall apply to any proceeding under this chapter.

“(j) DEFINITION.—In this section, the term ‘private employer’ includes a political subdivision of a State.”.

(b) EFFECTIVE DATE.—(1) Section 4323 of title 38, United States Code, as amended by subsection (a), shall apply to actions commenced under chapter 43 of such title on or after the date of the enactment of this Act, and shall apply to actions commenced under such chapter before the date of the enactment of this Act that are not final on the date of the enactment of this Act, without regard to when the cause of action accrued.

(2) In the case of any such action against a State (as an employer) in which a person, on the day before the date of the enactment of this Act, is represented by the Attorney General

under section 4323(a)(1) of such title as in effect on such day, the court shall upon motion of the Attorney General, substitute the United States as the plaintiff in the action pursuant to such section as amended by subsection (a).

SEC. 212. PROTECTION OF EXTRATERRITORIAL EMPLOYMENT AND REEMPLOYMENT RIGHTS OF MEMBERS OF THE UNIFORMED SERVICES.

(a) DEFINITION OF EMPLOYEE.—Section 4303(3) is amended by adding at the end the following new sentence: “Such term includes any person who is a citizen, national, or permanent resident alien of the United States employed in a workplace in a foreign country by an employer that is an entity incorporated or otherwise organized in the United States or that is controlled by an entity organized in the United States, within the meaning of section 4319(c) of this title.”

(b) FOREIGN COUNTRIES.—(1) Subchapter II of chapter 43 is amended by inserting after section 4318 the following new section:

“§ 4319. Employment and reemployment rights in foreign countries

“(a) LIABILITY OF CONTROLLING UNITED STATES EMPLOYER OF FOREIGN ENTITY.—If an employer controls an entity that is incorporated or otherwise organized in a foreign country, any denial of employment, reemployment, or benefit by such entity shall be presumed to be by such employer.

“(b) INAPPLICABILITY TO FOREIGN EMPLOYER.—This subchapter does not apply to foreign operations of an employer that is a foreign person not controlled by an United States employer.

“(c) DETERMINATION OF CONTROLLING EMPLOYER.—For the purpose of this section, the determination of whether an employer controls an entity shall be based upon the interrelations of operations, common management, centralized control of labor relations, and common ownership or financial control of the employer and the entity.

“(d) EXEMPTION.—Notwithstanding any other provision of this subchapter, an employer, or an entity controlled by an employer, shall be exempt from compliance with any of sections 4311 through 4318 of this title with respect to an employee in a workplace in a foreign country, if compliance with that section would cause such employer, or such entity controlled by an employer, to violate the law of the foreign country in which the workplace is located.”

(2) The table of sections at the beginning of chapter 43 is amended by inserting after the item relating to section 4318 the following new item:

“4319. Employment and reemployment rights in foreign countries.”

(c) EFFECTIVE DATE.—The amendments made by this section shall apply only with respect to causes of action arising after the date of the enactment of this Act.

SEC. 213. COMPLAINTS RELATING TO REEMPLOYMENT OF MEMBERS OF THE UNIFORMED SERVICES IN FEDERAL SERVICE.

(a) IN GENERAL.—The first sentence of paragraph (1) of section 4324(c) is amended by inserting before the period at the end the following: “, without regard as to whether the complaint accrued before, on, or after October 13, 1994”.

(b) **EFFECTIVE DATE.**—The amendment made by subsection (a) shall apply to complaints filed with the Merit Systems Protection Board on or after October 13, 1994.

TITLE III—COMPENSATION, PENSION, AND INSURANCE

SEC. 301. MEDAL OF HONOR SPECIAL PENSION.

(a) **INCREASE.**—Section 1562(a) is amended by striking “\$400” and inserting “\$600”.

(b) **EFFECTIVE DATE.**—The amendment made by subsection (a) shall take effect on the first day of the first month beginning on or after the date of the enactment of this Act.

SEC. 302. ACCELERATED DEATH BENEFIT FOR SERVICEMEMBERS’ GROUP LIFE INSURANCE AND VETERANS’ GROUP LIFE INSURANCE PARTICIPANTS.

(a) **IN GENERAL.**—(1) Subchapter III of chapter 19 is amended by adding at the end the following new section:

“§ 1980. Option to receive accelerated death benefit

“(a) For the purpose of this section, a person shall be considered to be terminally ill if the person has a medical prognosis such that the life expectancy of the person is less than a period prescribed by the Secretary. The maximum length of such period may not exceed 12 months.

“(b)(1) A terminally ill person insured under Servicemembers’ Group Life Insurance or Veterans’ Group Life Insurance may elect to receive in a lump-sum payment a portion of the face value of the insurance as an accelerated death benefit reduced by an amount necessary to assure that there is no increase in the actuarial value of the benefit paid, as determined by the Secretary.

“(2) The Secretary shall prescribe the maximum amount of the accelerated death benefit available under this section that the Secretary finds to be administratively practicable and actuarially sound, but in no event may the amount of the benefit exceed the amount equal to 50 percent of the face value of the person’s insurance in force on the date the election of the person to receive the benefit is approved.

“(3) A person making an election under this section may elect to receive an amount that is less than the maximum amount prescribed under paragraph (2). The Secretary shall prescribe the increments in which a reduced amount under this paragraph may be elected.

“(c) The portion of the face value of insurance which is not paid in a lump sum as an accelerated death benefit under this section shall remain payable in accordance with the provisions of this chapter.

“(d) Deductions under section 1969 of this title and premiums under section 1977(c) of this title shall be reduced, in a manner consistent with the percentage reduction in the face value of the insurance as a result of payment of an accelerated death benefit under this section, effective with respect to any amounts which would otherwise become due on or after the date of payment under this section.

“(e) The Secretary shall prescribe regulations to carry out this section. Such regulations shall include provisions regarding—

“(1) the form and manner in which an application for an election under this section shall be made; and

“(2) the procedures under which any such application shall be considered.

“(f)(1) An election to receive a benefit under this section shall be irrevocable.

“(2) A person may not make more than one election under this section, even if the election of the person is to receive less than the maximum amount of the benefit available to the person under this section.

“(g) If a person insured under Servicemembers’ Group Life Insurance elects to receive a benefit under this section and the person’s Servicemembers’ Group Life Insurance is thereafter converted to Veterans’ Group Life Insurance as provided in section 1968(b) of this title, the amount of the benefit paid under this section shall reduce the amount of Veterans’ Group Life Insurance available to the person under section 1977(a) of this title.

“(h) Notwithstanding any other provision of law, the amount of the accelerated death benefit received by a person under this section shall not be considered income or resources for purposes of determining eligibility for or the amount of benefits under any Federal or federally-assisted program or for any other purpose.”.

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 1979 the following new item:

“1980. Option to receive accelerated death benefit.”.

(b) CONFORMING AMENDMENTS.—Section 1970(g) is amended in the first sentence—

(1) by striking “Payments of benefits” and inserting “Any payments”; and

(2) by inserting “an insured or” after “or on account of,”.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect 90 days after the date of the enactment of this Act.

SEC. 303. ASSESSMENT OF EFFECTIVENESS OF INSURANCE AND SURVIVOR BENEFITS PROGRAMS FOR SURVIVORS OF VETERANS WITH SERVICE-CONNECTED DISABILITIES.

(a) REPORT ON ASSESSMENT.—Not later than October 1, 1999, the Secretary of Veterans Affairs shall submit to the Committees on Veterans’ Affairs of the Senate and the House of Representatives a report containing an assessment of the adequacy of the insurance and survivor benefits programs of the Department of Veterans Affairs (including the payment of dependency and indemnity compensation under chapter 13 of title 38, United States Code) in meeting the needs of survivors of veterans with service-connected disabilities, including survivors of catastrophically disabled veterans who cared for those veterans.

(b) REPORT ELEMENTS.—The report on the assessment under subsection (a) shall include the following:

(1) An identification of the characteristics that make a disabled veteran catastrophically disabled.

(2) A statement of the number of veterans with service-connected disabilities who participate in insurance programs administered by the Department.

(3) A statement of the number of survivors of veterans with service-connected disabilities who receive dependency and indemnity compensation under chapter 13 of title 38, United States Code.

(4) Data on veterans with service-connected disabilities that are relevant to the insurance programs administered by the Department, and an assessment how such data might be used to better determine the cost above standard premium rates of insuring veterans with service-connected disabilities under such programs.

(5) An analysis of various methods of accounting and providing for the additional cost of insuring the lives of veterans with service-connected disabilities under the insurance programs administered by the Department.

(6) An assessment of the adequacy and effectiveness of the current insurance programs and dependency and indemnity compensation programs of the Department in meeting the needs of survivors of severely disabled or catastrophically disabled veterans.

(7) An analysis of various methods of meeting the transitional financial needs of survivors of veterans with service-connected disabilities immediately after the deaths of such veterans.

(8) Such recommendations as the Secretary considers appropriate regarding means of improving the benefits available to survivors of veterans with service-connected disabilities under programs administered by the Department.

SEC. 304. NATIONAL SERVICE LIFE INSURANCE PROGRAM.

(a) ELIGIBILITY OF CERTAIN VETERANS FOR DIVIDENDS UNDER NSLI PROGRAM.—Section 1919(b) is amended—

(1) by striking “sections 602(c)(2) and” and inserting “section”; and

(2) by striking “sections” after “under such” and inserting “section”.

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect at the end of the 90-day period beginning on the date of the enactment of this Act.

TITLE IV—MEMORIAL AFFAIRS

SEC. 401. COMMEMORATION OF INDIVIDUALS WHOSE REMAINS ARE UNAVAILABLE FOR INTERMENT.

(a) MEMORIAL HEADSTONES OR MARKERS FOR CERTAIN MEMBERS OF THE ARMED FORCES AND SPOUSES.—Subsection (b) of section 2306 is amended to read as follows:

“(b)(1) The Secretary shall furnish, when requested, an appropriate memorial headstone or marker for the purpose of commemorating an eligible individual whose remains are unavailable. Such a headstone or marker shall be furnished for placement in a national cemetery area reserved for that purpose under section 2403 of this title, a veterans’ cemetery owned by a State, or, in the case of a veteran, in a State, local, or private cemetery.

“(2) For purposes of paragraph (1), an eligible individual is any of the following:

“(A) A veteran.

“(B) The spouse or surviving spouse of a veteran.

“(3) For purposes of paragraph (1), the remains of an individual shall be considered to be unavailable if the individual’s remains—

“(A) have not been recovered or identified;

“(B) were buried at sea, whether by the individual’s own choice or otherwise;

“(C) were donated to science; or

“(D) were cremated and the ashes scattered without interment of any portion of the ashes.

“(4) For purposes of this subsection:

“(A) The term ‘veteran’ includes an individual who dies in the active military, naval, or air service.

