

VETERANS MILLENNIUM HEALTH CARE AND BENEFITS
ACT

NOVEMBER 16, 1999.—Ordered to be printed

Mr. STUMP, from the Committee of Conference,
submitted the following

CONFERENCE REPORT

[To accompany H.R. 2116]

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 2116), to amend title 38, United States Code, to establish a program of extended care services for veterans and to make other improvements in health care programs of the Department of Veterans Affairs, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate to the text of the bill and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment, insert the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) *SHORT TITLE.*—*This Act may be cited as the “Veterans Millennium Health Care and Benefits Act”.*

(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.

Sec. 3. Secretary and Department defined.

TITLE I—ACCESS TO CARE

Subtitle A—Long-Term Care

Sec. 101. Requirement to provide extended care services.

Sec. 102. Pilot programs relating to long-term care.

Sec. 103. Pilot program relating to assisted living.

Subtitle B—Other Access-to-Care Matters

- Sec. 111. Reimbursement for emergency treatment in non-Department of Veterans Affairs facilities.*
- Sec. 112. Eligibility for care of combat-injured veterans.*
- Sec. 113. Access to care for TRICARE-eligible military retirees.*
- Sec. 114. Treatment and services for drug or alcohol dependency.*
- Sec. 115. Counseling and treatment for veterans who have experienced sexual trauma.*
- Sec. 116. Specialized mental health services.*

TITLE II—MEDICAL PROGRAM ADMINISTRATION

- Sec. 201. Medical care collections.*
- Sec. 202. Health Services Improvement Fund.*
- Sec. 203. Allocation to health care facilities of amounts made available from Medical Care Collections Fund.*
- Sec. 204. Authority to accept funds for education and training.*
- Sec. 205. Extension of certain authorities.*
- Sec. 206. Reestablishment of Committee on Post-Traumatic Stress Disorder.*
- Sec. 207. State home grant program.*
- Sec. 208. Expansion of enhanced-use lease authority.*
- Sec. 209. Ineligibility for employment by Veterans Health Administration of health care professionals who have lost license to practice in one jurisdiction while still licensed in another jurisdiction.*
- Sec. 210. Report on coordination of procurement of pharmaceuticals and medical supplies by the Department of Veterans Affairs and the Department of Defense.*
- Sec. 211. Reimbursement of medical expenses of veterans located in Alaska.*

TITLE III—MISCELLANEOUS MEDICAL PROVISIONS

- Sec. 301. Review of proposed changes to operation of medical facilities.*
- Sec. 302. Patient services at Department facilities.*
- Sec. 303. Chiropractic treatment.*
- Sec. 304. Designation of hospital bed replacement building at Ioannis A. Lougaris Department of Veterans Affairs Medical Center, Reno, Nevada.*

TITLE IV—CONSTRUCTION AND FACILITIES MATTERS

- Sec. 401. Authorization of major medical facility projects.*
- Sec. 402. Authorization of major medical facility leases.*
- Sec. 403. Authorization of appropriations.*

TITLE V—BENEFITS AND EMPLOYMENT MATTERS

Subtitle A—Compensation and DIC

- Sec. 501. Dependency and indemnity compensation for surviving spouses of former prisoners of war.*
- Sec. 502. Reinstatement of certain benefits for remarried surviving spouses of veterans upon termination of their remarriage.*
- Sec. 503. Presumption that bronchiolo-alveolar carcinoma is service-connected.*

Subtitle B—Employment

- Sec. 511. Clarification of veterans' civil service employment opportunities.*

TITLE VI—MEMORIAL AFFAIRS MATTERS

Subtitle A—American Battle Monuments Commission

- Sec. 601. Codification and expansion of authority for World War II memorial.*
- Sec. 602. General authority to solicit and receive contributions.*
- Sec. 603. Intellectual property and related items.*
- Sec. 604. Technical amendments.*

Subtitle B—National Cemeteries

- Sec. 611. Establishment of additional national cemeteries.*
- Sec. 612. Use of flat grave markers at Santa Fe National Cemetery, New Mexico.*
- Sec. 613. Independent study on improvements to veterans' cemeteries.*

Subtitle C—Burial Benefits

Sec. 621. Independent study on improvements to veterans' burial benefits.

TITLE VII—EDUCATION AND HOUSING MATTERS

Subtitle A—Education Matters

Sec. 701. Availability of Montgomery GI Bill benefits for preparatory courses for college and graduate school entrance exams.

Sec. 702. Determination of eligibility period for members of the Armed Forces commissioned following completion of officer training school.

Sec. 703. Report on veterans' education and vocational training benefits provided by the States.

Sec. 704. Technical amendments.

Subtitle B—Housing Matters

Sec. 711. Extension of authority for housing loans for members of the Selected Reserve.

Sec. 712. Technical amendment relating to transitional housing loan guarantee program.

TITLE VIII—DEPARTMENT OF VETERANS AFFAIRS ADMINISTRATIVE MATTERS

Sec. 801. Enhanced quality assurance program within the Veterans Benefits Administration.

Sec. 802. Extension of authority to maintain a regional office in the Republic of the Philippines.

Sec. 803. Extension of Advisory Committee on Minority Veterans.

Sec. 804. Technical amendment to automobile assistance program.

TITLE IX—HOMELESS VETERANS PROGRAMS

Sec. 901. Homeless veterans' reintegration programs.

Sec. 902. Extension of program of housing assistance for homeless veterans.

Sec. 903. Homeless veterans programs.

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TITLE X—UNITED STATES COURT OF APPEALS FOR VETERANS CLAIMS

Sec. 1001. Short title.

Sec. 1002. Definition.

Subtitle A—Transitional Provisions To Stagger Terms of Judges

Sec. 1011. Early retirement authority for current judges.

Sec. 1012. Modified terms for next two judges appointed to the Court.

Subtitle B—Other Matters Relating to Retired Judges

Sec. 1021. Recall of retired judges.

Sec. 1022. Judges' retired pay.

Sec. 1023. Survivor annuities.

Sec. 1024. Limitation on activities of retired judges.

Subtitle C—Rotation of Service of Judges as Chief Judge of the Court

Sec. 1031. Repeal of separate appointment of chief judge.

Sec. 1032. Designation and term of chief judge of Court.

Sec. 1033. Salary.

Sec. 1034. Precedence of judges.

Sec. 1035. Conforming amendments.

Sec. 1036. Applicability of amendments.

TITLE XI—VOLUNTARY SEPARATION INCENTIVE PROGRAM

Sec. 1101. Short title.

Sec. 1102. Plan for payment of voluntary separation incentive payments.

Sec. 1103. Voluntary separation incentive payments.

Sec. 1104. Effect of subsequent employment with the Government.

Sec. 1105. Additional agency contributions to Civil Service Retirement and Disability Fund.

- Sec. 1106. Continued health insurance coverage.
 Sec. 1107. Prohibition of reduction of full-time equivalent employment level.
 Sec. 1108. Regulations.
 Sec. 1109. Limitation; savings clause.
 Sec. 1110. Eligible employees.

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.

SEC. 3. SECRETARY AND DEPARTMENT DEFINED.

For purposes of this Act—

- (1) the term “Secretary” means the Secretary of Veterans Affairs; and
 (2) the term “Department” means the Department of Veterans Affairs.

TITLE I—ACCESS TO CARE

Subtitle A—Long-Term Care

SEC. 101. REQUIREMENT TO PROVIDE EXTENDED CARE SERVICES.

(a) REQUIRED NURSING HOME CARE.—(1) Chapter 17 is amended by inserting after section 1710 the following new section:

“§ 1710A. Required nursing home care

“(a) The Secretary shall provide nursing home care which the Secretary determines is needed (1) to any veteran in need of such care for a service-connected disability, and (2) to any veteran who is in need of such care and who has a service-connected disability rated at 70 percent or more.

“(b)(1) The Secretary shall ensure that a veteran described in subsection (a) who continues to need nursing home care is not, after placement in a Department nursing home, transferred from the facility without the consent of the veteran, or, in the event the veteran cannot provide informed consent, the representative of the veteran.

“(2) Nothing in subsection (a) may be construed as authorizing or requiring that a veteran who is receiving nursing home care in a Department nursing home on the date of the enactment of this section be displaced, transferred, or discharged from the facility.

“(c) The provisions of subsection (a) shall terminate on December 31, 2003.”.

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 1710 the following new item:

“1710A. Required nursing home care.”.

(b) REQUIRED NONINSTITUTIONAL EXTENDED CARE SERVICES.—Section 1701 is amended by adding at the end the following new paragraph:

“(10)(A) During the period beginning on the date of the enactment of the Veterans Millennium Health Care and Benefits Act and

ending on December 31, 2003, the term ‘medical services’ includes noninstitutional extended care services.

“(B) For the purposes of subparagraph (A), the term ‘noninstitutional extended care services’ means such alternatives to institutional extended care which the Secretary may furnish (i) directly, (ii) by contract, or (iii) (through provision of case management) by another provider or payor.”.

(c) PROGRAM OF EXTENDED CARE SERVICES.—(1) Chapter 17 is amended by inserting after section 1710A, as added by subsection (a), the following new section:

“§ 1710B. Extended care services

“(a) The Secretary (subject to section 1710(a)(4) of this title and subsection (c) of this section) shall operate and maintain a program to provide extended care services to eligible veterans in accordance with this section. Such services shall include the following:

“(1) Geriatric evaluation.

“(2) Nursing home care (A) in facilities operated by the Secretary, and (B) in community-based facilities through contracts under section 1720 of this title.

“(3) Domiciliary services under section 1710(b) of this title.

“(4) Adult day health care under section 1720(f) of this title.

“(5) Such other noninstitutional alternatives to nursing home care as the Secretary may furnish as medical services under section 1701(10) of this title.

“(6) Respite care under section 1720B of this title.

“(b) The Secretary shall ensure that the staffing and level of extended care services provided by the Secretary nationally in facilities of the Department during any fiscal year is not less than the staffing and level of such services provided nationally in facilities of the Department during fiscal year 1998.

“(c)(1) Except as provided in paragraph (2), the Secretary may not furnish extended care services for a non-service-connected disability other than in the case of a veteran who has a compensable service-connected disability unless the veteran agrees to pay to the United States a copayment (determined in accordance with subsection (d)) for any period of such services in a year after the first 21 days of such services provided that veteran in that year.

“(2) Paragraph (1) shall not apply—

“(A) to a veteran whose annual income (determined under section 1503 of this title) is less than the amount in effect under section 1521(b) of this title; or

“(B) with respect to an episode of extended care services that a veteran is being furnished by the Department on the date of the enactment of the Veterans Millennium Health Care and Benefits Act.

“(d)(1) A veteran who is furnished extended care services under this chapter and who is required under subsection (c) to pay an amount to the United States in order to be furnished such services shall be liable to the United States for that amount.

“(2) In implementing subsection (c), the Secretary shall develop a methodology for establishing the amount of the copayment for which a veteran described in subsection (c) is liable. That methodology shall provide for—

“(A) establishing a maximum monthly copayment (based on all income and assets of the veteran and the spouse of such veteran);

“(B) protecting the spouse of a veteran from financial hardship by not counting all of the income and assets of the veteran and spouse (in the case of a spouse who resides in the community) as available for determining the copayment obligation; and

“(C) allowing the veteran to retain a monthly personal allowance.

“(e)(1) There is established in the Treasury of the United States a revolving fund known as the Department of Veterans Affairs Extended Care Fund (hereinafter in this section referred to as the ‘fund’). Amounts in the fund shall be available, without fiscal year limitation and without further appropriation, exclusively for the purpose of providing extended care services under subsection (a).