“(B) The term ‘surviving spouse’ includes an unremarried surviving spouse whose subsequent remarriage was terminated by death or divorce.”.

(b) ALTERNATIVE COMMEMORATION FOR CERTAIN SPOUSES.—Such section is further amended by adding at the end the following new subsection:

“(e)(1) When the Secretary has furnished a headstone or marker under subsection (a) for the unmarked grave of an individual, the Secretary shall, if feasible, add a memorial inscription to that headstone or marker rather than furnishing a separate headstone or marker under that subsection for the surviving spouse of such individual.

“(2) When the Secretary has furnished a memorial headstone or marker under subsection (b) for purposes of commemorating a veteran or an individual who died in the active military, naval, or air service, the Secretary shall, if feasible, add a memorial inscription to that headstone or marker rather than furnishing a separate memorial headstone or marker under that subsection for the surviving spouse of such individual.”.

(c) MEMORIAL AREAS.—Section 2403(b) is amended to read as follows:

“(b) Under regulations prescribed by the Secretary, group memorials may be placed to honor the memory of groups of individuals referred to in subsection (a), and appropriate memorial headstones and markers may be placed to honor the memory of individuals referred to in subsection (a) and section 2306(b) of this title.”.

(d) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall apply to deaths occurring after the date of the enactment of this Act.

SEC. 402. MERCHANT MARINER BURIAL AND CEMETERY BENEFITS.

(a) BENEFITS.—Part G of subtitle II of title 46, United States Code, is amended by inserting after chapter 111 the following new chapter:

“CHAPTER 112—MERCHANT MARINER BENEFITS

“Sec.

“11201. Eligibility for veterans’ burial and cemetery benefits.

“11202. Qualified service.

“11203. Documentation of qualified service.

“11204. Processing fees.

“§ 11201. Eligibility for veterans’ burial and cemetery benefits

“(a) ELIGIBILITY.—

“(1) IN GENERAL.—The qualified service of a person referred to in paragraph (2) shall be considered to be active duty in the Armed Forces during a period of war for purposes of eligibility for benefits under the following provisions of title 38:

“(A) Chapter 23 (relating to burial benefits).

“(B) Chapter 24 (relating to interment in national cemeteries).

“(2) COVERED INDIVIDUALS.—Paragraph (1) applies to a person who—

“(A) receives an honorable service certificate under section 11203 of this title; and

“(B) is not eligible under any other provision of law for benefits under laws administered by the Secretary of Veterans Affairs.

“(b) REIMBURSEMENT FOR BENEFITS PROVIDED.—The Secretary shall reimburse the Secretary of Veterans Affairs for the value of benefits that the Secretary of Veterans Affairs provides for a person by reason of eligibility under this section.

“(c) APPLICABILITY.—

“(1) GENERAL RULE.—Benefits may be provided under the provisions of law referred to in subsection (a)(1) by reason of this chapter only for deaths occurring after the date of the enactment of this chapter.

“(2) BURIALS, ETC. IN NATIONAL CEMETERIES.—Notwithstanding paragraph (1), in the case of an initial burial or columbarium placement after the date of the enactment of this chapter, benefits may be provided under chapter 24 of title 38 by reason of this chapter (regardless of the date of death), and in such a case benefits may be provided under section 2306 of such title.

“§ 11202. Qualified service

“For purposes of this chapter, a person shall be considered to have engaged in qualified service if, between August 16, 1945, and December 31, 1946, the person—

“(1) was a member of the United States merchant marine (including the Army Transport Service and the Naval Transport Service) serving as a crewmember of a vessel that was—

“(A) operated by the War Shipping Administration or the Office of Defense Transportation (or an agent of the Administration or Office);

“(B) operated in waters other than inland waters, the Great Lakes, and other lakes, bays, and harbors of the United States;

“(C) under contract or charter to, or property of, the Government of the United States; and

“(D) serving the Armed Forces; and

“(2) while so serving, was licensed or otherwise documented for service as a crewmember of such a vessel by an officer or employee of the United States authorized to license or document the person for such service.

“§ 11203. Documentation of qualified service

“(a) RECORD OF SERVICE.—The Secretary, or in the case of personnel of the Army Transport Service or the Naval Transport Service, the Secretary of Defense, shall, upon application—

“(1) issue a certificate of honorable service to a person who, as determined by that Secretary, engaged in qualified service of a nature and duration that warrants issuance of the certificate; and

“(2) correct, or request the appropriate official of the Federal Government to correct, the service records of that person to the extent necessary to reflect the qualified service and the issuance of the certificate of honorable service.

“(b) TIMING OF DOCUMENTATION.—A Secretary receiving an application under subsection (a) shall act on the application not later than 1 year after the date of that receipt.

“(c) STANDARDS RELATING TO SERVICE.—In making a determination under subsection (a)(1), the Secretary acting on the application shall apply the same standards relating to the nature and duration of service that apply to the issuance of honorable discharges under section 401(a)(1)(B) of the GI Bill Improvement Act of 1977 (38 U.S.C. 106 note).

“(d) CORRECTION OF RECORDS.—An official who is requested under subsection (a)(2) to correct the service records of a person shall make such correction.

“§ 11204. Processing fees

“(a) COLLECTION OF FEES.—The Secretary, or in the case of personnel of the Army Transport Service or the Naval Transport Service, the Secretary of Defense, shall collect a fee of \$30 from each applicant for processing an application submitted under section 11203(a) of this title.

“(b) TREATMENT OF FEES COLLECTED.—Amounts received by the Secretary under this section shall be deposited in the General Fund of the Treasury as offsetting receipts of the department in which the Coast Guard is operating and ascribed to Coast Guard activities. Amounts received by the Secretary of Defense under this section shall be deposited in the General Fund of the Treasury as offsetting receipts of the Department of Defense. In either case, such amounts shall be available, subject to appropriation, for the administrative costs of processing applications under section 11203 of this title.”.

(b) CLERICAL AMENDMENT.—The table of chapters at the beginning of subtitle II of title 46, United States Code, is amended by inserting after the item relating to chapter 111 the following new item:

“112. Merchant Mariner Benefits11201”.

SEC. 403. REDESIGNATION OF NATIONAL CEMETERY SYSTEM AND ESTABLISHMENT OF UNDER SECRETARY FOR MEMORIAL AFFAIRS.

(a) REDESIGNATION AS NATIONAL CEMETERY ADMINISTRATION.—
(1) The National Cemetery System of the Department of Veterans Affairs shall hereafter be known and designated as the National Cemetery Administration. The position of Director of the National Cemetery System is hereby redesignated as Under Secretary of Veterans Affairs for Memorial Affairs.

(2) Section 301(c)(4) is amended by striking “National Cemetery System” and inserting “National Cemetery Administration”.

(3) Section 307 is amended—

(A) in the first sentence, by striking “a Director of the National Cemetery System” and inserting “an Under Secretary for Memorial Affairs”; and

(B) in the second sentence, by striking “The Director” and all that follows through “National Cemetery System” and inserting “The Under Secretary is the head of the National Cemetery Administration”.

(b) PAY RATE FOR UNDER SECRETARY.—Chapter 53 of title 5, United States Code, is amended—

(1) in section 5314, by inserting after the item relating to the Under Secretary for Benefits of the Department of Veterans Affairs the following new item:

“Under Secretary for Memorial Affairs, Department of Veterans Affairs.”; and

(2) in section 5315, by striking “Director of the National Cemetery System.”.

(c) CONFORMING AMENDMENTS.—

(1)(A) The heading of section 307 is amended to read as follows:

“§ 307. Under Secretary for Memorial Affairs”.

(B) The item relating to section 307 in the table of sections at the beginning of chapter 3 is amended to read as follows:

“307. Under Secretary for Memorial Affairs.”.

(2) Section 2306(d) is amended by striking “within the National Cemetery System” each place such term appears and inserting “under the control of the National Cemetery Administration”.

(3) Section 2400 is amended—

(A) in subsection (a)—

(i) by striking “National Cemetery System” and inserting “National Cemetery Administration responsible”; and

(ii) in the second sentence, by striking “Such system” and all that follows through “National Cemetery System” and inserting “The National Cemetery Administration shall be headed by the Under Secretary for Memorial Affairs”;

(B) in subsection (b), by striking “National Cemetery System” and inserting “national cemeteries and other facilities under the control of the National Cemetery Administration”; and

(C) by amending the heading to read as follows:

“§ 2400. Establishment of National Cemetery Administration; composition of Administration”.

(4) The item relating to section 2400 in the table of sections at the beginning of chapter 24 is amended to read as follows:

“2400. Establishment of National Cemetery Administration; composition of Administration.”.

(5) Section 2402 is amended in the matter preceding paragraph (1) by striking “in the National Cemetery System” and

inserting “under the control of the National Cemetery Administration”.

(6) Section 2403(c) is amended by striking “in the National Cemetery System created by this chapter” and inserting “under the control of the National Cemetery Administration”.

(7) Section 2405(c) is amended—

(A) by striking “within the National Cemetery System” and inserting “under the control of the National Cemetery Administration”; and

(B) by striking “within such System” and inserting “under the control of such Administration”.

(8) Section 2408(c)(1) is amended by striking “in the National Cemetery System” and inserting “under the control of the National Cemetery Administration”.

(d) REFERENCES.—

(1) Any reference in a law, map, regulation, document, paper, or other record of the United States to the National Cemetery System shall be deemed to be a reference to the National Cemetery Administration.

(2) Any reference in a law, map, regulation, document, paper, or other record of the United States to the Director of the National Cemetery System shall be deemed to be a reference to the Under Secretary of Veterans Affairs for Memorial Affairs.

SEC. 404. STATE CEMETERY GRANTS PROGRAM.

(a) AMOUNT OF GRANT RELATIVE TO PROJECT COST.—(1) Paragraphs (1) and (2) of section 2408(b) are amended to read as follows:

“(1) The amount of a grant under this section may not exceed—

“(A) in the case of the establishment of a new cemetery, the sum of: (i) the cost of improvements to be made on the land to be converted into a cemetery; and (ii) the cost of initial equipment necessary to operate the cemetery; and

“(B) in the case of the expansion or improvement of an existing cemetery, the sum of: (i) the cost of improvements to be made on any land to be added to the cemetery; and (ii) the cost of any improvements to be made to the existing cemetery.

“(2) If the amount of a grant under this section is less than the amount of costs referred to in subparagraph (A) or (B) of paragraph (1), the State receiving the grant shall contribute the excess of such costs over the grant.”.

(2) The amendment made by paragraph (1) shall apply with respect to grants under section 2408 of title 38, United States Code, made after the end of the 60-day period beginning on the date of the enactment of this Act.