“(2) All amounts received by the Department under this section shall be deposited in or credited to the fund.”

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 1710A, as added by subsection (a)(2), the following new item:

“1710B. Extended care services.”

(d) ADULT DAY HEALTH CARE.—Section 1720(f)(1)(A) is amended to read as follows:

“(f)(1)(A) The Secretary may furnish adult day health care services to a veteran enrolled under section 1705(a) of this title who would otherwise require nursing home care.”

(e) RESPITE CARE PROGRAM.—Section 1720B is amended—

(1) in subsection (a), by striking “eligible” and inserting “enrolled”;

(2) in subsection (b)—

(A) by striking “the term ‘respite care’ means hospital or nursing home care” and inserting “the term ‘respite care services’ means care and services”;

(B) by striking “is” at the beginning of each of paragraphs (1), (2), and (3) and inserting “are”; and

(C) by striking “in a Department facility” in paragraph (2); and

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

“(c) In furnishing respite care services, the Secretary may enter into contract arrangements.”

(f) CONFORMING AMENDMENTS.—Section 1710(a) is amended—

(1) in paragraph (1), by striking “, and may furnish nursing home care,”;

(2) in paragraph (2)(A), by inserting “or, with respect to nursing home care during any period during which the provisions of section 1710A(a) of this title are in effect, a compensable service-connected disability rated less than 70 percent” after “50 percent”;

(3) in paragraph (4), by inserting “, and the requirement in section 1710B of this title that the Secretary provide a program of extended care services,” after “medical services”; and

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

“(5) During any period during which the provisions of section 1710A(a) of this title are not in effect, the Secretary may furnish nursing home care which the Secretary determines is needed to any veteran described in paragraph (1), with the priority for such care on the same basis as if provided under that paragraph.”.

(g) *STATE HOMES.*—Section 1741(a)(2) is amended by striking “adult day health care in a State home” and inserting “extended care services described in any of paragraphs (4) through (6) of section 1710B(a) of this title under a program administered by a State home”.

(h) *EFFECTIVE DATE.*—(1) Except as provided in paragraph (2), the amendments made by this section shall take effect on the date of the enactment of this Act.

(2) Subsection (c) of section 1710B of title 38, United States Code (as added by subsection (b)), shall take effect on the effective date of regulations prescribed by the Secretary of Veterans Affairs under subsections (c) and (d) of such section. The Secretary shall publish the effective date of such regulations in the Federal Register.

(3) The provisions of section 1710(f) of title 38, United States Code, shall not apply to any day of nursing home care on or after the effective date of regulations under paragraph (2).

(i) *REPORT.*—Not later than January 1, 2003, the Secretary shall submit to the Committees on Veterans’ Affairs of the Senate and House of Representatives a report on the operation of this section (including the amendments made by this section). The Secretary shall include in the report—

(1) the Secretary’s assessment of the experience of the Department under the provisions of this section;

(2) the costs incurred by the Department under the provisions of this section and a comparison of those costs with the Secretary’s estimate of the costs that would have been incurred by the Secretary for extended care services if this section had not been enacted; and

(3) the Secretary’s recommendations, with respect to the provisions of section 1710A(a) of title 38, United States Code, as added by subsection (a), and with respect to the provisions of section 1701(10) of such title, as added by subsection (b), as to—

(A) whether those provisions should be extended or made permanent; and

(B) what modifications, if any, should be made to those provisions.

SEC. 102. PILOT PROGRAMS RELATING TO LONG-TERM CARE.

(a) *PILOT PROGRAMS.*—The Secretary shall carry out three pilot programs for the purpose of determining the effectiveness of different models of all-inclusive care-delivery in reducing the use of hospital and nursing home care by frail, elderly veterans.

(b) *LOCATIONS OF PILOT PROGRAMS.*—In selecting locations in which the pilot programs will be carried out, the Secretary may not select more than one location in any given health care region of the Veterans Health Administration.

(c) *SCOPE OF SERVICES UNDER PILOT PROGRAMS.*—Each of the pilot programs under this section shall be designed to provide par-

ticipating veterans with integrated, comprehensive services which include the following:

(1) Adult-day health care services on an eight-hour per day, five-day per week basis.

(2) Medical services (including primary care, preventive services, and nursing home care, as needed).

(3) Coordination of needed services.

(4) Transportation services.

(5) Home care services.

(6) Respite care.

(d) PROGRAM REQUIREMENTS.—In carrying out the pilot programs under this section, the Secretary shall—

(1) employ the use of interdisciplinary care-management teams to provide the required array of services;

(2) determine the appropriate number of patients to be enrolled in each program and the criteria for enrollment; and

(3) ensure that funding for each program is based on the complex care category under the resource allocation system (known as the Veterans Equitable Resource Allocation system) established pursuant to section 429 of Public Law 104–204 (110 Stat. 2929).

(e) DESIGN OF PILOT PROGRAMS.—To the maximum extent feasible, the Secretary shall use the following three models in designing the three pilot programs under this section:

(1) Under one of the pilot programs, the Secretary shall provide services directly through facilities and personnel of the Department.

(2) Under one of the pilot programs, the Secretary shall provide services through a combination of—

(A) services provided under contract with appropriate public and private entities; and

(B) services provided through facilities and personnel of the Department.

(3) Under one of the pilot programs, the Secretary shall arrange for the provision of services through a combination of—

(A) services provided through cooperative arrangements with appropriate public and private entities; and

(B) services provided through facilities and personnel of the Department.

(f) IN-KIND ASSISTANCE.—In providing for the furnishing of services under a contract in carrying out the pilot program described in subsection (e)(2), the Secretary may, subject to reimbursement, provide in-kind assistance (through the services of Department employees and the sharing of other Department resources) to a facility furnishing care to veterans. Such reimbursement may be made by reduction in the charges to the Secretary under such contract.

(g) LIMITATION.—In providing for the furnishing of services in carrying out a pilot program described in subsection (e)(2) or (e)(3), the Secretary shall make payment for services only to the extent that payment for such services is not otherwise covered (notwithstanding any provision of title XVIII or XIX of the Social Security Act) by another government or nongovernment entity or program.

(h) *DURATION OF PROGRAMS.*—The authority of the Secretary to provide services under a pilot program under this section shall cease on the date that is three years after the date of the commencement of that pilot program.

(i) *REPORT.*—(1) Not later than nine months after the completion of all of the pilot programs under this section, the Secretary shall submit to the Committees on Veterans' Affairs of the Senate and the House of Representatives a report on those programs.

(2) The report shall include the following:

(A) A description of the implementation and operation of each such program.

(B) An analysis comparing use of institutional care and use of other services among enrollees in each of the pilot programs with the experience of comparable patients who are not enrolled in one of the pilot programs.

(C) An assessment of the satisfaction of participating veterans with each of those programs.

(D) An assessment of the health status of participating veterans in each of those programs and of the ability of those veterans to function independently.

(E) An analysis of the costs and benefits under each of those programs.

SEC. 103. PILOT PROGRAM RELATING TO ASSISTED LIVING.

(a) *PROGRAM AUTHORITY.*—The Secretary may carry out a pilot program for the purpose of determining the feasibility and practicability of enabling eligible veterans to secure needed assisted living services as an alternative to nursing home care.

(b) *LOCATION OF PILOT PROGRAM.*—The pilot program shall be carried out in a designated health care region of the Department selected by the Secretary for purposes of this section.

(c) *SCOPE OF PROGRAM.*—In carrying out the pilot program, the Secretary may enter into contracts with appropriate facilities for the provision for a period of up to six months of assisted living services on behalf of eligible veterans in the region where the program is carried out.

(d) *ELIGIBLE VETERANS.*—A veteran is an eligible veteran for purposes of this section if the veteran—

(1) is eligible for placement assistance by the Secretary under section 1730(a) of title 38, United States Code;

(2) is unable to manage routine activities of daily living without supervision and assistance; and

(3) could reasonably be expected to receive ongoing services after the end of the contract period under another government program or through other means.

(e) *REPORT.*—(1) Not later than 90 days before the end of the pilot program under this section, the Secretary shall submit to the Committees on Veterans' Affairs of the Senate and the House of Representatives a report on the program.

(2) The report under paragraph (1) shall include the following:

(A) A description of the implementation and operation of the program.

(B) An analysis comparing use of institutional care among participants in the program with the experience of comparable patients who are not enrolled in the program.

(C) A comparison of assisted living services provided by the Department through the pilot program with domiciliary care provided by the Department.

(D) The Secretary's recommendations, if any, regarding an extension of the program.

(f) DURATION.—The authority of the Secretary to provide services under the pilot program shall cease on the date that is 3 years after the date of the commencement of the pilot program.

(g) DEFINITION.—For purposes of this section, the term "assisted living services" means services in a facility that provides room and board and personal care for and supervision of residents as necessary for the health, safety, and welfare of residents.

(h) STANDARDS.—The Secretary may not enter into a contract with a facility under this section unless the facility meets the standards established in regulations prescribed under section 1730 of title 38, United States Code.

Subtitle B—Other Access-to-Care Matters

SEC. 111. REIMBURSEMENT FOR EMERGENCY TREATMENT IN NON-DEPARTMENT OF VETERANS AFFAIRS FACILITIES.

(a) AUTHORITY TO PROVIDE REIMBURSEMENT.—Chapter 17 is amended by inserting after section 1724 the following new section:

“§ 1725. Reimbursement for emergency treatment

“(a) GENERAL AUTHORITY.—(1) Subject to subsections (c) and (d), the Secretary may reimburse a veteran described in subsection (b) for the reasonable value of emergency treatment furnished the veteran in a non-Department facility.

“(2) In any case in which reimbursement is authorized under subsection (a)(1), the Secretary, in the Secretary's discretion, may, in lieu of reimbursing the veteran, make payment of the reasonable value of the furnished emergency treatment directly—

“(A) to a hospital or other health care provider that furnished the treatment; or

“(B) to the person or organization that paid for such treatment on behalf of the veteran.

“(b) ELIGIBILITY.—(1) A veteran referred to in subsection (a)(1) is an individual who is an active Department health-care participant who is personally liable for emergency treatment furnished the veteran in a non-Department facility.

“(2) A veteran is an active Department health-care participant if—

“(A) the veteran is enrolled in the health care system established under section 1705(a) of this title; and

“(B) the veteran received care under this chapter within the 24-month period preceding the furnishing of such emergency treatment.

“(3) A veteran is personally liable for emergency treatment furnished the veteran in a non-Department facility if the veteran—

“(A) is financially liable to the provider of emergency treatment for that treatment;

“(B) has no entitlement to care or services under a health-plan contract (determined, in the case of a health-plan contract

as defined in subsection (f)(2)(B) or (f)(2)(C), without regard to any requirement or limitation relating to eligibility for care or services from any department or agency of the United States);

“(C) has no other contractual or legal recourse against a third party that would, in whole or in part, extinguish such liability to the provider; and

“(D) is not eligible for reimbursement for medical care or services under section 1728 of this title.

“(c) LIMITATIONS ON REIMBURSEMENT.—(1) The Secretary, in accordance with regulations prescribed by the Secretary, shall—

“(A) establish the maximum amount payable under subsection (a);

“(B) delineate the circumstances under which such payments may be made, to include such requirements on requesting reimbursement as the Secretary shall establish; and

“(C) provide that in no event may a payment under that subsection include any amount for which the veteran is not personally liable.

“(2) Subject to paragraph (1), the Secretary may provide reimbursement under this section only after the veteran or the provider of emergency treatment has exhausted without success all claims and remedies reasonably available to the veteran or provider against a third party for payment of such treatment.

“(3) Payment by the Secretary under this section on behalf of a veteran to a provider of emergency treatment shall, unless rejected and refunded by the provider within 30 days of receipt, extinguish any liability on the part of the veteran for that treatment. Neither the absence of a contract or agreement between the Secretary and the provider nor any provision of a contract, agreement, or assignment to the contrary shall operate to modify, limit, or negate the requirement in the preceding sentence.

“(d) INDEPENDENT RIGHT OF RECOVERY.—(1) In accordance with regulations prescribed by the Secretary, the United States shall have the independent right to recover any amount paid under this section when, and to the extent that, a third party subsequently makes a payment for the same emergency treatment.

“(2) Any amount paid by the United States to the veteran (or the veteran’s personal representative, successor, dependents, or survivors) or to any other person or organization paying for such treatment shall constitute a lien in favor of the United States against any recovery the payee subsequently receives from a third party for the same treatment.

“(3) Any amount paid by the United States to the provider that furnished the veteran’s emergency treatment shall constitute a lien against any subsequent amount the provider receives from a third party for the same emergency treatment for which the United States made payment.

“(4) The veteran (or the veteran’s personal representative, successor, dependents, or survivors) shall ensure that the Secretary is promptly notified of any payment received from any third party for emergency treatment furnished to the veteran. The veteran (or the veteran’s personal representative, successor, dependents, or survivors) shall immediately forward all documents relating to such payment, cooperate with the Secretary in the investigation of such

payment, and assist the Secretary in enforcing the United States right to recover any payment made under subsection (c)(3).

“(e) **WAIVER.**—The Secretary, in the Secretary’s discretion, may waive recovery of a payment made to a veteran under this section that is otherwise required by subsection (d)(1) when the Secretary determines that such waiver would be in the best interest of the United States, as defined by regulations prescribed by the Secretary.

“(f) **DEFINITIONS.**—For purposes of this section:

“(1) The term ‘emergency treatment’ means medical care or services furnished, in the judgment of the Secretary—

“(A) when Department or other Federal facilities are not feasibly available and an attempt to use them beforehand would not be reasonable;

“(B) when such care or services are rendered in a medical emergency of such nature that a prudent layperson reasonably expects that delay in seeking immediate medical attention would be hazardous to life or health; and

“(C) until such time as the veteran can be transferred safely to a Department facility or other Federal facility.

“(2) The term ‘health-plan contract’ includes any of the following:

“(A) An insurance policy or contract, medical or hospital service agreement, membership or subscription contract, or similar arrangement under which health services for individuals are provided or the expenses of such services are paid.

“(B) An insurance program described in section 1811 of the Social Security Act (42 U.S.C. 1395c) or established by section 1831 of that Act (42 U.S.C. 1395j).

“(C) A State plan for medical assistance approved under title XIX of such Act (42 U.S.C. 1396 et seq.).

“(D) A workers’ compensation law or plan described in section 1729(a)(2)(A) of this title.

“(E) A law of a State or political subdivision described in section 1729(a)(2)(B) of this title.

“(3) The term ‘third party’ means any of the following:

“(A) A Federal entity.

“(B) A State or political subdivision of a State.

“(C) An employer or an employer’s insurance carrier.

“(D) An automobile accident reparations insurance carrier.

“(E) A person or entity obligated to provide, or to pay the expenses of, health services under a health-plan contract.”.

(b) **CONFORMING AMENDMENTS.**—(1) Section 1729A(b) is amended—

(A) by redesignating paragraphs (5) and (6) as paragraphs (6) and (7), respectively; and

(B) by inserting after paragraph (4) the following new paragraph:

“(5) Section 1725 of this title.”.

(2) *The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 1724 the following new item:*

“1725. Reimbursement for emergency treatment.”.

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

(d) *IMPLEMENTATION REPORTS.—The Secretary shall include with the budget justification materials submitted to Congress in support of the Department of Veterans Affairs budget for fiscal year 2002 and for fiscal year 2003 a report on the implementation of section 1725 of title 38, United States Code, as added by subsection (a). Each such report shall include information on the experience of the Department under that section and the costs incurred, and expected to be incurred, under that section.*

SEC. 112. ELIGIBILITY FOR CARE OF COMBAT-INJURED VETERANS.

Chapter 17 is amended—

(1) in section 1710(a)(2)(D), by inserting “or who was awarded the Purple Heart” after “former prisoner of war”; and

(2) in section 1705(a)(3), by inserting “or who were awarded the Purple Heart” after “former prisoners of war”.

SEC. 113. ACCESS TO CARE FOR TRICARE-ELIGIBLE MILITARY RETIREES.

(a) *INTERAGENCY AGREEMENT.—(1) The Secretary of Defense shall enter into an agreement (characterized as a memorandum of understanding or otherwise) with the Secretary of Veterans Affairs with respect to the provision of medical care by the Secretary of Veterans Affairs to eligible military retirees in accordance with the provisions of subsection (c). That agreement shall include provisions for reimbursement of the Secretary of Veterans Affairs by the Secretary of Defense for medical care provided by the Secretary of Veterans Affairs to an eligible military retiree and may include such other provisions with respect to the terms and conditions of such care as may be agreed upon by the two Secretaries.*

(2) Reimbursement under the agreement under paragraph (1) shall be in accordance with rates agreed upon by the Secretary of Defense and the Secretary of Veterans Affairs. Such reimbursement may be made by the Secretary of Defense or by the appropriate TRICARE Managed Care Support contractor, as determined in accordance with that agreement.

(3) In entering into the agreement under paragraph (1), particularly with respect to determination of the rates of reimbursement under paragraph (2), the Secretary of Defense shall consult with TRICARE Managed Care Support contractors.

(4) The Secretary of Veterans Affairs may not enter into an agreement under paragraph (1) for the provision of care in accordance with the provisions of subsection (c) with respect to any geographic service area, or a part of any such area, of the Veterans Health Administration unless—

(A) in the judgment of that Secretary, the Department of Veterans Affairs will recover the costs of providing such care to eligible military retirees; and

(B) that Secretary has certified and documented, with respect to any geographic service area in which the Secretary pro-

poses to provide care in accordance with the provisions of subsection (c), that such geographic service area, or designated part of any such area, has adequate capacity (consistent with the requirements in section 1705(b)(1) of title 38, United States Code, that care to enrollees shall be timely and acceptable in quality) to provide such care.

(5) The agreement under paragraph (1) shall be entered into by the Secretaries not later than nine months after the date of the enactment of this Act. If the Secretaries are unable to reach agreement, they shall jointly report, by that date or within 30 days thereafter, to the Committees on Armed Services and the Committees on Veterans' Affairs of the Senate and House of Representatives on the reasons for their inability to reach an agreement and their mutually agreed plan for removing any impediments to final agreement.

(b) DEPOSITING OF REIMBURSEMENTS.—Amounts received by the Secretary of Veterans Affairs under the agreement under subsection (a) shall be deposited in the Department of Veterans Affairs Health Services Improvement Fund established under section 1729B of title 38, United States Code, as added by section 202.

(c) COPAYMENT REQUIREMENT.—The provisions of subsections (f)(1) and (g)(1) of section 1710 of title 38, United States Code, shall not apply in the case of an eligible military retiree who is covered by the agreement under subsection (a).

(d) PHASED IMPLEMENTATION.—(1) The Secretary of Defense shall include in each TRICARE contract entered into after the date of the enactment of this Act provisions to implement the agreement under subsection (a).

(2) The provisions of the agreement under subsection (a)(2) and the provisions of subsection (c) shall apply to the furnishing of medical care by the Secretary of Veterans Affairs in any area of the United States only if that area is covered by a TRICARE contract that was entered into after the date of the enactment of this Act.

(e) ELIGIBLE MILITARY RETIREES.—For purposes of this section, an eligible military retiree is a member of the Army, Navy, Air Force, or Marine Corps who—

(1) has retired from active military, naval, or air service;

(2) is eligible for care under the TRICARE program established by the Secretary of Defense;

(3) has enrolled for care under section 1705 of title 38, United States Code; and

(4) is not described in paragraph (1) or (2) of section 1710(a) of such title.

SEC. 114. TREATMENT AND SERVICES FOR DRUG OR ALCOHOL DEPENDENCY.

(a) AUTHORITY TO PROVIDE TREATMENT AND SERVICES FOR MEMBERS ON ACTIVE DUTY.—Section 1720A(c) is amended in the first sentence of paragraph (1)—

(1) by striking “may not be transferred” and inserting “may be transferred”; and

(2) by striking “unless such transfer is during the last thirty days of such member’s enlistment or tour of duty”.

(b) CONFORMING AMENDMENT.—The first sentence of paragraph (2) of that section is amended by striking “during the last thirty days of such person’s enlistment period or tour of duty”.

SEC. 115. COUNSELING AND TREATMENT FOR VETERANS WHO HAVE EXPERIENCED SEXUAL TRAUMA.

(a) *EXTENSION OF PERIOD OF PROGRAM.*—Subsection (a) of section 1720D is amended—

(1) in paragraph (1), by striking “December 31, 2001” and inserting “December 31, 2004”; and

(2) in paragraph (3), by striking “December 31, 2001” and inserting “December 31, 2004”.

(b) *MANDATORY NATURE OF PROGRAM.*—(1) Subsection (a)(1) of such section is further amended by striking “may provide counseling to a veteran who the Secretary determines requires such counseling” and inserting “shall operate a program under which the Secretary provides counseling and appropriate care and services to veterans who the Secretary determines require such counseling and care and services”.

(2) Subsection (a) of such section is further amended—

(A) by striking paragraph (2); and

(B) by redesignating paragraph (3) (as amended by subsection (a)(2)) as paragraph (2).

(c) *OUTREACH EFFORTS.*—Subsection (c) of such section is amended—

(1) by inserting “and treatment” in the first sentence and in paragraph (2) after “counseling”;

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

(3) by redesignating paragraph (2) as paragraph (3); and

(4) by inserting after paragraph (1) the following new paragraph (2):

“(2) shall ensure that information about the counseling and treatment available to veterans under this section—

“(A) is revised and updated as appropriate;

“(B) is made available and visibly posted at appropriate facilities of the Department; and

“(C) is made available through appropriate public information services; and”.

(d) *REPORT ON IMPLEMENTATION OF OUTREACH ACTIVITIES.*—Not later than six months after the date of the enactment of this Act, 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 implementation of paragraph (2) of section 1720D(c) of title 38, United States Code, as added by subsection (c). Such report shall include examples of the documents and other means of communication developed for compliance with that paragraph.

(e) *STUDY OF EXPANDING ELIGIBILITY FOR COUNSELING AND TREATMENT.*—(1) The Secretary of Veterans Affairs, in consultation with the Secretary of Defense, shall conduct a study to determine—

(A) the extent to which former members of the reserve components of the Armed Forces experienced physical assault of a sexual nature or battery of a sexual nature while serving on active duty for training;

(B) the extent to which such former members have sought counseling from the Department of Veterans Affairs relating to those incidents; and

(C) the additional resources that, in the judgment of the Secretary, would be required to meet the projected need of those former members for such counseling.

(2) Not later than 16 months after the date of the enactment of this Act, the Secretary of Veterans Affairs shall submit to the Committees on Veterans' Affairs of the Senate and House of Representatives a report on the results of the study conducted under paragraph (1).

(f) **OVERSIGHT OF OUTREACH ACTIVITIES.**—Not later than 14 months after the date of the enactment of this Act, the Secretary of Veterans Affairs and the Secretary of Defense shall submit to the appropriate congressional committees a joint report describing in detail the collaborative efforts of the Department of Veterans Affairs and the Department of Defense to ensure that members of the Armed Forces, upon separation from active military, naval, or air service, are provided appropriate and current information about programs of the Department of Veterans Affairs to provide counseling and treatment for sexual trauma that may have been experienced by those members while in the active military, naval, or air service, including information about eligibility requirements for, and procedures for applying for, such counseling and treatment. The report shall include proposed recommendations from both the Secretary of Veterans Affairs and the Secretary of Defense for the improvement of their collaborative efforts to provide such information.