(b) AUTHORIZATION OF APPROPRIATIONS WITHOUT FISCAL YEAR LIMITATION.—The first sentence of section 2408(e) is amended by striking “shall remain available until the end of the second fiscal year following the fiscal year for which they are appropriated” and inserting “shall remain available until expended”.

(c) EXTENSION OF AUTHORIZATION OF APPROPRIATIONS FOR GRANT PROGRAM.—Paragraph (2) of section 2408(a) is amended to read as follows:

“(2) There is authorized to be appropriated such sums as may be necessary for fiscal year 1999 and for each succeeding fiscal year through fiscal year 2004 for the purpose of making grants under paragraph (1).”.

TITLE V—COURT OF VETERANS APPEALS

Subtitle A—Administrative Provisions Relating to the Court

SEC. 501. CONTINUATION IN OFFICE OF JUDGES PENDING CONFIRMATION FOR SECOND TERM.

Section 7253(c) is amended by adding at the end the following new sentence: “A judge who is nominated by the President for appointment to an additional term on the Court without a break in service and whose term of office expires while that nomination is pending before the Senate may continue in office for up to 1 year while that nomination is pending.”.

SEC. 502. EXEMPTION OF RETIREMENT FUND FROM SEQUESTRATION ORDERS.

Section 7298 is amended by adding at the end the following new subsection:

“(g) For purpose of section 255(g)(1)(B) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 905(g)(1)(B)), the retirement fund shall be treated in the same manner as the Claims Judges’ Retirement Fund.”.

SEC. 503. ADJUSTMENTS FOR SURVIVOR ANNUITIES.

Subsection (o) of section 7297 is amended to read as follows:

“(o) Each survivor annuity payable from the retirement fund shall be increased at the same time as, and by the same percentage by which, annuities payable from the Judicial Survivors’ Annuities Fund are increased pursuant to section 376(m) of title 28.”.

SEC. 504. REPORTS ON RETIREMENT PROGRAM MODIFICATIONS.

(a) **REPORT ON JUDGES’ RETIREMENT SYSTEM.**—Not later than 1 year after the date of the enactment of this Act, the chief judge of the United States Court of Appeals for Veterans Claims shall submit to the Committees on Veterans’ Affairs of the Senate and House of Representatives a report on the feasibility and desirability of merging the retirement plan of the judges of that court with retirement plans of other Federal judges.

(b) **REPORT ON SURVIVOR ANNUITIES PLAN.**—Not later than 6 months after the date of the enactment of this Act, the chief judge of the United States Court of Appeals for Veterans Claims shall submit to the Committees on Veterans’ Affairs of the Senate and House of Representatives a report on the feasibility and desirability of allowing judges of that court to participate in the survivor annuity programs available to other Federal judges.

Subtitle B—Renaming of Court

SEC. 511. RENAMING OF THE COURT OF VETERANS APPEALS.

(a) IN GENERAL.—The United States Court of Veterans Appeals is hereby renamed as, and shall hereafter be known and designated as, the United States Court of Appeals for Veterans Claims.

(b) SECTION 7251.—Section 7251 is amended by striking “United States Court of Veterans Appeals” and inserting “United States Court of Appeals for Veterans Claims”.

SEC. 512. CONFORMING AMENDMENTS.

(a) CONFORMING AMENDMENTS TO TITLE 38, UNITED STATES CODE.—

(1) The following sections are amended by striking “Court of Veterans Appeals” each place it appears and inserting “Court of Appeals for Veterans Claims”: sections 5904, 7101(b), 7252(a), 7253, 7254, 7255, 7256, 7261, 7262, 7263, 7264, 7266(a)(1), 7267(a), 7268(a), 7269, 7281(a), 7282(a), 7283, 7284, 7285(a), 7286, 7291, 7292, 7296, 7297, and 7298.

(2)(A) The heading of section 7286 is amended to read as follows:

“§ 7286. Judicial Conference of the Court”.

(B) The heading of section 7291 is amended to read as follows:

“§ 7291. Date when Court decision becomes final”.

(C) The heading of section 7298 is amended to read as follows:

“§ 7298. Retirement Fund”.

(3) The table of sections at the beginning of chapter 72 is amended as follows:

(A) The item relating to section 7286 is amended to read as follows:

“7286. Judicial Conference of the Court.”.

(B) The item relating to section 7291 is amended to read as follows:

“7291. Date when Court decision becomes final.”.

(C) The item relating to section 7298 is amended to read as follows:

“7298. Retirement Fund.”.

(4)(A) The heading of chapter 72 is amended to read as follows:

“CHAPTER 72—UNITED STATES COURT OF APPEALS FOR VETERANS CLAIMS”.

(B) The item relating to chapter 72 in the table of chapters at the beginning of title 38, United States Code, and the item relating to such chapter in the table of chapters at the beginning of part V are amended to read as follows:

“72. United States Court of Appeals for Veterans Claims 7251”.

(b) CONFORMING AMENDMENTS TO OTHER LAWS.—

(1) The following provisions of law are amended by striking “Court of Veterans Appeals” each place it appears and inserting “Court of Appeals for Veterans Claims”:

(A) Section 8440d of title 5, United States Code.

(B) Section 2412 of title 28, United States Code.

(C) Section 906 of title 44, United States Code.

(D) Section 109 of the Ethics in Government Act of 1978 (5 U.S.C. App.).

(2)(A) The heading of section 8440d of title 5, United States Code, is amended to read as follows:

“§ 8440d. Judges of the United States Court of Appeals for Veterans Claims”.

(B) The item relating to such section in the table of sections at the beginning of chapter 84 of such title is amended to read as follows:

“8440d. Judges of the United States Court of Appeals for Veterans Claims.”.

(c) OTHER LEGAL REFERENCES.—Any reference in a law, regulation, document, paper, or other record of the United States to the United States Court of Veterans Appeals shall be deemed to be a reference to the United States Court of Appeals for Veterans Claims.

SEC. 513. EFFECTIVE DATE.

This subtitle, and the amendments made by this subtitle, shall take effect on the first day of the first month beginning more than 90 days after the date of the enactment of this Act.

TITLE VI—HOUSING

SEC. 601. LOAN GUARANTEE FOR MULTIFAMILY TRANSITIONAL HOUSING FOR HOMELESS VETERANS.

(a) IN GENERAL.—Chapter 37 is amended by adding at the end the following new subchapter:

“SUBCHAPTER VI—LOAN GUARANTEE FOR MULTIFAMILY TRANSITIONAL HOUSING FOR HOMELESS VETERANS

“§ 3771. Definitions

“For purposes of this subchapter:

“(1) The term ‘veteran’ has the meaning given such term by paragraph (2) of section 101.

“(2) The term ‘homeless veteran’ means a veteran who is a homeless individual.

“(3) The term ‘homeless individual’ has the meaning given such term by section 103 of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11302).

“§ 3772. General authority

“(a) The Secretary may guarantee the full or partial repayment of a loan that meets the requirements of this subchapter.

“(b)(1) Not more than 15 loans may be guaranteed under subsection (a), of which not more than five such loans may be guaranteed during the 3-year period beginning on the date of the enactment of this subchapter.

“(2) A guarantee of a loan under subsection (a) shall be in an amount that is not less than the amount necessary to sell the loan in a commercial market.

“(3) Not more than an aggregate amount of \$100,000,000 in loans may be guaranteed under subsection (a).

“(c) A loan may not be guaranteed under this subchapter unless, before closing such loan, the Secretary has approved the loan.

“(d)(1) The Secretary shall enter into contracts with a qualified nonprofit organization, or other qualified organization, that has experience in underwriting transitional housing projects to obtain advice in carrying out this subchapter, including advice on the terms and conditions necessary for a loan that meets the requirements of section 3773 of this title.

“(2) For purposes of paragraph (1), a nonprofit organization is an organization that is described in paragraph (3) or (4) of subsection (c) of section 501 of the Internal Revenue Code of 1986 and is exempt from tax under subsection (a) of such section.

“(e) The Secretary may carry out this subchapter in advance of the issuance of regulations for such purpose.

“(f) The Secretary may guarantee loans under this subchapter notwithstanding any requirement for prior appropriations for such purpose under any provision of law.

“§ 3773. Requirements

“(a) A loan referred to in section 3772 of this title meets the requirements of this subchapter if each of the following requirements is met:

“(1) The loan—

“(A) is for—

“(i) construction of, rehabilitation of, or acquisition of land for a multifamily transitional housing project described in subsection (b), or more than one of such purposes; or

“(ii) refinancing of an existing loan for such a project; and

“(B) may also include additional reasonable amounts for—

“(i) financing acquisition of furniture, equipment, supplies, or materials for the project; or

“(ii) in the case of a loan made for purposes of subparagraph (A)(i), supplying the organization carrying out the project with working capital relative to the project.

“(2) The loan is made in connection with funding or the provision of substantial property or services for such project by either a State or local government or a nongovernmental entity, or both.

“(3) The maximum loan amount does not exceed the lesser of—

“(A) that amount generally approved (utilizing prudent underwriting principles) in the consideration and approval of projects of similar nature and risk so as to assure repayment of the loan obligation; and

“(B) 90 percent of the total cost of the project.

“(4) The loan is of sound value, taking into account the creditworthiness of the entity (and the individual members of the entity) applying for such loan.

“(5) The loan is secured.

“(6) The loan is subject to such terms and conditions as the Secretary determines are reasonable, taking into account other housing projects with similarities in size, location, population, and services provided.

“(b) For purposes of this subchapter, a multifamily transitional housing project referred to in subsection (a)(1) is a project that—

“(1) provides transitional housing to homeless veterans, which housing may be single room occupancy (as defined in section 8(n) of the United States Housing Act of 1937 (42 U.S.C. 1437f(n)));

“(2) provides supportive services and counselling services (including job counselling) at the project site with the goal of making such veterans self-sufficient;

“(3) requires that each such veteran seek to obtain and maintain employment;

“(4) charges a reasonable fee for occupying a unit in such housing; and

“(5) maintains strict guidelines regarding sobriety as a condition of occupying such unit.

“(c) Such a project—

“(1) may include space for neighborhood retail services or job training programs; and

“(2) may provide transitional housing to veterans who are not homeless and to homeless individuals who are not veterans if—

“(A) at the time of taking occupancy by any such veteran or homeless individual, the transitional housing needs of homeless veterans in the project area have been met;

“(B) the housing needs of any such veteran or homeless individual can be met in a manner that is compatible with the manner in which the needs of homeless veterans are met under paragraph (1); and

“(C) the provisions of paragraphs (4) and (5) of subsection (b) are met.

“(d) In determining whether to guarantee a loan under this subchapter, the Secretary shall consider—

“(1) the availability of Department of Veterans Affairs medical services to residents of the multifamily transitional housing project; and

“(2) the extent to which needs of homeless veterans are met in a community, as assessed under section 107 of Public Law 102-405.