(g) **REPORT ON IMPLEMENTATION OF SEXUAL TRAUMA TREATMENT PROGRAM.**—Not later than 14 months after the date of the enactment of this Act, the Secretary shall submit to the Committees on Veterans' Affairs of the Senate and House of Representatives a report on the use made of the authority provided under section 1720D of title 38, United States Code, as amended by this section. The report shall include the following with respect to activities under that section since the enactment of this Act:

(1) The number of veterans who have received counseling under that section.

(2) The number of veterans who have been referred to non-Department mental health facilities and providers in connection with sexual trauma counseling and treatment.

SEC. 116. SPECIALIZED MENTAL HEALTH SERVICES.

(a) **IMPROVEMENT TO SPECIALIZED MENTAL HEALTH SERVICES.**—The Secretary, in furtherance of the responsibilities of the Secretary under section 1706(b) of title 38, United States Code, shall carry out a program to expand and improve the provision of specialized mental health services to veterans. The Secretary shall establish the program in consultation with the Committee on Care of Severely Chronically Mentally Ill Veterans established pursuant to section 7321 of title 38, United States Code.

(b) **COVERED PROGRAMS.**—For purposes of this section, the term “specialized mental health services” includes programs relating to—

(1) the treatment of post-traumatic stress disorder; and

(2) substance use disorders.

(c) **FUNDING.**—(1) In carrying out the program described in subsection (a), the Secretary shall identify, from funds available to the Department for medical care, an amount of not less than

\$15,000,000 to be available to carry out the program and to be allocated to facilities of the Department pursuant to subsection (d).

(2) In identifying available amounts pursuant to paragraph (1), the Secretary shall ensure that, after the allocation of those funds under subsection (d), the total expenditure for programs relating to (A) the treatment of post-traumatic stress disorder, and (B) substance use disorders is not less than \$15,000,000 in excess of the baseline amount.

(3) For purposes of paragraph (2), the baseline amount is the amount of the total expenditures on such programs for the most recent fiscal year for which final expenditure amounts are known, adjusted to reflect any subsequent increase in applicable costs to deliver such services in the Veterans Health Administration, as determined by the Committee on Care of Severely Chronically Mentally Ill Veterans.

(d) ALLOCATION OF FUNDS TO DEPARTMENT FACILITIES.—The Secretary shall allocate funds identified pursuant to subsection (c)(1) to individual medical facilities of the Department as the Secretary determines appropriate based upon proposals submitted by those facilities for the use of those funds for improvements to specialized mental health services.

(e) REPORT.—Not later than 12 months after the date of the enactment of this Act, the Secretary shall submit to the Committees on Veterans' Affairs of the Senate and House of Representatives a report describing the implementation of this section. The Secretary shall include in the report information on the allocation of funds to facilities of the Department under the program and a description of the improvements made with those funds to specialized mental health services for veterans.

TITLE II—MEDICAL PROGRAM ADMINISTRATION

SEC. 201. MEDICAL CARE COLLECTIONS.

(a) LIMITED AUTHORITY TO SET COPAYMENTS.—Section 1722A is amended—

(1) by redesignating subsections (b) and (c) as subsections (c) and (d), respectively;

(2) by inserting after subsection (a) the following new subsection (b):

“(b) The Secretary, pursuant to regulations which the Secretary shall prescribe, may—

“(1) increase the copayment amount in effect under subsection (a); and

“(2) establish a maximum monthly and a maximum annual pharmaceutical copayment amount under subsection (a) for veterans who have multiple outpatient prescriptions.”; and

(3) in subsection (c), as redesignated by paragraph (1)—

(A) by striking “this section” and inserting “subsection (a)”; and

(B) by adding at the end the following new sentence:
“Amounts collected through use of the authority under sub-

section (b) shall be deposited in the Department of Veterans Affairs Health Services Improvement Fund.”

(b) **OUTPATIENT TREATMENT.**—Section 1710(g) is amended—

(1) in paragraph (1), by striking “the amount determined under paragraph (2) of this subsection” and inserting “in the case of each outpatient visit the applicable amount or amounts established by the Secretary by regulation”; and

(2) in paragraph (2), by striking all after “for an amount” and inserting “which the Secretary shall establish by regulation.”

SEC. 202. HEALTH SERVICES IMPROVEMENT FUND.

(a) **ESTABLISHMENT OF FUND.**—Chapter 17 is amended by inserting after section 1729A the following new section:

“§ 1729B. Health Services Improvement Fund

“(a) There is established in the Treasury of the United States a fund to be known as the Department of Veterans Affairs Health Services Improvement Fund.

“(b) Amounts received or collected after the date of the enactment of this section under any of the following provisions of law shall be deposited in the fund:

“(1) Section 1713A of this title.

“(2) Section 1722A(b) of this title.

“(3) Section 8165(a) of this title.

“(4) Section 113 of the Veterans Millennium Health Care and Benefits Act.

“(c) Amounts in the fund are hereby available, without fiscal year limitation, to the Secretary for the purposes stated in subparagraphs (A) and (B) of section 1729A(c)(1) of this title.

“(d) The Secretary shall allocate amounts in the fund in the same manner as applies under subsection (d) of section 1729A of this title with respect to amounts made available from the fund under that section.”

(b) **CLERICAL AMENDMENT.**—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 1729A the following new item:
“1729B. Health Services Improvement Fund.”

SEC. 203. ALLOCATION TO HEALTH CARE FACILITIES OF AMOUNTS MADE AVAILABLE FROM MEDICAL CARE COLLECTIONS FUND.

Section 1729A(d) is amended—

(1) by striking “(1)”;

(2) by striking “each designated health care region” and inserting “each Department health care facility”;

(3) by striking “each region” and inserting “each facility”;

(4) by striking “such region” both places it appears and inserting “such facility”; and

(5) by striking paragraph (2).

SEC. 204. AUTHORITY TO ACCEPT FUNDS FOR EDUCATION AND TRAINING.

(a) **ESTABLISHMENT OF NONPROFIT CORPORATIONS AT MEDICAL CENTERS.**—Section 7361(a) is amended—

(1) by inserting “and education” after “research”; and

(2) by adding at the end the following: “Such a corporation may be established to facilitate either research or education or both research and education.”

(b) **PURPOSE OF CORPORATIONS.**—Section 7362 is amended—

(1) in the first sentence—

(A) by inserting “(a)” before “Any corporation”; and

(B) by inserting “and education and training as described in sections 7302, 7471, 8154, and 1701(6)(B) of this title” after “of this title”;

(2) in the second sentence—

(A) by inserting “or education” after “research”; and

(B) by striking “that purpose” and inserting “these purposes”; and

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

“(b) For purposes of this section, the term ‘education and training’ means the following:

“(1) In the case of employees of the Veterans Health Administration, such term means work-related instruction or other learning experiences to—

“(A) improve performance of current duties;

“(B) assist employees in maintaining or gaining specialized proficiencies; and

“(C) expand understanding of advances and changes in patient care, technology, and health care administration.

Such term includes (in the case of such employees) education and training conducted as part of a residency or other program designed to prepare an individual for an occupation or profession.

“(2) In the case of veterans under the care of the Veterans Health Administration, such term means instruction or other learning experiences related to improving and maintaining the health of veterans to patients and to the families and guardians of patients.”

(c) **BOARD OF DIRECTORS.**—Section 7363(a) is amended—

(1) in subsection (a)(1), by striking all after “medical center, and” and inserting “as appropriate, the assistant chief of staff for research for the medical center and the assistant chief of staff for education for the medical center, or, in the case of a facility at which such positions do not exist, those officials who are responsible for carrying out the responsibilities of the medical center director, chief of staff, and, as appropriate, the assistant chief of staff for research and the assistant chief of staff for education; and”;

(2) in subsection (a)(2), by inserting “or education, as appropriate” after “research”; and

(3) in subsection (c), by inserting “or education” after “research”.

(d) **APPROVAL OF EXPENDITURES.**—Section 7364 is amended by adding at the end the following new subsection:

“(c)(1) A corporation established under this subchapter may not spend funds for an education activity unless the activity is approved in accordance with procedures prescribed by the Under Secretary for Health.

“(2) *The Under Secretary for Health shall prescribe policies and procedures to guide the expenditure of funds by corporations under paragraph (1) consistent with the purpose of such corporations as flexible funding mechanisms.*”

(e) **ACCOUNTABILITY AND OVERSIGHT.**—Section 7366(d) is amended—

(1) in paragraph (2)(B), by inserting “for research and the amount received from governmental entities for education” after “entities”;

(2) in paragraph (2)(C), by inserting “for research and the amount received from all other sources for education” after “sources”;

(3) in paragraph (2)(D), by striking “the” and inserting “a”;

(4) in paragraph (3)(A), by striking “and” and inserting “, the amount expended for salary for education staff, and the amount expended”;

(5) in paragraph (3)(B), by inserting “and the amount expended for direct support of education” after “research”; and

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

“(4) *The amount expended by each corporation during the year for travel conducted in conjunction with research and the amount expended for travel in conjunction with education.*”

SEC. 205. EXTENSION OF CERTAIN AUTHORITIES.

(a) **READJUSTMENT COUNSELING.**—Section 1712A(a)(1)(B)(ii) is amended by striking “January 1, 2000” and inserting “January 1, 2004”.

(b) **NEWSLETTER ON MEDICAL CARE FOR PERSIAN GULF VETERANS.**—Section 105(b)(2) of the Persian Gulf War Veterans’ Benefits Act (title I of Public Law 103–446; 108 Stat. 4659; 38 U.S.C. 1117 note) is amended by striking “December 31, 1999” and inserting “December 31, 2003”.

(c) **EVALUATION OF HEALTH OF SPOUSES AND CHILDREN OF PERSIAN GULF VETERANS.**—Section 107(b) of that Act is amended by striking “December 31, 1999” and inserting “December 31, 2003”.

SEC. 206. REESTABLISHMENT OF COMMITTEE ON POST-TRAUMATIC STRESS DISORDER.

Section 110 of the Veterans’ Health Care Act of 1984 (38 U.S.C. 1712A note) is amended—

(1) by striking “Chief Medical Director” each place it appears and inserting “Under Secretary for Health”;

(2) by striking “Veterans’ Administration” each place it appears (other than in subsection (a)(1)) and inserting “Department”;

(3) by striking “Veterans’ Administration” in subsection (a)(1) and inserting “Department of Veterans Affairs”;

(4) by striking “Department of Medicine and Surgery” each place it appears and inserting “Veterans Health Administration”;

(5) by striking “section 612A” in subsection (a)(2) and inserting “section 1712A”;

(6) by striking “Department” in the second sentence of subsection (b)(1) and inserting “Veterans Health Administration”;

(7) by striking “Department of Veterans’ Benefits” in subsection (b)(4)(E) and inserting “Veterans Benefits Administration”;

(8) in subsection (e)(1), by striking “Not later than March 1, 1985, the Administrator” and inserting “Not later than March 1, 2000, the Secretary”; and

(9) in subsection (e)(2)—

(A) by striking “Not later than February 1, 1986” and inserting “Not later than February 1, 2001”;

(B) by striking “Administrator” and inserting “Secretary”; and

(C) by striking “before the submission of such report” and inserting “since the enactment of the Veterans Millennium Health Care and Benefits Act”.

SEC. 207. STATE HOME GRANT PROGRAM.

(a) GENERAL REGULATIONS.—Section 8134 is amended—

(1) by redesignating subsection (b) as subsection (c);

(2) by striking the matter in subsection (a) preceding paragraph (2) and inserting the following:

“(a)(1) The Secretary shall prescribe regulations for the purposes of this subchapter.

“(2) In those regulations, the Secretary shall prescribe for each State the number of nursing home and domiciliary beds for which assistance under this subchapter may be furnished. Such regulations shall be based on projected demand for such care 10 years after the date of the enactment of the Veterans Millennium Health Care and Benefits Act by veterans who at such time are 65 years of age or older and who reside in that State. In determining such projected demand, the Secretary shall take into account travel distances for veterans and their families.

“(3)(A) In those regulations, the Secretary shall establish criteria under which the Secretary shall determine, with respect to an application for assistance under this subchapter for a project described in subparagraph (B) which is from a State that has a need for additional beds as determined under subsections (a)(2) and (d)(1), whether the need for such beds is most aptly characterized as great, significant, or limited. Such criteria shall take into account the availability of beds already operated by the Secretary and other providers which appropriately serve the needs which the State proposes to meet with its application.

“(B) This paragraph applies to a project for the construction or acquisition of a new State home facility, a project to increase the number of beds available at a State home facility, and a project to replace beds at a State home facility.

“(4) The Secretary shall review and, as necessary, revise regulations prescribed under paragraphs (2) and (3) not less often than every four years.

“(b) The Secretary shall prescribe the following by regulation:”;

(3) by redesignating paragraphs (2) and (3) of subsection (b), as designated by paragraph (2), as paragraphs (1) and (2);

(4) in subsection (c), as redesignated by paragraph (1), by striking “subsection (a)(3)” and inserting “subsection (b)(2)”;

and

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

“(d)(1) In prescribing regulations to carry out this subchapter, the Secretary shall provide that in the case of a State that seeks assistance under this subchapter for a project described in subsection (a)(3)(B), the determination of the unmet need for beds for State homes in that State shall be reduced by the number of beds in all previous applications submitted by that State under this subchapter, including beds which have not been recognized by the Secretary under section 1741 of this title.

“(2)(A) Financial assistance under this subchapter for a renovation project may only be provided for a project for which the total cost of construction is in excess of \$400,000 (as adjusted from time to time in such regulations to reflect changes in costs of construction).

“(B) For purposes of this paragraph, a renovation project is a project to remodel or alter existing buildings for which financial assistance under this subchapter may be provided and does not include maintenance and repair work which is the responsibility of the State.”

(b) APPLICATIONS WITH RESPECT TO PROJECTS.—Section 8135 is amended—

(1) in subsection (a)—

(A) by striking “set forth—” in the matter preceding paragraph (1) and inserting “set forth the following.”;

(B) by capitalizing the first letter of the first word in each of paragraphs (1) through (9);

(C) by striking the comma at the end of each of paragraphs (1) through (7) and inserting a period; and

(D) by striking “, and” at the end of paragraph (8) and inserting a period;

(2) by redesignating subsections (b), (c), (d), and (e) as subsections (c), (d), (e), and (f), respectively;

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

“(b)(1) Any State seeking to receive assistance under this subchapter for a project that would involve construction or acquisition of either nursing home or domiciliary facilities shall include with its application under subsection (a) the following:

“(A) Documentation (i) that the site for the project is in reasonable proximity to a sufficient concentration and population of veterans who are 65 years of age and older, and (ii) that there is a reasonable basis to conclude that the facilities when complete will be fully occupied.

“(B) A financial plan for the first three years of operation of such facilities.

“(C) A five-year capital plan for the State home program for that State.

“(2) Failure to provide adequate documentation under paragraph (1)(A) or to provide an adequate financial plan under paragraph (1)(B) shall be a basis for disapproving the application.”;

(4) in subsection (c), as redesignated by paragraph (2)—

(A) in paragraph (1), by striking “for a grant under subsection (a) of this section” in the matter preceding subparagraph (A) and inserting “under subsection (a) for financial assistance under this subchapter”;

(B) in paragraph (2)—

(i) by striking “the construction or acquisition of” in subparagraph (A); and

(ii) by striking subparagraphs (B), (C), and (D) and inserting the following:

“(B) An application from a State for a project at an existing facility to remedy a condition or conditions that have been cited by an accrediting institution, by the Secretary, or by a local licensing or approving body of the State as being threatening to the lives or safety of the patients in the facility.

“(C) An application from a State that has not previously applied for award of a grant under this subchapter for construction or acquisition of a State nursing home.

“(D) An application for construction or acquisition of a nursing home or domiciliary from a State that the Secretary determines, in accordance with regulations under this subchapter, has a great need for the beds to be established at such home or facility.

“(E) An application from a State for renovations to a State home facility other than renovations described in subparagraph (B).

“(F) An application for construction or acquisition of a nursing home or domiciliary from a State that the Secretary determines, in accordance with regulations under this subchapter, has a significant need for the beds to be established at such home or facility.

“(G) An application that meets other criteria as the Secretary determines appropriate and has established in regulations.

“(H) An application for construction or acquisition of a nursing home or domiciliary from a State that the Secretary determines, in accordance with regulations under this subchapter, has a limited need for the beds to be established at such home or facility.”; and

(C) in paragraph (3), by striking subparagraph (A) and inserting the following:

“(A) may not accord any priority to a project for the construction or acquisition of a hospital; and”.

(c) TRANSITION.—(1) The provisions of sections 8134 and 8135 of title 38, United States Code, as in effect on November 10, 1999, shall continue in effect after that date with respect to applications described in section 8135(b)(2)(A) of such title, as in effect on that date, that are identified in paragraph (2) (and to projects and grants pursuant to those applications). The Secretary shall accord priority among those applications in the order listed in paragraph (2).

(2) Applications covered by paragraph (1) are the following:

(A) Any application for a fiscal year 1999 priority one project.

(B) Any application for a fiscal year 2000 priority one project that was submitted by a State that (i) did not receive grant funds from amounts appropriated for fiscal year 1999 under the State home grant program, and (ii) does not have any fiscal year 1999 priority one projects.

(3) For purposes of this subsection—

(A) the term “fiscal year 1999 priority one project” means a project on the list of approved projects established by the Secretary on October 29, 1998, under section 8135(b)(4) of title 38, United States Code, as in effect on that date that (pursuant to section 8135(b)(2)(A) of that title) is in the grouping of projects on that list designated as Priority Group 1;

(B) the term “fiscal year 2000 priority one project” means a project on the list of approved projects established by the Secretary on November 3, 1999, under section 8135(b)(4) of title 38, United States Code, as in effect on that date that (pursuant to section 8135(b)(2)(A) of that title) is in the grouping of projects on that list designated as Priority Group 1; and

(C) the term “State home grant program” means the grant program under subchapter III of chapter 81 of title 38, United States Code.

(d) *EFFECTIVE DATE FOR INITIAL REGULATIONS.*—The Secretary shall prescribe the initial regulations under subsection (a) of section 8134 of title 38, United States Code, as added by subsection (a), not later than April 30, 2000.

SEC. 208. EXPANSION OF ENHANCED-USE LEASE AUTHORITY.

(a) *AUTHORITY.*—Section 8162(a)(2) is amended—

(1) by striking “only if the Secretary” and inserting “only if—

“(A) the Secretary”;

(2) by redesignating subparagraphs (A), (B), and (C) as clauses (i), (ii), and (iii), respectively, and realigning those clauses so as to be four ems from the left margin;

(3) by striking the period at the end of clause (iii), as so redesignated, and inserting “; or”; and

(4) by adding at the end the following:

“(B) the Secretary determines that the implementation of a business plan proposed by the Under Secretary for Health for applying the consideration under such a lease to the provision of medical care and services would result in a demonstrable improvement of services to eligible veterans in the geographic service-delivery area within which the property is located.”.

(b) *TERM OF ENHANCED-USE LEASE.*—Section 8162(b) is amended—

(1) in paragraph (2), by striking “may not exceed—” and all that follows and inserting “may not exceed 75 years.”; and

(2) by striking paragraph (4) and inserting the following:

“(4) The terms of an enhanced-use lease may provide for the Secretary to—

“(A) obtain facilities, space, or services on the leased property; and

“(B) use minor construction funds for capital contribution payments.”.

(c) *DESIGNATION OF PROPERTY PROPOSED TO BE LEASED.*—(1) Subsection (b) of section 8163 is amended—

(A) by striking “include—” and inserting “include the following.”;

(B) by capitalizing the first letter of the first word of each of paragraphs (1), (2), (3), (4), and (5);

(C) by striking the semicolon at the end of paragraphs (1), (2), and (3) and inserting a period; and

(D) by striking subparagraphs (A), (B), and (C) of paragraph (4) and inserting the following:

“(A) would—

“(i) contribute in a cost-effective manner to the mission of the Department;

“(ii) not be inconsistent with the mission of the Department;

“(iii) not adversely affect the mission of the Department; and

“(iv) affect services to veterans; or

“(B) would result in a demonstrable improvement of services to eligible veterans in the geographic service-delivery area within which the property is located.”.

(2) Subparagraph (E) of subsection (c)(1) of that section is amended by striking clauses (i), (ii), and (iii) and inserting the following:

“(i) would—

“(I) contribute in a cost-effective manner to the mission of the Department;

“(II) not be inconsistent with the mission of the Department;

“(III) not adversely affect the mission of the Department; and

“(IV) affect services to veterans; or

“(ii) would result in a demonstrable improvement of services to eligible veterans in the geographic service-delivery area within which the property is located.”.

(d) USE OF PROCEEDS.—Section 8165(a) is amended by striking paragraph (1) and inserting the following:

“(a)(1) Funds received by the Department under an enhanced-use lease and remaining after any deduction from those funds under subsection (b) shall be deposited in the Department of Veterans Affairs Health Services Improvement Fund established under section 1729B of this title.”.

(e) EXTENSION OF AUTHORITY.—Section 8169 is amended by striking “December 31, 2001” and inserting “December 31, 2011”.

(f) TRAINING AND OUTREACH REGARDING AUTHORITY.—The Secretary shall take appropriate actions to provide training and outreach to personnel at Department medical centers regarding the enhanced-use lease authority under subchapter V of chapter 81 of title 38, United States Code. The training and outreach shall address methods of approaching potential lessees in the medical or commercial sectors regarding the possibility of entering into leases under that authority and other appropriate matters.

(g) INDEPENDENT ANALYSIS OF OPPORTUNITIES FOR USE OF AUTHORITY.—(1) The Secretary shall take appropriate actions to secure from an appropriate entity (or entities) independent of the Department an analysis (or analyses) of opportunities for the use of the enhanced-use lease authority under subchapter V of chapter 81 of title 38, United States Code.

(2) An analysis under paragraph (1) shall include—

(A) a survey of facilities of the Department for purposes of identifying Department property that presents an opportunity for lease under the enhanced-use lease authority;

(B) an assessment of the feasibility of entering into enhanced-use leases under that authority in the case of any property identified under subparagraph (A) as presenting an opportunity for such lease; and

(C) an assessment of the resources required at the Department facilities concerned, and at the Department Central Office, in order to facilitate the entering into of enhanced-used leases in the case of property so identified.

(3) If as a result of a survey under paragraph (2)(A) an entity carrying out an analysis under this subsection determines that a particular Department property presents no opportunities for lease under the enhanced-use lease authority, the analysis shall include the entity's explanation of that determination.

(4) If as a result of such a survey an entity carrying out an analysis under this subsection determines that certain Department property presents an opportunity for lease under the enhanced-use lease authority, the analysis shall include a single integrated business plan, developed by the entity, that addresses the strategy and resources necessary to implement the plan for all property determined to present an opportunity for such lease.