“§ 3774. Default

“(a) The Secretary shall take such steps as may be necessary to obtain repayment on any loan that is in default and that is guaranteed under this subchapter.

“(b) Upon default of a loan guaranteed under this subchapter and terminated pursuant to State law, a lender may file a claim under the guarantee for an amount not to exceed the lesser of—

“(1) the maximum guarantee; or

“(2) the difference between—

“(A) the total outstanding obligation on the loan, including principal, interest, and expenses authorized by

the loan documents, through the date of the public sale (as authorized under such documents and State law); and
“(B) the amount realized at such sale.

“§ 3775. Audit

“During each of the first 3 years of operation of a multifamily transitional housing project with respect to which a loan is guaranteed under this subchapter, there shall be an annual, independent audit of such operation. Such audit shall include a detailed statement of the operations, activities, and accomplishments of such project during the year covered by such audit. The party responsible for obtaining such audit (and paying the costs therefor) shall be determined before the Secretary issues a guarantee under this subchapter.”.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 37 is amended by adding at the end the following new items:

“SUBCHAPTER VI—LOAN GUARANTEE FOR MULTIFAMILY TRANSITIONAL HOUSING FOR HOMELESS VETERANS

“3771. Definitions.
“3772. General authority.
“3773. Requirements.
“3774. Default.
“3775. Audit.”.

SEC. 602. VETERANS HOUSING BENEFIT PROGRAM FUND ACCOUNT CONSOLIDATION.

(a) CONSOLIDATION OF HOUSING LOAN REVOLVING FUNDS.—Subchapter III of chapter 37 is amended—

- (1) by striking sections 3723, 3724, and 3725; and
- (2) by inserting after section 3721 the following new section:

“§ 3722. Veterans Housing Benefit Program Fund

“(a) There is hereby established in the Treasury of the United States a fund known as the Veterans Housing Benefit Program Fund (hereafter in this section referred to as the ‘Fund’).

“(b) The Fund shall be available to the Secretary, without fiscal year limitation, for all housing loan operations under this chapter, other than administrative expenses, consistent with the Federal Credit Reform Act of 1990.

“(c) There shall be deposited into the Fund the following, which shall constitute the assets of the Fund:

“(1) Any amount appropriated to the Fund.

“(2) Amounts paid into the Fund under section 3729 of this title or any other provision of law or regulation established by the Secretary imposing fees on persons or other entities participating in the housing loan programs under this chapter.

“(3) All other amounts received by the Secretary on or after October 1, 1998, incident to housing loan operations under this chapter, including—

“(A) collections of principal and interest on housing loans made by the Secretary under this chapter;

“(B) proceeds from the sale, rental, use, or other disposition of property acquired under this chapter;

“(C) proceeds from the sale of loans pursuant to sections 3720(h) and 3733(a)(3) of this title; and

“(D) penalties collected pursuant to section 3710(g)(4)(B) of this title.

“(d) Amounts deposited into the Fund under paragraphs (2) and (3) of subsection (c) shall be deposited in the appropriate financing or liquidating account of the Fund.

“(e) For purposes of this section, the term ‘housing loan’ shall not include a loan made pursuant to subchapter V of this chapter.”.

(b) TRANSFERS OF AMOUNTS INTO VETERANS HOUSING BENEFIT PROGRAM FUND.—All amounts in the following funds are hereby transferred to the Veterans Housing Benefit Program Fund:

(1) The Direct Loan Revolving Fund, as such fund was continued under section 3723 of title 38, United States Code (as such section was in effect on the day before the effective date of this title).

(2) The Department of Veterans Affairs Loan Guaranty Revolving Fund, as established by section 3724 of such title (as such section was in effect on the day before the effective date of this title).

(3) The Guaranty and Indemnity Fund, as established by section 3725 of such title (as such section was in effect on the day before the effective date of this title).

(c) REPEAL OF AUTHORITY TO SELL PARTICIPATION CERTIFICATES AND OF OBSOLETE REQUIREMENT TO CREDIT PROCEEDS.—

(1) REPEAL OF AUTHORITY TO SELL PARTICIPATION CERTIFICATES.—Section 3720 is amended by striking subsection (e).

(2) REPEAL OF OBSOLETE REQUIREMENT TO CREDIT PROCEEDS.—Section 3733 is amended by striking subsection (e).

(d) SUBMISSION OF SUMMARY FINANCIAL STATEMENT ON HOUSING PROGRAMS.—Section 3734 is amended by adding at the end the following new subsection:

“(c) The information submitted under subsection (a) shall include a statement that summarizes the financial activity of each of the housing programs operated under this chapter. The statement shall be presented in a form that is simple, concise, and readily understandable, and shall not include references to financing accounts, liquidating accounts, or program accounts.”.

(e) CONFORMING AND CLERICAL AMENDMENTS.—

(1) CONFORMING AMENDMENTS TO CHAPTER 37.—Chapter 37 is amended as follows:

(A) Section 3703(e)(1) is amended by striking “3729(c)(1)” and inserting “3729(c)”.

(B) Section 3711(k) is amended by striking “and section 3723 of this title” both places it appears.

(C) Section 3727(c) is amended by striking “funds established pursuant to sections 3723 and 3724 of this title, as applicable” and inserting “fund established pursuant to section 3722 of this title”.

(D) Section 3729 is amended—

(i) in subsection (c)—

(I) by striking “(c)(1)” and inserting “(c)”; and

(II) by striking paragraphs (2) and (3); and

(ii) in subsection (a)(1), by striking “(c)(1)” and inserting “(c)”.

(E) Section 3733(a)(6) is amended by striking “Department of Veterans Affairs Loan Guaranty Revolving Fund established by section 3724(a)” and inserting “Veterans

Housing Benefit Program Fund established by section 3722(a)".

(F) Section 3734, as amended by subsection (d), is further amended—

(i) in subsection (a)—

(I) by striking “Loan Guaranty Revolving Fund and the Guaranty and Indemnity Fund” in paragraph (1) and inserting “Veterans Housing Benefit Program Fund”; and

(II) by striking “funds,” in paragraph (2) and inserting “fund”;

(ii) in subsection (b), by striking “each fund” in the matter preceding paragraph (1) and inserting “the fund”; and

(iii) in subsection (b)(2)—

(I) by striking subparagraph (B);

(II) by redesignating subparagraphs (C), (D), (E), (F), and (G) as subparagraphs (B), (C), (D), (E), and (F), respectively; and

(III) in subparagraph (B), as so redesignated, by striking “subsections (a)(3) and (c)(2) of section 3729” and inserting “section 3729(a)(3)”.

(G) Section 3735(a)(3)(A)(i) is amended by striking “Loan Guaranty Revolving Fund and the Guaranty and Indemnity Fund” and inserting “Veterans Housing Benefit Program Fund”.

(2) OTHER CONFORMING AMENDMENT.—Section 2106(e) is amended by striking “, as appropriate, deposited in either the direct loan or loan guaranty revolving fund established by section 3723 or 3724 of this title, respectively” and inserting “deposited in the Veterans Housing Benefit Program Fund established by section 3722 of this title”.

(3) TECHNICAL AND CLERICAL AMENDMENTS.—(A) The heading for section 3734 is amended to read as follows:

“§ 3734. Annual submission of information on the Veterans Housing Benefit Program Fund and housing programs”.

(B) The heading for section 3763 is amended to read as follows:

“§ 3763. Native American Veteran Housing Loan Program Account”.

(C) The table of sections at the beginning of chapter 37 is amended—

(i) by inserting after the item relating to section 3721 the following new item:

“3722. Veterans Housing Benefit Program Fund.”;

(ii) by striking the items relating to sections 3723, 3724, and 3725;

(iii) by striking the item relating to section 3734 and inserting the following:

“3734. Annual submission of information on the Veterans Housing Benefit Program Fund and housing programs.”;

and

(iv) by striking the item relating to section 3763 and inserting the following:

“3763. Native American Veteran Housing Loan Program Account.”.

(f) EFFECTIVE DATE.—This title and the amendments made by this title shall take effect on October 1, 1998.

SEC. 603. EXTENSION OF ELIGIBILITY OF MEMBERS OF SELECTED RESERVE FOR VETERANS HOUSING LOANS.

(a) EXTENSION.—Section 3702(a)(2)(E) is amended by striking “October 27, 1999,” and inserting “September 30, 2003,”.

(b) ONE-YEAR EXTENSION OF FEE PROVISION.—Section 3729(a)(4) is amended—

(1) by striking “With respect to a loan closed after September 30, 1993, and before October 1, 2002,” and inserting “(A) With respect to a loan closed during the period specified in subparagraph (B)”;

(2) by adding at the end the following:

“(B) The specified period for purposes of subparagraph (A) is the period beginning on October 1, 1993, and ending on September 30, 2002, except that in the case of a loan described in subparagraph (D) of paragraph (2), such period ends on September 30, 2003.”.

SEC. 604. APPLICABILITY OF PROCUREMENT LAW TO CERTAIN CONTRACTS OF DEPARTMENT OF VETERANS AFFAIRS.

(a) IN GENERAL.—Section 3720(b) is amended by striking “; however” and all that follows and inserting the following: “, except that title III of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 251 et seq.) shall apply to any contract for services or supplies on account of any property acquired pursuant to this section.”.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply with respect to contracts entered into under section 3720 of title 38, United States Code, after the end of the 60-day period beginning on the date of the enactment of this Act.

TITLE VII—CONSTRUCTION AND FACILITIES MATTERS

SEC. 701. AUTHORIZATION OF MAJOR MEDICAL FACILITY PROJECTS.

(a) IN GENERAL.—The Secretary of Veterans Affairs may carry out the following major medical facility projects, with each project to be carried out in the amount specified for that project:

(1) Alterations and demolition at the Department of Veterans Affairs Medical Center, Long Beach, California, in an amount not to exceed \$23,200,000.

(2) Construction and seismic work at the Department of Veterans Affairs Medical Center, San Juan, Puerto Rico, in an amount not to exceed \$50,000,000.

(3) Outpatient clinic expansion at the Department of Veterans Affairs Medical Center, Washington, D.C., in an amount not to exceed \$29,700,000.

(4) Construction of a psychogeriatric care building and demolition of a seismically unsafe building at the Department of Veterans Affairs Medical Center, Palo Alto, California, in an amount not to exceed \$22,400,000.

(5) Construction of an ambulatory care addition and renovations for ambulatory care at the Department of Veterans Affairs Medical Center, Cleveland (Wade Park), Ohio, in an amount not to exceed \$28,300,000, of which \$7,500,000 shall be derived from funds appropriated for a fiscal year before fiscal year 1999 that remain available for obligation.