SEC. 209. INELIGIBILITY FOR EMPLOYMENT BY VETERANS HEALTH ADMINISTRATION OF HEALTH CARE PROFESSIONALS WHO HAVE LOST LICENSE TO PRACTICE IN ONE JURISDICTION WHILE STILL LICENSED IN ANOTHER JURISDICTION.

Section 7402 is amended by adding at the end the following new subsection:

“(f) A person may not be employed in a position under subsection (b) (other than under paragraph (4) of that subsection) if—

“(1) the person is or has been licensed, registered, or certified (as applicable to such position) in more than one State; and

“(2) either—

“(A) any of those States has terminated such license, registration, or certification for cause; or

“(B) the person has voluntarily relinquished such license, registration, or certification in any of those States after being notified in writing by that State of potential termination for cause.”.

SEC. 210. REPORT ON COORDINATION OF PROCUREMENT OF PHARMACEUTICALS AND MEDICAL SUPPLIES BY THE DEPARTMENT OF VETERANS AFFAIRS AND THE DEPARTMENT OF DEFENSE.

(a) **REQUIREMENT.**—Not later than July 31, 2000, the Secretary of Veterans Affairs and the Secretary of Defense shall jointly submit to the Committees on Veterans' Affairs and Armed Services of the Senate and the Committees on Veterans' Affairs and Armed Services of the House of Representatives a report on the cooperation between the Department of Veterans Affairs and the Department of Defense in the procurement of pharmaceuticals and medical supplies.

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

(1) A description of the current cooperation between the Department of Veterans Affairs and the Department of Defense in the procurement of pharmaceuticals and medical supplies.

(2) An assessment of the means by which cooperation between the departments in such procurement could be enhanced or improved.

(3) A description of any existing memoranda of agreement between the Department of Veterans Affairs and the Department of Defense that provide for the cooperation referred to in subsection (a).

(4) A description of the effects, if any, such agreements will have on current staffing levels at the Defense Supply Center in Philadelphia, Pennsylvania, and the Department of Veterans Affairs National Acquisition Center in Hines, Illinois.

(5) A description of the effects, if any, of such cooperation on military readiness.

(6) A comprehensive assessment of cost savings realized and projected over the five fiscal year period beginning in fiscal year 1999 for the Department of Veterans Affairs and the Department of Defense as a result of such cooperation, and the overall savings to the Treasury of the United States as a result of such cooperation.

(7) A list of the types of medical supplies and pharmaceuticals for which cooperative agreements would not be appropriate and the reason or reasons therefor.

(8) An assessment of the extent to which cooperative agreements could be expanded to include medical equipment, major systems, and durable goods used in the delivery of health care by the Department of Veterans Affairs and the Department of Defense.

(9) A description of the effects such agreements might have on distribution of items purchased cooperatively by the Department of Veterans Affairs and the Department of Defense, particularly outside the continental United States.

(10) An assessment of the potential to establish common pharmaceutical formularies between the Department of Veterans Affairs and the Department of Defense.

(11) An explanation of the current Uniform Product Number (UPN) requirements of each Department and of any planned standardization of such requirements between the Departments for medical equipment and durable goods manufacturers.

SEC. 211. REIMBURSEMENT OF MEDICAL EXPENSES OF VETERANS LOCATED IN ALASKA.

(a) **PRESERVATION OF CURRENT REIMBURSEMENT RATES.**—Notwithstanding any other provision of law, the Secretary shall, for purposes of reimbursing veterans in Alaska for medical expenses under section 1728 of title 38, United States Code, during the one-year period beginning on the date of the enactment of this Act, use the fee-for-service payment schedule in effect for such purposes on July 31, 1999, rather than the Participating Physician Fee Schedule under the Medicare program.

(b) **REPORT.**—(1) Not later than 180 days after the date of the enactment of this Act, the Secretary of Veterans Affairs and the Sec-

retary of Health and Human Services shall jointly submit to the Committees on Veterans' Affairs of the Senate and the House of Representatives a report and recommendation on the use of the Participating Physician Fee Schedule under the Medicare program as a means of calculating reimbursement rates for medical expenses of veterans located in Alaska under section 1728 of title 38, United States Code.

(2) The report shall—

(A) assess the differences between health care costs in Alaska and health care costs in the continental United States;

(B) describe any differences between the costs of providing health care in Alaska and the reimbursement rates for the provision of health care under the Participating Physician Fee Schedule; and

(C) assess the effects on health care for veterans in Alaska of implementing the Participating Physician Fee Schedule as a means of calculating reimbursement rates for medical expenses of veterans located in Alaska under section 1728 of title 38, United States Code.

TITLE III—MISCELLANEOUS MEDICAL PROVISIONS

SEC. 301. REVIEW OF PROPOSED CHANGES TO OPERATION OF MEDICAL FACILITIES.

Section 8110 is amended by adding at the end the following new subsections:

“(d) The Secretary may not in any fiscal year close more than 50 percent of the beds within a bed section (of 20 or more beds) of a Department medical center unless the Secretary first submits to the Committees on Veterans' Affairs of the Senate and the House of Representatives a report providing a justification for the closure. No action to carry out such closure may be taken after the submission of such report until the end of the 21-day period beginning on the date of the submission of the report.

“(e) The Secretary shall submit to the Committees on Veterans' Affairs of the Senate and the House of Representatives, not later than January 20 of each year, a report documenting by network for the preceding fiscal year the following:

“(1) The number of medical service and surgical service beds, respectively, that were closed during that fiscal year and, for each such closure, a description of the changes in delivery of services that allowed such closure to occur.

“(2) The number of nursing home beds that were the subject of a mission change during that fiscal year and the nature of each such mission change.

“(f) For purposes of this section:

“(1) The term ‘closure’, with respect to beds in a medical center, means ceasing to provide staffing for, and to operate, those beds. Such term includes converting the provision of such bed care from care in a Department facility to care under contract arrangements.

“(2) The term ‘bed section’, with respect to a medical center, means psychiatric beds (including beds for treatment of substance abuse and post-traumatic stress disorder), intermediate, neurology, and rehabilitation medicine beds, extended care (other than nursing home) beds, and domiciliary beds.

“(3) The term ‘justification’, with respect to closure of beds, means a written report that includes the following:

“(A) An explanation of the reasons for the determination that the closure is appropriate and advisable.

“(B) A description of the changes in the functions to be carried out and the means by which such care and services would continue to be provided to eligible veterans.

“(C) A description of the anticipated effects of the closure on veterans and on their access to care.”

SEC. 302. PATIENT SERVICES AT DEPARTMENT FACILITIES.

Section 7803 is amended—

(1) in subsection (a)—

(A) by striking “(a)” before “The canteens”; and

(B) by striking “in this subsection;” and all that follows through “the premises” and inserting “in this section”; and

(2) by striking subsection (b).

SEC. 303. CHIROPRACTIC TREATMENT.

(a) **ESTABLISHMENT OF PROGRAM.**—Not later than 120 days after the date of the enactment of this Act, the Under Secretary for Health of the Department of Veterans Affairs, after consultation with chiropractors, shall establish a policy for the Veterans Health Administration regarding the role of chiropractic treatment in the care of veterans under chapter 17 of title 38, United States Code.

(b) **DEFINITIONS.**—For purposes of this section:

(1) The term “chiropractic treatment” means the manual manipulation of the spine performed by a chiropractor for the treatment of such musculo-skeletal conditions as the Secretary considers appropriate.

(2) The term “chiropractor” means an individual who—

(A) is licensed to practice chiropractic in the State in which the individual performs chiropractic services; and

(B) holds the degree of doctor of chiropractic from a chiropractic college accredited by the Council on Chiropractic Education.

SEC. 304. DESIGNATION OF HOSPITAL BED REPLACEMENT BUILDING AT IOANNIS A. LOUGARIS DEPARTMENT OF VETERANS AFFAIRS MEDICAL CENTER, RENO, NEVADA.

The hospital bed replacement building under construction at the Ioannis A. Lougaris Department of Veterans Affairs Medical Center in Reno, Nevada, is hereby designated as the “Jack Streeter Building”. Any reference to that building in any law, regulation, map, document, record, or other paper of the United States shall be considered to be a reference to the Jack Streeter Building.

TITLE IV—CONSTRUCTION AND FACILITIES MATTERS

SEC. 401. AUTHORIZATION OF MAJOR MEDICAL FACILITY PROJECTS.

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) *Construction of a long term care facility at the Department of Veterans Affairs Medical Center, Lebanon, Pennsylvania, in an amount not to exceed \$14,500,000.*

(2) *Renovations and environmental improvements at the Department of Veterans Affairs Medical Center, Fargo, North Dakota, in an amount not to exceed \$12,000,000.*

(3) *Construction of a surgical suite and post-anesthesia care unit at the Department of Veterans Affairs Medical Center, Kansas City, Missouri, in an amount not to exceed \$13,000,000.*

(4) *Renovations and environmental improvements at the Department of Veterans Affairs Medical Center, Atlanta, Georgia, in an amount not to exceed \$12,400,000.*

(5) *Demolition of buildings at the Dwight D. Eisenhower Department of Veterans Affairs Medical Center, Leavenworth, Kansas, in an amount not to exceed \$5,600,000.*

(6) *Renovation to provide a domiciliary at Orlando, Florida, in a total amount not to exceed \$2,400,000, to be derived only from funds appropriated for Construction, Major Projects, for a fiscal year before fiscal year 2000 that remain available for obligation.*

SEC. 402. AUTHORIZATION OF MAJOR MEDICAL FACILITY LEASES.

The Secretary of Veterans Affairs may enter into leases for medical facilities as follows:

(1) *Lease of an outpatient clinic, Lubbock, Texas, in an amount not to exceed \$1,112,000.*

(2) *Lease of a research building, San Diego, California, in an amount not to exceed \$1,066,500.*

SEC. 403. AUTHORIZATION OF APPROPRIATIONS.

(a) *IN GENERAL.—There are authorized to be appropriated to the Secretary of Veterans Affairs for fiscal year 2000 and for fiscal year 2001—*

(1) *for the Construction, Major Projects, account \$57,500,000 for the projects authorized in paragraphs (1) through (5) of section 401; and*

(2) *for the Medical Care account, \$2,178,500 for the leases authorized in section 402.*

(b) *LIMITATION.—The projects authorized in paragraphs (1) through (5) of section 401 may only be carried out using—*

(1) *funds appropriated for fiscal year 2000 or fiscal year 2001 pursuant to the authorization of appropriations in subsection (a);*

(2) *funds appropriated for Construction, Major Projects, for a fiscal year before fiscal year 2000 that remain available for obligation; and*

(3) funds appropriated for Construction, Major Projects, for fiscal year 2000 for a category of activity not specific to a project.

TITLE V—BENEFITS AND EMPLOYMENT MATTERS

Subtitle A—Compensation and DIC

SEC. 501. DEPENDENCY AND INDEMNITY COMPENSATION FOR SURVIVING SPOUSES OF FORMER PRISONERS OF WAR.

(a) *SHORT TITLE.*—This section may be cited as the “John William Rolan Act”.

(b) *ELIGIBILITY.*—Section 1318(b) is amended—

(1) by striking “that either—” in the matter preceding paragraph (1) and inserting “rated totally disabling if—”;

(2) in paragraph (1)—

(A) by inserting “the disability” after “(1)”; and

(B) by striking “or” after “death.”;

(3) in paragraph (2)—

(A) by striking “if so rated for a lesser period, was so rated continuously” and inserting “the disability was continuously rated totally disabling”; and

(B) by striking the period at the end and inserting “; or”; and

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

“(3) the veteran was a former prisoner of war who died after September 30, 1999, and the disability was continuously rated totally disabling for a period of not later than one year immediately preceding death.”.

SEC. 502. REINSTATEMENT OF CERTAIN BENEFITS FOR REMARRIED SURVIVING SPOUSES OF VETERANS UPON TERMINATION OF THEIR REMARRIAGE.

(a) *RESTORATION OF PRIOR ELIGIBILITY.*—Section 103(d) is amended—

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

(2) by adding at the end the following:

“(2) The remarriage of the surviving spouse of a veteran shall not bar the furnishing of benefits specified in paragraph (5) to such person as the surviving spouse of the veteran if the remarriage has been terminated by death or divorce unless the Secretary determines that the divorce was secured through fraud or collusion.

“(3) If the surviving spouse of a veteran ceases living with another person and holding himself or herself out openly to the public as that person’s spouse, the bar to granting that person benefits as the surviving spouse of the veteran shall not apply in the case of the benefits specified in paragraph (5).

“(4) The first month of eligibility for benefits for a surviving spouse by reason of this subsection shall be the month after—

“(A) the month of the termination of such remarriage, in the case of a surviving spouse described in paragraph (2); or

“(B) the month of the cessation described in paragraph (3), in the case of a surviving spouse described in that paragraph.

“(5) Paragraphs (2) and (3) apply with respect to benefits under the following provisions of this title:

“(A) Section 1311, relating to dependency and indemnity compensation.

“(B) Section 1713, relating to medical care for survivors and dependents of certain veterans.

“(C) Chapter 35, relating to educational assistance.

“(D) Chapter 37, relating to housing loans.”.

(b) **CONFORMING AMENDMENT.**—Section 1311 is amended by striking subsection (e).

(c) **EFFECTIVE DATE.**—The amendments made by subsections (a) and (b) shall take effect on the first day of the first month beginning after the month in which this Act is enacted.

(d) **LIMITATION.**—No payment may be made to a person by reason of paragraphs (2) and (3) of section 103(d) of title 38, United States Code, as added by subsection (a), for any period before the effective date specified in subsection (c).

SEC. 503. PRESUMPTION THAT BRONCHIOLO-ALVEOLAR CARCINOMA IS SERVICE-CONNECTED.

Section 1112(c)(2) is amended by adding at the end the following new subparagraph:

“(P) Bronchiolo-alveolar carcinoma.”.

Subtitle B—Employment

SEC. 511. CLARIFICATION OF VETERANS’ CIVIL SERVICE EMPLOYMENT OPPORTUNITIES.

(a) **COORDINATION OF AMENDMENTS.**—If the Federal Reserve Board Retirement Portability Act is enacted before this Act, the amendments made by subsection (b) shall be made and the amendments made by subsection (c) shall not be made. Otherwise, the amendments made by subsection (c) shall be made and the amendments made by subsection (b) and the amendments made by section 204 of the Federal Reserve Board Retirement Portability Act shall not be made.

(b) **CLARIFICATION OF CIVIL SERVICE EMPLOYMENT OPPORTUNITIES.**—Subject to subsection (a), section 3304(f) of title 5, United States Code, as amended by section 204 of the Federal Reserve Board Retirement Portability Act, is amended—

(1) in paragraph (2), as added by such section, by striking “shall acquire competitive status and”; and

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

“(5) The Office of Personnel Management shall prescribe regulations necessary for the administration of this subsection. The regulations shall ensure that an individual who has completed an initial tour of active duty is not excluded from the application of this subsection because of having been released from such tour of duty shortly before completing 3 years of active service, having been honorably released from such duty.”.

(c) **CLARIFICATION OF CIVIL SERVICE EMPLOYMENT OPPORTUNITIES.**—Subject to subsection (a), section 3304(f) of title 5, United States Code, is amended—

(1) by striking paragraph (4);

(2) by redesignating paragraphs (2) and (3) as paragraphs (3) and (4), respectively;

(3) by inserting after paragraph (1) the following new paragraph (2):

“(2) If selected, a preference eligible or veteran described in paragraph (1) shall receive a career or career-conditional appointment, as appropriate.”; and

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

“(5) The Office of Personnel Management shall prescribe regulations necessary for the administration of this subsection. The regulations shall ensure that an individual who has completed an initial tour of active duty is not excluded from the application of this subsection because of having been released from such tour of duty shortly before completing 3 years of active service, having been honorably released from such duty.”.

(d) *EFFECTIVE DATE.*—(1) If pursuant to subsection (a) the amendments specified in subsection (b) are made, those amendments shall apply as if included in section 204 of the Federal Reserve Board Retirement Portability Act.

(2) If pursuant to subsection (a) the amendments specified in subsection (c) are made, those amendments shall take effect as of October 31, 1998, as if included in subsection (f) of section 3304 of title 5, United States Code, as enacted by section 2 of the Veterans Employment Opportunities Act of 1998 (Public Law 105-339; 112 Stat. 3182).

TITLE VI—MEMORIAL AFFAIRS MATTERS

Subtitle A—American Battle Monuments Commission

SEC. 601. CODIFICATION AND EXPANSION OF AUTHORITY FOR WORLD WAR II MEMORIAL.

(a) *CODIFICATION OF EXISTING AUTHORITY; EXPANSION OF AUTHORITY.*—(1) Chapter 21 of title 36, United States Code, is amended by adding at the end the following new section:

“§2113. World War II memorial in the District of Columbia

“(a) *SOLICITATION AND ACCEPTANCE OF CONTRIBUTIONS.*—(1) Consistent with its authority under section 2103(e) of this title, the American Battle Monuments Commission shall solicit and accept contributions for the World War II memorial.

“(2) In this section, the term ‘World War II memorial’ means the memorial authorized by Public Law 103-32 (40 U.S.C. 1003 note) to be established by the Commission on Federal land in the District of Columbia or its environs to honor members of the Armed Forces who served in World War II and to commemorate the participation of the United States in that war.

“(b) *CREATION OF MEMORIAL FUND.*—(1) There is hereby created in the Treasury a fund for the World War II memorial, which shall consist of the following:

“(A) Amounts deposited, and interest and proceeds credited, under paragraph (2).

“(B) Obligations obtained under paragraph (3).

“(C) The amount of surcharges paid to the Commission for the World War II memorial under the World War II 50th Anniversary Commemorative Coins Act (31 U.S.C. 5112 note).

“(D) Amounts borrowed using the authority provided under subsection (d).

“(E) Any funds received by the Commission under section 2114 of this title in exchange for use of, or the right to use, any mark, copyright or patent.

“(2) The Chairman of the Commission shall deposit in the fund the amounts accepted as contributions under subsection (a). The Secretary of the Treasury shall credit to the fund the interest on, and the proceeds from sale or redemption of, obligations held in the fund.

“(3) The Secretary of the Treasury shall invest any portion of the fund that, as determined by the Chairman, is not required to meet current expenses. Each investment shall be made in an interest-bearing obligation of the United States or an obligation guaranteed as to principal and interest by the United States that, as determined by the Chairman, has a maturity suitable for the fund.

“(c) USE OF FUND.—The fund shall be available to the Commission—

“(1) for the expenses of establishing the World War II memorial, including the maintenance and preservation amount provided for in section 8(b) of the Commemorative Works Act (40 U.S.C. 1008(b));

“(2) for such other expenses, other than routine maintenance, with respect to the World War II memorial as the Commission considers warranted; and

“(3) to secure, obtain, register, enforce, protect, and license any mark, copyright, or patent that is owned by, assigned to, or licensed to the Commission under section 2114 of this title to aid or facilitate the construction of the World War II memorial.

“(d) SPECIAL BORROWING AUTHORITY.—(1) To assure that groundbreaking, construction, and dedication of the World War II memorial are carried out on a timely basis, the Commission may borrow money from the Treasury of the United States in such amounts as the Commission considers necessary, but not to exceed a total of \$65,000,000. Borrowed amounts shall bear interest at a rate determined by the Secretary of the Treasury, taking into consideration the average market yield on outstanding marketable obligations of the United States of comparable maturities during the month preceding the month in which the obligations of the Commission are issued. The interest payments on such obligations may be deferred with the approval of the Secretary, but any interest payment so deferred shall also bear interest.

“(2) The borrowing of money by the Commission under paragraph (1) shall be subject to such maturities, terms, and conditions as may be agreed upon by the Commission and the Secretary, except that the maturities may not exceed 20 years and such borrowings may be redeemable at the option of the Commission before maturity.

“(3) *The obligations of the Commission shall be issued in amounts and at prices approved by the Secretary. The authority of the Commission to issue obligations under this subsection shall remain available without fiscal year limitation. The Secretary of the Treasury shall purchase any obligations of the Commission to be issued under this subsection, and for such purpose the Secretary of the Treasury may use as a public debt transaction of the United States the proceeds from the sale of any securities issued under chapter 31 of title 31. The purposes for which securities may be issued under such chapter are extended to include any purchase of the Commission’s obligations under this subsection.*

“(4) *Repayment of the interest and principal on any funds borrowed by the Commission under paragraph (1) shall be made from amounts in the fund. The Commission may not use for such purpose any funds appropriated for any other activities of the Commission.*

“(e) *TREATMENT OF BORROWING AUTHORITY.—In determining whether the Commission has sufficient funds to complete construction of the World War II memorial, as required by section 8 of the Commemorative Works Act (40 U.S.C. 1008), the Secretary of the Interior shall consider the funds that the Commission may borrow from the Treasury under subsection (d) as funds available to complete construction of the memorial, whether or not the Commission has actually exercised the authority to borrow such funds.*

“(f) *VOLUNTARY SERVICES.—(1) Notwithstanding section 1342 of title 31, the Commission may accept from any person voluntary services to be provided in furtherance of the fund-raising activities of the Commission relating to the World War II memorial.*

“(2) *A person providing voluntary services under this subsection shall be considered to be a Federal employee for purposes of chapter 81 of title 5, relating to compensation for work-related injuries, and chapter 171 of title 28, relating to tort claims. A volunteer who is not otherwise employed by the United States shall not be considered to be a Federal employee for any other purpose by reason of the provision of such voluntary service, except that any volunteer given responsibility for the handling of funds or the carrying out of a Federal function is subject to the conflict of interest laws contained in chapter 11 of title 18 and the administrative standards of conduct contained in part 2635 of title 5 of the Code of Federal Regulations.*

“(3) *The Commission may provide for reimbursement of incidental expenses that are incurred by a person providing voluntary services under this subsection. The Commission shall determine those expenses that are eligible for reimbursement under this paragraph.*

“(4) *Nothing in this subsection shall be construed to require any Federal employee to work without compensation or to allow the use of volunteer services to displace or replace any Federal employee.*

“(g) *TREATMENT OF CERTAIN CONTRACTS.—A contract entered into by the Commission for the design or construction of the World War II memorial is not a funding agreement as that term is defined in section 201 of title 35.*

“(h) *EXTENSION OF AUTHORITY TO ESTABLISH MEMORIAL.—Notwithstanding section 10 of the Commemorative Works Act (40 U.S.C. 1010), the authority for the construction of the World War*

II memorial provided by Public Law 103–32 (40 U.S.C. 1003 note) expires on December 31, 2005.”

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

“2113. World War II memorial in the District of Columbia.”

(b) CONFORMING AMENDMENTS.—Public Law 103–32 (40 U.S.C. 1003 note) is amended by striking sections 3, 4, and 5.

(c) EFFECT OF REPEAL OF CURRENT MEMORIAL FUND.—Upon the enactment of this Act, the Secretary of the Treasury shall transfer amounts in the fund created by section 4(a) of Public Law 103–32 (40 U.S.C. 1003 note) to the fund created by section 2113(b) of title 36, United States Code, as added by subsection (a).