(6) Construction of an ambulatory care addition at the Department of Veterans Affairs Medical Center, Tucson, Arizona, in an amount not to exceed \$35,000,000.

(7) Construction of an addition for psychiatric care at the Department of Veterans Affairs Medical Center, Dallas, Texas, in an amount not to exceed \$24,200,000.

(8) Outpatient clinic projects at Auburn and Merced, California, as part of the Northern California Healthcare Systems Project, in an amount not to exceed \$3,000,000, to be derived only from funds appropriated for Construction, Major Projects, for a fiscal year before fiscal year 1999 that remain available for obligation.

(9) Renovations to a nursing home care unit at the Department of Veterans Affairs Medical Center, Lebanon, Pennsylvania, in an amount not to exceed \$9,500,000.

(10) Construction of a spinal cord injury center at the Department of Veterans Affairs Medical Center, Tampa, Florida, in an amount not to exceed \$46,300,000, of which \$20,000,000 shall be derived from funds appropriated for a fiscal year before fiscal year 1999 that remain available for obligation.

(b) CONSTRUCTION OF PARKING FACILITY.—The Secretary may construct a parking structure at the Department of Veterans Affairs Medical Center, Denver, Colorado, in an amount not to exceed \$13,000,000, of which \$11,900,000 shall be derived from funds in the Parking Revolving Fund.

SEC. 702. AUTHORIZATION OF MAJOR MEDICAL FACILITY LEASES.

The Secretary of Veterans Affairs may enter into leases for satellite outpatient clinics as follows:

(1) Baton Rouge, Louisiana, in an amount not to exceed \$1,800,000.

(2) Daytona Beach, Florida, in an amount not to exceed \$2,600,000.

(3) Oakland Park, Florida, in an amount not to exceed \$4,100,000.

SEC. 703. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—There are authorized to be appropriated to the Secretary of Veterans Affairs for fiscal year 1999 and for fiscal year 2000—

(1) for the Construction, Major Projects, account \$241,100,000 for the projects authorized in section 701(a); and

(2) for the Medical Care account, \$8,500,000 for the leases authorized in section 702.

(b) LIMITATION.—(1) The projects authorized in section 701(a) may only be carried out using—

(A) funds appropriated for fiscal year 1999 or fiscal year 2000 pursuant to the authorization of appropriations in subsection (a);

(B) funds appropriated for Construction, Major Projects, for a fiscal year before fiscal year 1999 that remain available for obligation; and

(C) funds appropriated for Construction, Major Projects, for fiscal year 1999 for a category of activity not specific to a project.

(2) The project authorized in section 701(b) may only be carried out using funds appropriated for a fiscal year before fiscal year 1999—

(A) for the Parking Revolving Fund; or

(B) for Construction, Major Projects, for a category of activity not specific to a project.

SEC. 704. INCREASE IN THRESHOLD FOR MAJOR MEDICAL FACILITY LEASES FOR PURPOSES OF CONGRESSIONAL AUTHORIZATION.

Section 8104(a)(3)(B) is amended by striking “\$300,000” and inserting “\$600,000”.

SEC. 705. THRESHOLD FOR TREATMENT OF PARKING FACILITY PROJECT AS A MAJOR MEDICAL FACILITY PROJECT.

Section 8109(i)(2) is amended by striking “\$3,000,000” and inserting “\$4,000,000”.

SEC. 706. PARKING FEES.

(a) LIMITATION.—The Secretary of Veterans Affairs may not establish or collect any parking fee at any parking facility associated with the Spark M. Matsunaga Department of Veterans Affairs Medical and Regional Office Center in Honolulu, Hawaii.

(b) REPORT.—Not later than September 15, 1999, the Secretary shall submit to the Committees on Veterans’ Affairs of the Senate and House of Representatives a report regarding the Department’s experience in exercising and administering the authority of the Secretary to charge parking fees under subsections (d) and (e) of section 8109 of title 38, United States Code. The report shall include—

(1) the results of a survey which shall describe the parking facilities and number of parking spaces available to employees of the Department at each medical facility of the Department with more than 50 employees;

(2) an analysis of the means by which the Secretary could implement in a cost-effective manner the authority of the Secretary under subsection (e) of section 8109 of title 38, United States Code; and

(3) recommendations for amending section 8109 of such title—

(A) to address the applicability of parking fees to employees of the Secretary who are employed at a regional office which is co-located with a medical facility;

(B) to address the applicability of parking fees to persons using parking facilities at Department of Veterans Affairs medical centers co-located with facilities of the Department of Defense;

(C) to link any schedule of applicable fees to applicable commercial rates; and

(D) to achieve any other purpose.

SEC. 707. MASTER PLAN REGARDING USE OF DEPARTMENT OF VETERANS AFFAIRS LANDS AT WEST LOS ANGELES MEDICAL CENTER, CALIFORNIA.

(a) **REPORT.**—The Secretary of Veterans Affairs shall submit to Congress a report on the master plan of the Department of Veterans Affairs relating to the use of Department lands at the West Los Angeles Department of Veterans Affairs Medical Center, California.

(b) **REPORT ELEMENTS.**—The report under subsection (a) shall set forth the following:

(1) The master plan referred to in that subsection, if such a plan currently exists.

(2) A current assessment of the master plan.

(3) Any proposal of the Department for a veterans park on the lands referred to in subsection (a), and an assessment of such proposals.

(4) Any proposal to use a portion of those lands as dedicated green space, and an assessment of such proposals.

(c) **ALTERNATIVE REPORT ELEMENT.**—If a master plan referred to in subsection (a) does not exist as of the date of the enactment of this Act, the Secretary shall set forth in the report under that subsection, in lieu of the matters specified in paragraphs (1) and (2) of subsection (b), a plan for the development of a master plan for the use of the lands referred to in subsection (a) over the next 25 years and over the next 50 years.

SEC. 708. DESIGNATION OF DEPARTMENT OF VETERANS AFFAIRS MEDICAL CENTER, ASPINWALL, PENNSYLVANIA.

The Department of Veterans Affairs medical center in Aspinwall, Pennsylvania, is hereby designated as the “H. John Heinz III Department of Veterans Affairs Medical Center”. Any reference to that medical center in any law, regulation, map, document, record, or other paper of the United States shall be considered to be a reference to the H. John Heinz III Department of Veterans Affairs Medical Center.

SEC. 709. DESIGNATION OF DEPARTMENT OF VETERANS AFFAIRS MEDICAL CENTER, GAINESVILLE, FLORIDA.

The Department of Veterans Affairs medical center in Gainesville, Florida, is hereby designated as the “Malcom Randall Department of Veterans Affairs Medical Center”. Any reference to that medical center in any law, regulation, map, document, record, or other paper of the United States shall be considered to be a reference to the Malcom Randall Department of Veterans Affairs Medical Center.

SEC. 710. DESIGNATION OF DEPARTMENT OF VETERANS AFFAIRS OUTPATIENT CLINIC, COLUMBUS, OHIO.

The Department of Veterans Affairs outpatient clinic in Columbus, Ohio, shall after the date of the enactment of this Act be known and designated as the “Chalmers P. Wylie Veterans Outpatient Clinic”. Any reference to that outpatient clinic in any law, regulation, map, document, record, or other paper of the United States shall be considered to be a reference to the Chalmers P. Wylie Veterans Outpatient Clinic.

TITLE VIII—HEALTH PROFESSIONALS EDUCATIONAL ASSISTANCE

SEC. 801. SHORT TITLE.

This title may be cited as the “Department of Veterans Affairs Health Care Personnel Incentive Act of 1998”.

SEC. 802. SCHOLARSHIP PROGRAM FOR DEPARTMENT OF VETERANS AFFAIRS EMPLOYEES RECEIVING EDUCATION OR TRAIN- ING IN THE HEALTH PROFESSIONS.

(a) PROGRAM AUTHORITY.—Chapter 76 is amended by adding at the end the following new subchapter:

“SUBCHAPTER VI—EMPLOYEE INCENTIVE SCHOLARSHIP PROGRAM

“§ 7671. Authority for program

“As part of the Educational Assistance Program, the Secretary may carry out a scholarship program under this subchapter. The program shall be known as the Department of Veterans Affairs Employee Incentive Scholarship Program (hereafter in this subchapter referred to as the ‘Program’). The purpose of the Program is to assist, through the establishment of an incentive program for individuals employed in the Veterans Health Administration, in meeting the staffing needs of the Veterans Health Administration for health professional occupations for which recruitment or retention of qualified personnel is difficult.

“§ 7672. Eligibility; agreement

“(a) ELIGIBILITY.—To be eligible to participate in the Program, an individual must be an eligible Department employee who is accepted for enrollment or enrolled (as described in section 7602 of this title) as a full-time or part-time student in a field of education or training described in subsection (c).

“(b) ELIGIBLE DEPARTMENT EMPLOYEES.—For purposes of subsection (a), an eligible Department employee is any employee of the Department who, as of the date on which the employee submits an application for participation in the Program, has been continuously employed by the Department for not less than 2 years.

“(c) QUALIFYING FIELDS OF EDUCATION OR TRAINING.—A scholarship may be awarded under the Program only for education and training in a field leading to appointment or retention in a position under section 7401 of this title.

“(d) AWARD OF SCHOLARSHIPS.—Notwithstanding section 7603(d) of this title, the Secretary, in selecting participants in the Program, may award a scholarship only to applicants who have a record of employment with the Veterans Health Administration which, in the judgment of the Secretary, demonstrates a high likelihood that the applicant will be successful in completing such education or training and in employment in such field.

“(e) AGREEMENT.—(1) An agreement between the Secretary and a participant in the Program shall (in addition to the requirements set forth in section 7604 of this title) include the following:

“(A) The Secretary’s agreement to provide the participant with a scholarship under the Program for a specified number (from one to three) of school years during which the participant

pursues a course of education or training described in subsection (c) that meets the requirements set forth in section 7602(a) of this title.

“(B) The participant’s agreement to serve as a full-time employee in the Veterans Health Administration for a period of time (hereafter in this subchapter referred to as the ‘period of obligated service’) determined in accordance with regulations prescribed by the Secretary of up to three calendar years for each school year or part thereof for which the participant was provided a scholarship under the Program, but for not less than 3 years.

“(C) The participant’s agreement to serve under subparagraph (B) in a Department facility selected by the Secretary.

“(2) In a case in which an extension is granted under section 7673(c)(2) of this title, the number of years for which a scholarship may be provided under the Program shall be the number of school years provided for as a result of the extension.

“(3) In the case of a participant who is a part-time student, the period of obligated service shall be reduced in accordance with the proportion that the number of credit hours carried by such participant in any such school year bears to the number of credit hours required to be carried by a full-time student in the course of training being pursued by the participant, but in no event to less than 1 year.

“§ 7673. Scholarship

“(a) SCHOLARSHIP.—A scholarship provided to a participant in the Program for a school year shall consist of payment of the tuition (or such portion of the tuition as may be provided under subsection (b)) of the participant for that school year and payment of other reasonable educational expenses (including fees, books, and laboratory expenses) for that school year.

“(b) AMOUNTS.—The total amount of the scholarship payable under subsection (a)—

“(1) in the case of a participant in the Program who is a full-time student, may not exceed \$10,000 for any 1 year; and

“(2) in the case of a participant in the Program who is a part-time student, shall be the amount specified in paragraph (1) reduced in accordance with the proportion that the number of credit hours carried by the participant in that school year bears to the number of credit hours required to be carried by a full-time student in the course of education or training being pursued by the participant.

“(c) LIMITATION ON YEARS OF PAYMENT.—(1) Subject to paragraph (2), a participant in the Program may not receive a scholarship under subsection (a) for more than three school years.

“(2) The Secretary may extend the number of school years for which a scholarship may be awarded to a participant in the Program who is a part-time student to a maximum of six school years if the Secretary determines that the extension would be in the best interest of the United States.

“(d) PAYMENT OF EDUCATIONAL EXPENSES BY EDUCATIONAL INSTITUTIONS.—The Secretary may arrange with an educational institution in which a participant in the Program is enrolled for the payment of the educational expenses described in subsection

(a). Such payments may be made without regard to subsections (a) and (b) of section 3324 of title 31.

“§ 7674. Obligated service

“(a) IN GENERAL.—Each participant in the Program shall provide service as a full-time employee of the Department for the period of obligated service provided in the agreement of the participant entered into under section 7603 of this title. Such service shall be provided in the full-time clinical practice of such participant’s profession or in another health-care position in an assignment or location determined by the Secretary.

“(b) DETERMINATION OF SERVICE COMMENCEMENT DATE.—(1) Not later than 60 days before a participant’s service commencement date, the Secretary shall notify the participant of that service commencement date. That date is the date for the beginning of the participant’s period of obligated service.

“(2) As soon as possible after a participant’s service commencement date, the Secretary shall—

“(A) in the case of a participant who is not a full-time employee in the Veterans Health Administration, appoint the participant as such an employee; and

“(B) in the case of a participant who is an employee in the Veterans Health Administration but is not serving in a position for which the participant’s course of education or training prepared the participant, assign the participant to such a position.

“(3)(A) In the case of a participant receiving a degree from a school of medicine, osteopathy, dentistry, optometry, or podiatry, the participant’s service commencement date is the date upon which the participant becomes licensed to practice medicine, osteopathy, dentistry, optometry, or podiatry, as the case may be, in a State.

“(B) In the case of a participant receiving a degree from a school of nursing, the participant’s service commencement date is the later of—

“(i) the participant’s course completion date; or

“(ii) the date upon which the participant becomes licensed as a registered nurse in a State.

“(C) In the case of a participant not covered by subparagraph (A) or (B), the participant’s service commencement date is the later of—

“(i) the participant’s course completion date; or

“(ii) the date the participant meets any applicable licensure or certification requirements.

“(4) The Secretary shall by regulation prescribe the service commencement date for participants who were part-time students. Such regulations shall prescribe terms as similar as practicable to the terms set forth in paragraph (3).

“(c) COMMENCEMENT OF OBLIGATED SERVICE.—(1) Except as provided in paragraph (2), a participant in the Program shall be considered to have begun serving the participant’s period of obligated service—

“(A) on the date, after the participant’s course completion date, on which the participant (in accordance with subsection (b)) is appointed as a full-time employee in the Veterans Health Administration; or

“(B) if the participant is a full-time employee in the Veterans Health Administration on such course completion

date, on the date thereafter on which the participant is assigned to a position for which the participant's course of training prepared the participant.

“(2) A participant in the Program who on the participant's course completion date is a full-time employee in the Veterans Health Administration serving in a capacity for which the participant's course of training prepared the participant shall be considered to have begun serving the participant's period of obligated service on such course completion date.

“(d) COURSE COMPLETION DATE DEFINED.—In this section, the term ‘course completion date’ means the date on which a participant in the Program completes the participant's course of education or training under the Program.

“§ 7675. Breach of agreement: liability

“(a) LIQUIDATED DAMAGES.—A participant in the Program (other than a participant described in subsection (b)) who fails to accept payment, or instructs the educational institution in which the participant is enrolled not to accept payment, in whole or in part, of a scholarship under the agreement entered into under section 7603 of this title shall be liable to the United States for liquidated damages in the amount of \$1,500. Such liability is in addition to any period of obligated service or other obligation or liability under the agreement.

“(b) LIABILITY DURING COURSE OF EDUCATION OR TRAINING.—(1) Except as provided in subsection (d), a participant in the Program shall be liable to the United States for the amount which has been paid to or on behalf of the participant under the agreement if any of the following occurs:

“(A) The participant fails to maintain an acceptable level of academic standing in the educational institution in which the participant is enrolled (as determined by the educational institution under regulations prescribed by the Secretary).

“(B) The participant is dismissed from such educational institution for disciplinary reasons.

“(C) The participant voluntarily terminates the course of education or training in such educational institution before the completion of such course of education or training.

“(D) The participant fails to become licensed to practice medicine, osteopathy, dentistry, podiatry, or optometry in a State, fails to become licensed as a registered nurse in a State, or fails to meet any applicable licensure requirement in the case of any other health-care personnel who provide either direct patient-care services or services incident to direct patient-care services, during a period of time determined under regulations prescribed by the Secretary.

“(E) In the case of a participant who is a part-time student, the participant fails to maintain employment, while enrolled in the course of training being pursued by the participant, as a Department employee.

“(2) Liability under this subsection is in lieu of any service obligation arising under a participant's agreement.

“(c) LIABILITY DURING PERIOD OF OBLIGATED SERVICE.—(1) Except as provided in subsection (d), if a participant in the Program breaches the agreement by failing for any reason to complete such participant's period of obligated service, the United States shall

be entitled to recover from the participant an amount determined in accordance with the following formula:

$$A=3\Phi \left(\frac{t-s}{t} \right)$$

“(2) In such formula:

“(A) ‘A’ is the amount the United States is entitled to recover.

“(B) ‘Φ’ is the sum of—

“(i) the amounts paid under this subchapter to or on behalf of the participant; and

“(ii) the interest on such amounts which would be payable if at the time the amounts were paid they were loans bearing interest at the maximum legal prevailing rate, as determined by the Treasurer of the United States.

“(C) ‘t’ is the total number of months in the participant’s period of obligated service, including any additional period of obligated service in accordance with section 7673(c)(2) of this title.

“(D) ‘s’ is the number of months of such period served by the participant in accordance with section 7673 of this title.

“(d) LIMITATION ON LIABILITY FOR REDUCTIONS-IN-FORCE.—Liability shall not arise under subsection (b)(1)(E) or (c) in the case of a participant otherwise covered by the subsection concerned if the participant fails to maintain employment as a Department employee due to a staffing adjustment.

“(e) PERIOD FOR PAYMENT OF DAMAGES.—Any amount of damages which the United States is entitled to recover under this section shall be paid to the United States within the 1-year period beginning on the date of the breach of the agreement.

“§ 7676. Expiration of program

“The Secretary may not furnish scholarships to individuals who have not commenced participation in the Program before December 31, 2001.”.

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

“SUBCHAPTER VI—EMPLOYEE INCENTIVE SCHOLARSHIP PROGRAM

“7671. Authority for program.

“7672. Eligibility; agreement.

“7673. Scholarship.

“7674. Obligated service.

“7675. Breach of agreement: liability.

“7676. Expiration of program.”.

SEC. 803. EDUCATION DEBT REDUCTION PROGRAM FOR VETERANS HEALTH ADMINISTRATION HEALTH PROFESSIONALS.

(a) PROGRAM AUTHORITY.—Chapter 76 (as amended by section 802(a)), is further amended by adding after subchapter VI the following new subchapter:

“SUBCHAPTER VII—EDUCATION DEBT REDUCTION PROGRAM

“§ 7681. Authority for program

“(a) IN GENERAL.—(1) As part of the Educational Assistance Program, the Secretary may carry out an education debt reduction program under this subchapter. The program shall be known as the Department of Veterans Affairs Education Debt Reduction Program (hereafter in this subchapter referred to as the ‘Education Debt Reduction Program’).

“(2) The purpose of the Education Debt Reduction Program is to assist in the recruitment of qualified health care professionals for positions in the Veterans Health Administration for which recruitment or retention of an adequate supply of qualified personnel is difficult.

“(b) RELATIONSHIP TO EDUCATIONAL ASSISTANCE PROGRAM.—Education debt reduction payments under the Education Debt Reduction Program may be in addition to other assistance available to individuals under the Educational Assistance Program.

“§ 7682. Eligibility

“(a) ELIGIBILITY.—An individual is eligible to participate in the Education Debt Reduction Program if the individual—

“(1) is a recently appointed employee in the Veterans Health Administration serving under an appointment under section 7402(b) of this title in a position for which recruitment or retention of qualified health-care personnel (as determined by the Secretary) is difficult; and

“(2) owes any amount of principal or interest under a loan, the proceeds of which were used by or on behalf of that individual to pay costs relating to a course of education or training which led to a degree that qualified the individual for the position referred to in paragraph (1).

“(b) COVERED COSTS.—For purposes of subsection (a)(2), costs relating to a course of education or training include—

“(1) tuition expenses;

“(2) all other reasonable educational expenses, including expenses for fees, books, and laboratory expenses; and

“(3) reasonable living expenses.

“(c) RECENTLY APPOINTED INDIVIDUALS.—For purposes of subsection (a), an individual shall be considered to be recently appointed to a position if the individual has held that position for less than 6 months.

“§ 7683. Education debt reduction

“(a) IN GENERAL.—Education debt reduction payments under the Education Debt Reduction Program shall consist of payments to individuals selected to participate in the program of amounts to reimburse such individuals for payments by such individuals of principal and interest on loans described in section 7682(a)(2) of this title.

“(b) FREQUENCY OF PAYMENT.—(1) The Secretary may make education debt reduction payments to any given participant in the Education Debt Reduction Program on a monthly or annual basis, as determined by the Secretary.

“(2) The Secretary shall make such payments at the end of the period determined by the Secretary under paragraph (1).

“(c) PERFORMANCE REQUIREMENT.—The Secretary may make education debt reduction payments to a participant in the Education Debt Reduction Program for a period only if the Secretary determines that the individual maintained an acceptable level of performance in the position or positions served by the participant during the period.

“(d) MAXIMUM ANNUAL AMOUNT.—(1) Subject to paragraph (2), the amount of education debt reduction payments made to a participant for a year under the Education Debt Reduction Program may not exceed—

“(A) \$6,000 for the first year of the participant’s participation in the Program;

“(B) \$8,000 for the second year of the participant’s participation in the Program; and

“(C) \$10,000 for the third year of the participant’s participation in the Program.

“(2) The total amount payable to a participant in such Program for any year may not exceed the amount of the principal and interest on loans referred to in subsection (a) that is paid by the individual during such year.

“§ 7684. Expiration of program

“The Secretary may not make education debt reduction payments to individuals who have not commenced participation in the Education Debt Reduction Program before December 31, 2001.”.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter (as amended by section 802(b)) is further amended by adding at the end the following new items:

“SUBCHAPTER VII—EDUCATION DEBT REDUCTION PROGRAM

“7681. Authority for program.

“7682. Eligibility.

“7683. Education debt reduction.

“7684. Expiration of program.”.

SEC. 804. REPEAL OF PROHIBITION ON PAYMENT OF TUITION LOANS.

Section 523(b) of the Veterans Health Care Act of 1992 (Public Law 102–585; 106 Stat. 4959; 38 U.S.C. 7601 note) is repealed.

SEC. 805. CONFORMING AMENDMENTS.

Chapter 76 is amended as follows:

(1) Section 7601(a) is amended—

(A) by striking “and” at the end of paragraph (2);

(B) by striking the period at the end of paragraph

(3) and inserting a semicolon; and

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

“(4) the employee incentive scholarship program provided for in subchapter VI of this chapter; and”; and

“(5) the education debt reduction program provided for in subchapter VII of this chapter.”.

(2) Section 7602 is amended—

(A) in subsection (a)(1)—

(i) by striking “subchapter I or II” and inserting “subchapter II, III, or VI”;

(ii) by striking “or for which” and inserting “, for which”; and

(iii) by inserting before the period at the end the following: “, or for which a scholarship may be awarded

under subchapter VI of this chapter, as the case may be”; and

(B) in subsection (b), by striking “subchapter I or II” and inserting “subchapter II, III, or VI”.

(3) Section 7603 is amended—

(A) in subsection (a)—

(i) by striking “To apply to participate in the Educational Assistance Program,” and inserting “(1) To apply to participate in the Educational Assistance Program under subsection II, III, V, or VI of this chapter,”; and

(ii) by adding at the end the following:

“(2) To apply to participate in the Educational Assistance Program under subchapter VII of this chapter, an individual shall submit to the Secretary an application for such participation.”; and

(B) in subsection (b)(1), by inserting “(if required)” before the period at the end.

(4) Section 7604 is amended by striking “subchapter II, III, or V” in paragraphs (1)(A), (2)(D), and (5) and inserting “subchapter II, III, V, or VI”.

(5) Section 7632 is amended—

(A) in paragraph (1)—

(i) by striking “and the Tuition Reimbursement Program” and inserting “, the Tuition Reimbursement Program, the Employee Incentive Scholarship Program, and the Education Debt Reduction Program”; and

(ii) by inserting “(if any)” after “number of students”;

(B) in paragraph (2), by inserting “(if any)” after “education institutions”; and

(C) in paragraph (4)—

(i) by striking “and per participant” and inserting “, per participant”; and

(ii) by inserting “, per participant in the Employee Incentive Scholarship Program, and per participant in the Education Debt Reduction Program” before the period at the end.

(6) Section 7636 is amended by striking “or a stipend” and inserting “a stipend, or education debt reduction”.

SEC. 806. COORDINATION WITH APPROPRIATIONS PROVISION.

This title shall be considered to be the authorizing legislation referred to in the third proviso under the heading “VETERANS HEALTH ADMINISTRATION—MEDICAL CARE” in title I of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1999, and the reference in that proviso to the “Primary Care Providers Incentive Act” shall be treated as referring to this title.

TITLE IX—MISCELLANEOUS MEDICAL CARE AND MEDICAL ADMINISTRATION PROVISIONS

SEC. 901. EXAMINATIONS AND CARE ASSOCIATED WITH CERTAIN RADIATION TREATMENT.

(a) IN GENERAL.—Chapter 17 is amended by inserting after section 1720D the following new section:

“§ 1720E. Nasopharyngeal radium irradiation

“(a) The Secretary may provide any veteran a medical examination, and hospital care, medical services, and nursing home care, which the Secretary determines is needed for the treatment of any cancer of the head or neck which the Secretary finds may be associated with the veteran’s receipt of nasopharyngeal radium irradiation treatments in active military, naval, or air service.

“(b) The Secretary shall provide care and services to a veteran under subsection (a) only on the basis of evidence in the service records of the veteran which document nasopharyngeal radium irradiation treatment in service, except that, notwithstanding the absence of such documentation, the Secretary may provide such care to a veteran who—

“(1) served as an aviator in the active military, naval, or air service before the end of the Korean conflict; or

“(2) underwent submarine training in active naval service before January 1, 1965.”.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 1720D the following new item:

“1720E. Nasopharyngeal radium irradiation.”.

SEC. 902. EXTENSION OF AUTHORITY TO COUNSEL AND TREAT VETERANS FOR SEXUAL TRAUMA.

Section 1720D(a) is amended by striking “December 31, 1998” in paragraphs (1) and (3) and inserting “December 31, 2001”.

SEC. 903. MANAGEMENT OF SPECIALIZED TREATMENT AND REHABILITATIVE PROGRAMS.

(a) STANDARDS OF JOB PERFORMANCE.—Section 1706(b) is amended—

(1) in paragraph (2), by striking “April 1, 1997, April 1, 1998, and April 1, 1999” and inserting “April 1, 1999, April 1, 2000, and April 1, 2001”; and

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

“(3)(A) To ensure compliance with paragraph (1), the Under Secretary for Health shall prescribe objective standards of job performance for employees in positions described in subparagraph (B) with respect to the job performance of those employees in carrying out the requirements of paragraph (1). Those job performance standards shall include measures of workload, allocation of resources, and quality-of-care indicators.

“(B) Positions described in this subparagraph are positions in the Veterans Health Administration that have responsibility for allocating and managing resources applicable to the requirements of paragraph (1).

“(C) The Under Secretary shall develop the job performance standards under subparagraph (A) in consultation with the Advisory Committee on Prosthetics and Special Disabilities Programs and the Committee on Care of Severely Chronically Mentally Ill Veterans.”.

(b) DEADLINE FOR PRESCRIBING STANDARDS.—The standards of job performance required by paragraph (3) of section 1706(b) of title 38, United States Code, as added by subsection (a), shall be prescribed not later than January 1, 1999.

SEC. 904. AUTHORITY TO USE FOR OPERATING EXPENSES OF DEPARTMENT OF VETERANS AFFAIRS MEDICAL FACILITIES AMOUNTS AVAILABLE BY REASON OF THE LIMITATION ON PENSION FOR VETERANS RECEIVING NURSING HOME CARE.

(a) IN GENERAL.—Section 5503(a)(1)(B) is amended by striking “Effective through September 30, 1997, any” in the second sentence and inserting “Any”.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect as of October 1, 1997.

SEC. 905. REPORT ON NURSE LOCALITY PAY.

(a) REPORT REQUIRED.—(1) Not later than February 1, 1999, the Secretary of Veterans Affairs shall submit to the Committees on Veterans’ Affairs of the Senate and the House of Representatives a report assessing the system of locality-based pay for nurses established under the Department of Veterans Affairs Nurse Pay Act of 1990 (Public Law 101–366) and now set forth in section 7451 of title 38, United States Code.

(2) The Secretary shall submit with the report under paragraph (1) a copy of the report on the locality pay system prepared by the contractor pursuant to a contract with Systems Flow, Inc., that was entered into on May 22, 1998.

(b) MATTERS TO BE INCLUDED.—The report of the Secretary under subsection (a)(1) shall include the following:

(1) An assessment of the effects of the locality-based pay system, including information, shown by facility and grade level, regarding the frequency and percentage increases, if any, in the rate of basic pay under that system of nurses employed in the Veterans Health Administration.

(2) An assessment of the manner in which that system is being applied.

(3) Plans and recommendations of the Secretary for administrative and legislative improvements or revisions to the locality pay system.

(4) An explanation of the reasons for any decision not to adopt any recommendation in the report referred to in subsection (a)(2).

(c) UPDATED REPORT.—Not later than February 1, 2000, the Secretary shall submit to the Committees on Veterans’ Affairs of the Senate and House of Representatives a report updating the report submitted under subsection (a)(1).

SEC. 906. ANNUAL REPORT ON PROGRAM AND EXPENDITURES OF DEPARTMENT OF VETERANS AFFAIRS FOR DOMESTIC RESPONSE TO WEAPONS OF MASS DESTRUCTION.

(a) IN GENERAL.—Subchapter II of chapter 5 is amended by adding at the end the following new section:

“§ 530. Annual report on program and expenditures for domestic response to weapons of mass destruction

“(a) The Secretary shall submit to the Committees on Veterans’ Affairs of the Senate and House of Representatives an annual report, to be submitted each year at the time that the President submits the budget for the next fiscal year under section 1105 of title 31, on the activities of the Department relating to preparation for, and participation in, a domestic medical response to an attack involving weapons of mass destruction.

“(b) Each report under subsection (a) shall include the following:

“(1) A statement of the amounts of funds and the level of personnel resources (stated in terms of full-time equivalent employees) expected to be used by the Department during the next fiscal year in preparation for a domestic medical response to an attack involving weapons of mass destruction, including the anticipated source of those funds and any anticipated shortfalls in funds or personnel resources to achieve the tasks assigned the Department by the President in connection with preparation for such a response.

“(2) A detailed statement of the funds expended and personnel resources (stated in terms of full-time equivalent employees) used during the fiscal year preceding the fiscal year during which the report is submitted in preparation for a domestic medical response to an attack involving weapons of mass destruction or in response to such an attack, including identification of the source of those funds and a description of how those funds were expended.

“(3) A detailed statement of the funds expended and expected to be expended, and the personnel resources (stated in terms of full-time equivalent employees) used and expected to be used, during the fiscal year during which the report is submitted in preparation for a domestic medical response to an attack involving weapons of mass destruction or in response to such an attack, including identification of the source of funds expended and a description of how those funds were expended.

“(c) This section shall expire on January 1, 2009.”

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 529 the following new item:

“530. Annual report on program and expenditures for domestic response to weapons of mass destruction.”

SEC. 907. INTERIM APPOINTMENT OF UNDER SECRETARY FOR HEALTH.

The President may appoint to the position of Under Secretary for Health of the Department of Veterans Affairs, for service through June 30, 1999, the individual whose appointment to that position under section 305 of title 38, United States Code, expired on September 28, 1998.

TITLE X—OTHER MATTERS

SEC. 1001. REQUIREMENT FOR NAMING OF DEPARTMENT PROPERTY.

(a) IN GENERAL.—(1) Subchapter II of chapter 5, as amended by section 906(a), is further amended by adding at the end the following new section:

“§ 531. Requirement relating to naming of Department property

“Except as expressly provided by law, a facility, structure, or real property of the Department, and a major portion (such as a wing or floor) of any such facility, structure, or real property, may be named only for the geographic area in which the facility, structure, or real property is located.”

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 530, as added by section 906(b), the following new item:

“531. Requirement relating to naming of Department property.”

(b) EFFECTIVE DATE.—Section 531 of title 38, United States Code, as added by subsection (a)(1), shall apply with respect to the assignment or designation of the name of a facility, structure, or real property of the Department of Veterans Affairs (or of a major portion thereof) after the date of the enactment of this Act.

SEC. 1002. MEMBERS OF THE BOARD OF VETERANS' APPEALS.

(a) REQUIREMENT FOR BOARD MEMBERS TO BE ATTORNEYS.—Section 7101A(a) is amended—

(1) by inserting “(1)” after “(a)”; and

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

“(2) Each member of the Board shall be a member in good standing of the bar of a State.”

(b) EMPLOYMENT REVERSION RIGHTS.—Paragraph (2) of section 7101A(d) is amended to read as follows:

“(2)(A) Upon removal from the Board under paragraph (1) of a member of the Board who before appointment to the Board served as an attorney in the civil service, the Secretary shall appoint that member to an attorney position at the Board, if the removed member so requests. If the removed member served in an attorney position at the Board immediately before appointment to the Board, appointment to an attorney position under this paragraph shall be in the grade and step held by the removed member immediately before such appointment to the Board.

“(B) The Secretary is not required to make an appointment to an attorney position under this paragraph if the Secretary determines that the member of the Board removed under paragraph (1) is not qualified for the position.”

SEC. 1003. FLEXIBILITY IN DOCKETING AND HEARING OF APPEALS BY BOARD OF VETERANS' APPEALS.

(a) FLEXIBILITY IN ORDER OF CONSIDERATION AND DETERMINATION.—Subsection (a) of section 7107 is amended—

(1) in paragraph (1), by inserting “in paragraphs (2) and (3) and” after “Except as provided”;

(2) in paragraph (2), by striking the second sentence and inserting the following: “Any such motion shall set forth succinctly the grounds upon which the motion is based. Such a motion may be granted only—

“(A) if the case involves interpretation of law of general application affecting other claims;

“(B) if the appellant is seriously ill or is under severe financial hardship; or

“(C) for other sufficient cause shown.”; and

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

“(3) A case referred to in paragraph (1) may be postponed for later consideration and determination if such postponement is necessary to afford the appellant a hearing.”.

(b) SCHEDULING OF FIELD HEARINGS.—Subsection (d) of such section is amended—

(1) in paragraph (2), by striking “in the order” and all that follows through the end and inserting “in accordance with the place of the case on the docket under subsection (a) relative to other cases on the docket for which hearings are scheduled to be held within that area.”; and

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

“(3) A hearing to be held within an area served by a regional office of the Department may, for cause shown, be advanced on motion for an earlier hearing. Any such motion shall set forth succinctly the grounds upon which the motion is based. Such a motion may be granted only—

“(A) if the case involves interpretation of law of general application affecting other claims;

“(B) if the appellant is seriously ill or is under severe financial hardship; or

“(C) for other sufficient cause shown.”.

SEC. 1004. DISABLED VETERANS OUTREACH PROGRAM SPECIALISTS.

(a) IN GENERAL.—Section 4103A(a)(1) is amended—

(1) in the first sentence, by striking “for each 6,900 veterans residing in such State” through the period and inserting “for each 7,400 veterans who are between the ages of 20 and 64 residing in such State.”;

(2) in the third sentence, by striking “of the Vietnam era”; and

(3) by striking the fourth sentence.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to appointments of disabled veterans’ outreach program specialists under section 4103A of title 38, United States Code, on or after the date of the enactment of this Act.

SEC. 1005. TECHNICAL AMENDMENTS.

(a) SECTION REDESIGNATION.—Section 1103, as added by section 8031(a) of the Veterans Reconciliation Act of 1997 (title VIII of Public Law 105–33), is redesignated as section 1104, and the item relating to that section in the table of sections at the beginning of chapter 11 is revised to reflect that redesignation.

(b) OTHER AMENDMENTS TO TITLE 38, UNITED STATES CODE.—

(1) Section 712(a) is amended by striking “the date of enactment of this section” and inserting “November 2, 1994,”.

(2) Section 1706(b)(1) is amended by striking “the date of the enactment of this section” at the end of the first sentence and inserting “October 9, 1996”.

(3) Section 1710(e)(2)(A)(ii) is amended by striking “section 2” and inserting “section 3”.

(4) Section 1803(c)(2) is amended by striking “who furnishes health care that the Secretary determines authorized” and inserting “furnishing health care services that the Secretary determines are authorized”.

(5) Section 2408(d)(1) is amended—

(A) by striking “the date of the enactment of this subsection” and inserting “November 21, 1997,”; and

(B) by striking “on the condition described in” and inserting “subject to the condition specified in”.

(6) Section 3018B(a)(2)(E) is amended by striking “before the one-year period beginning on the date of the enactment of this section,” and inserting “before October 23, 1993,”.

(7) Section 3231(a)(2) is amended by striking “subsection (f)” and inserting “subsection (e)”.

(8) Section 3674A(b)(1) is amended by striking “after the 18-month period beginning on the date of the enactment of this section”.

(9) Section 3680A(d)(2)(C) is amended by striking “section”.

(10) Section 3714(f)(1)(B) is amended by striking “more than 45 days after the date of the enactment of the Veterans’ Benefits and Programs Improvement Act of 1988” and inserting “after January 1, 1989”.

(11) Section 3727(a) is amended by striking “the date of enactment of this section” and inserting “May 7, 1968”.

(12) Section 3730(a) is amended by striking “Within” and all that follows through “steps to” and inserting “The Secretary shall”.

(13) Section 4102A(e)(1) is amended by striking the second sentence and inserting the following: “A person may not be assigned after October 9, 1996, as such a Regional Administrator unless the person is a veteran.”.

(14) Section 4110A is amended—

(A) by striking subsection (b); and

(B) by redesignating paragraph (3) of subsection (a) as subsection (b) and striking “paragraph (1)” therein and inserting “subsection (a)”.

(15) Section 5303A(d) is amended—

(A) in paragraph (2)(B), by striking “on or after the date of the enactment of this subsection” and inserting “after October 13, 1982,”; and

(B) in paragraph (3)(B)(i), by striking “on or after the date of the enactment of this subsection,” and inserting “after October 13, 1982,”.

(16) Section 5313(d)(1) is amended by striking “the date of the enactment of this section,” and inserting “October 7, 1980,”.

(17) Section 5315(b)(1) is amended by striking “the date of the enactment of this section,” and inserting “October 17, 1980,”.

(18) Section 8107(b)(3)(E) is amended by striking “section 7305” and inserting “section 7306(f)(1)(A)”.

(c) PUBLIC LAW 104-275.—The Veterans' Benefits Improvements Act of 1996 (Public Law 104-275) is amended as follows:

(1) Section 303(b) (110 Stat. 3332; 38 U.S.C. 4104 note) is amended by striking “sections 4104(b)(1) and (c)” and inserting “subsections (b)(1) and (c) of section 4104”.

(2) Section 705(e) (110 Stat. 3350; 38 U.S.C. 545 note) is amended by striking “section 5316” and inserting “section 5315”.

TITLE XI—COMPENSATION COST-OF-LIVING ADJUSTMENT

SEC. 1101. INCREASE IN RATES OF DISABILITY COMPENSATION AND DEPENDENCY AND INDEMNITY COMPENSATION.

(a) RATE ADJUSTMENT.—The Secretary of Veterans Affairs shall, effective on December 1, 1998, increase the dollar amounts in effect for the payment of disability compensation and dependency and indemnity compensation by the Secretary, as specified in subsection (b).

(b) AMOUNTS TO BE INCREASED.—The dollar amounts to be increased pursuant to subsection (a) are the following:

(1) COMPENSATION.—Each of the dollar amounts in effect under section 1114 of title 38, United States Code.

(2) ADDITIONAL COMPENSATION FOR DEPENDENTS.—Each of the dollar amounts in effect under section 1115(1) of such title.

(3) CLOTHING ALLOWANCE.—The dollar amount in effect under section 1162 of such title.

(4) NEW DIC RATES.—The dollar amounts in effect under paragraphs (1) and (2) of section 1311(a) of such title.

(5) OLD DIC RATES.—Each of the dollar amounts in effect under section 1311(a)(3) of such title.

(6) ADDITIONAL DIC FOR SURVIVING SPOUSES WITH MINOR CHILDREN.—The dollar amount in effect under section 1311(b) of such title.

(7) ADDITIONAL DIC FOR DISABILITY.—The dollar amounts in effect under sections 1311(c) and 1311(d) of such title.

(8) DIC FOR DEPENDENT CHILDREN.—The dollar amounts in effect under sections 1313(a) and 1314 of such title.

(c) DETERMINATION OF INCREASE.—(1) The increase under subsection (a) shall be made in the dollar amounts specified in subsection (b) as in effect on November 30, 1998.

(2) Except as provided in paragraph (3), each such amount shall be increased by the same percentage as the percentage by which benefit amounts payable under title II of the Social Security Act (42 U.S.C. 401 et seq.) are increased effective December 1, 1998, as a result of a determination under section 215(i) of such Act (42 U.S.C. 415(i)).

(3) Each dollar amount increased pursuant to paragraph (2) shall, if not a whole dollar amount, be rounded down to the next lower whole dollar amount.

(d) SPECIAL RULE.—The Secretary may adjust administratively, consistent with the increases made under subsection (a), the rates of disability compensation payable to persons within the purview of section 10 of Public Law 85-857 (72 Stat. 1263) who are not

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in receipt of compensation payable pursuant to chapter 11 of title 38, United States Code.

SEC. 1102. PUBLICATION OF ADJUSTED RATES.

At the same time as the matters specified in section 215(i)(2)(D) of the Social Security Act (42 U.S.C. 415(i)(2)(D)) are required to be published by reason of a determination made under section 215(i) of such Act during fiscal year 1998, the Secretary of Veterans Affairs shall publish in the Federal Register the amounts specified in subsection (b) of section 1101, as increased pursuant to that section.

Speaker of the House of Representatives.

*Vice President of the United States and
President of the Senate.*