SEC. 602. GENERAL AUTHORITY TO SOLICIT AND RECEIVE CONTRIBUTIONS.

Subsection (e) of section 2103 of title 36, United States Code, is amended to read as follows:

“(e) SOLICITATION AND RECEIPT OF CONTRIBUTIONS.—(1) The Commission may solicit and receive funds and in-kind donations and gifts from any State, municipal, or private source to carry out the purposes of this chapter. The Commission shall deposit such funds in a separate account in the Treasury. Funds from that account shall be disbursed upon vouchers approved by the Chairman of the Commission.

“(2) The Commission shall establish written guidelines setting forth the criteria to be used in determining whether the acceptance of funds and in-kind donations and gifts under paragraph (1) would—

“(A) reflect unfavorably on the ability of the Commission, or any member or employee of the Commission, to carry out the responsibilities or official duties of the Commission in a fair and objective manner; or

“(B) compromise the integrity or the appearance of the integrity of the programs of the Commission or any official involved in those programs.”

SEC. 603. INTELLECTUAL PROPERTY AND RELATED ITEMS.

(a) IN GENERAL.—Chapter 21 of title 36, United States Code, as amended by section 601(a)(1), is further amended by adding at the end the following new section:

“§2114. Intellectual property and related items

“(a) AUTHORITY TO USE AND REGISTER INTELLECTUAL PROPERTY.—The American Battle Monuments Commission may—

“(1) adopt, use, register, and license trademarks, service marks, and other marks;

“(2) obtain, use, register, and license the use of copyrights consistent with section 105 of title 17;

“(3) obtain, use, and license patents; and

“(4) accept gifts of marks, copyrights, patents, and licenses for use by the Commission.

“(b) AUTHORITY TO GRANT LICENSES.—The Commission may grant exclusive and nonexclusive licenses in connection with any mark, copyright, patent, or license for the use of such mark, copyright or patent, except to the extent the grant of such license by the

Commission would be contrary to any contract or license by which the use of the mark, copyright, or patent was obtained.

“(c) ENFORCEMENT AUTHORITY.—The Commission may enforce any mark, copyright, or patent by an action in the district courts under any law providing for the protection of such marks, copyrights, or patents.

“(d) LEGAL REPRESENTATION.—The Attorney General shall furnish the Commission with such legal representation as the Commission may require under subsection (c). The Secretary of Defense shall provide representation for the Commission in administrative proceedings before the Patent and Trademark Office and Copyright Office.

“(e) IRREVOCABILITY OF TRANSFERS OF COPYRIGHTS TO COMMISSION.—Section 203 of title 17 shall not apply to any copyright transferred in any manner to the Commission.”.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter, as amended by section 601(a)(2), is further amended by adding at the end the following new item:

“2114. Intellectual property and related items.”.

SEC. 604. TECHNICAL AMENDMENTS.

Chapter 21 of title 36, United States Code, is amended as follows:

(1) Section 2101(b) is amended—

(A) by striking “title 37, United States Code,” in paragraph (2) and inserting “title 37”; and

(B) by striking “title 5, United States Code,” in paragraph (3) and inserting “title 5”.

(2) Section 2102(a)(1) is amended, by striking “title 5, United States Code” and inserting “title 5”.

(3) Section 2103 is amended—

(A) by striking “title 31, United States Code” in subsection (h)(2)(A)(i) and inserting “title 31”;

(B) by striking “title 44, United States Code” in subsection (i) and inserting “title 44”; and

(C) by striking “chairman” each place it appears and inserting “Chairman”.

Subtitle B—National Cemeteries

SEC. 611. ESTABLISHMENT OF ADDITIONAL NATIONAL CEMETERIES.

(a) ESTABLISHMENT.—The Secretary shall establish, in accordance with chapter 24 of title 38, United States Code, a national cemetery in each of the six areas in the United States that the Secretary determines to be most in need of such a cemetery to serve the needs of veterans and their families.

(b) OBLIGATION OF FUNDS IN FISCAL YEAR 2000.—The Secretary shall obligate, from the advance planning fund in the Construction, Major Projects account appropriated to the Department for fiscal year 2000, such amounts for costs that the Secretary estimates are required for the planning and commencement of the establishment of national cemeteries under this section.

(c) REPORTS.—(1) Not later than 120 days after the date of the enactment of this Act, the Secretary shall submit to Congress a re-

port on the establishment of the national cemeteries under subsection (a). The report shall set forth the following:

(A) The six areas of the United States determined by the Secretary to be most in need of the establishment of a new national cemetery.

(B) A schedule for such establishment.

(C) An estimate of the costs associated with such establishment.

(D) The amount obligated from the advance planning fund under subsection (b).

(2) Not later than one year after the date on which the report described in paragraph (1) is submitted, and annually thereafter until the establishment of the national cemeteries under subsection (a) is complete, the Secretary shall submit to Congress a report that updates the information included in the report described in paragraph (1).

SEC. 612. USE OF FLAT GRAVE MARKERS AT SANTA FE NATIONAL CEMETERY, NEW MEXICO.

Notwithstanding section 2404(c)(2) of title 38, United States Code, the Secretary may provide for flat grave markers at the Santa Fe National Cemetery, New Mexico.

SEC. 613. INDEPENDENT STUDY ON IMPROVEMENTS TO VETERANS' CEMETERIES.

(a) *STUDY.*—Not later than 180 days after the date of the enactment of this Act, the Secretary shall enter into a contract with one or more qualified organizations to conduct a study of national cemeteries described in subsection (b). For purposes of this section, an entity of Federal, State, or local government is not a qualified organization.

(b) *MATTERS STUDIED.*—(1) The study conducted pursuant to the contract entered into under subsection (a) shall include an assessment of each of the following:

(A) The one-time repairs required at each national cemetery under the jurisdiction of the National Cemetery Administration of the Department of Veterans Affairs to ensure a dignified and respectful setting appropriate to such cemetery, taking into account the variety of age, climate, and burial options at individual national cemeteries.

(B) The feasibility of making standards of appearance of active national cemeteries, and the feasibility of making standards of appearance of closed national cemeteries, commensurate with standards of appearance of the finest cemeteries in the world.

(C) The number of additional national cemeteries that will be required for the interment and memorialization in such cemeteries of individuals qualified under chapter 24 of title 38, United States Code, who die after 2005.

(D) The advantages and disadvantages of the use by the National Cemetery Administration of flat grave markers and upright grave markers.

(E) The current condition of flat grave marker sections at each of the national cemeteries.

(2) In presenting the assessment of additional national cemeteries required under paragraph (1)(C), the report shall identify by

five-year period, beginning with 2005 and ending with 2020, the following:

(A) The number of additional national cemeteries required during each such five-year period.

(B) With respect to each such five-year period, the areas in the United States with the greatest concentration of veterans whose needs are not served by national cemeteries or State veterans' cemeteries.

(c) REPORT.—(1) Not later than one year after the date on which a qualified organization enters into a contract under subsection (a), the organization shall submit to the Secretary a report setting forth the results of the study conducted and conclusions of the organization with respect to such results.

(2) Not later than 120 days after the date on which a report is submitted under paragraph (1), the Secretary shall transmit to the Committees on Veterans' Affairs of the House of Representatives and the Senate a copy of the report, together with any comments on the report that the Secretary considers appropriate.

Subtitle C—Burial Benefits

SEC. 621. INDEPENDENT STUDY ON IMPROVEMENTS TO VETERANS' BURIAL BENEFITS.

(a) STUDY.—Not later than 60 days after the date of the enactment of this Act, the Secretary shall enter into a contract with one or more qualified organizations to conduct a study of burial benefits under chapter 23 of title 38, United States Code. For purposes of this section, an entity of Federal, State, or local government is not a qualified organization.

(b) MATTERS STUDIED.—The study conducted pursuant to the contract entered into under subsection (a) shall include consideration of the following:

(1) An assessment of the adequacy and effectiveness of the burial benefits administered by the Secretary under chapter 23 of title 38, United States Code, in meeting the burial needs of veterans and their families.

(2) Options to better serve the burial needs of veterans and their families, including modifications to burial benefit amounts and eligibility, together with the estimated cost for each such modification.

(3) Expansion of the authority of the Secretary to provide burial benefits for burials in private-sector cemeteries and to make grants to private-sector cemeteries.

(c) REPORT.—(1) Not later than 120 days after the date on which a qualified organization enters into a contract under subsection (a), the organization shall submit to the Secretary a report setting forth the results of the study conducted and conclusions of the organization with respect to those results.

(2) Not later than 60 days after the date on which a report is submitted under paragraph (1), the Secretary shall transmit to the Committees on Veterans' Affairs of the Senate and House of Representatives a copy of the report, together with any comments on the report that the Secretary considers appropriate.

TITLE VII—EDUCATION AND HOUSING MATTERS

Subtitle A—Education Matters

SEC. 701. AVAILABILITY OF MONTGOMERY GI BILL BENEFITS FOR PREPARATORY COURSES FOR COLLEGE AND GRADUATE SCHOOL ENTRANCE EXAMS.

Section 3002(3) is amended—

(1) *by striking “, and” at the end of subparagraph (A) and inserting a semicolon;*

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

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

“(B) includes—

“(i) a preparatory course for a test that is required or used for admission to an institution of higher education; and

“(ii) a preparatory course for a test that is required or used for admission to a graduate school; and”.

SEC. 702. DETERMINATION OF ELIGIBILITY PERIOD FOR MEMBERS OF THE ARMED FORCES COMMISSIONED FOLLOWING COMPLETION OF OFFICER TRAINING SCHOOL.

(a) MEASUREMENT OF PERIOD COUNTED FOR GI BILL ELIGIBILITY.—Section 3011(f) is amended—

(1) in paragraph (1), by striking “paragraph (2)” and inserting “paragraph (2) or (3); and

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

“(3) This subsection applies to a member who after a period of continuous active duty as an enlisted member or warrant officer, and following successful completion of officer training school, is discharged in order to accept, without a break in service, a commission as an officer in the Armed Forces for a period of active duty.”.

(b) CONFORMING AMENDMENTS FOR TIME LIMITATION FOR USE OF ELIGIBILITY AND ENTITLEMENT.—Section 3031 is amended—

(1) by redesignating subsection (g) as subsection (h);

(2) in subsection (a)—

(A) by striking “through (e)” and inserting “through (g)”; and

(B) by striking “subsection (g)” and inserting “subsection (h)”; and

(3) by inserting after subsection (f) the following new subsection:

“(g) In the case of an individual described in section 3011(f)(3) of this title, the period during which that individual may use the individual’s entitlement to educational assistance allowance expires on the last day of the 10-year period beginning on the date of the enactment of the Veterans Millennium Health Care and Benefits Act if that date is later than the date that would otherwise be applicable to that individual under this section.”.

(c) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect on the date of the enactment of this Act and apply

with respect to an individual first appointed as a commissioned officer on or after July 1, 1985.

SEC. 703. REPORT ON VETERANS' EDUCATION AND VOCATIONAL TRAINING BENEFITS PROVIDED BY THE STATES.

(a) *REPORT.*—(1) Not later than six months after the date of the enactment of this Act, the Secretary shall submit to the Committees on Veterans' Affairs of the Senate and the House of Representatives a report on veterans education and vocational training benefits provided by the States.

(2) Benefits to be considered to be veterans education and vocational training benefits for the purpose of this section include any education or vocational training benefit provided by a State (including any political subdivision of a State) for which persons are eligible by reason of service in the Armed Forces, including, in the case of persons who died in the Armed Forces or as a result of a disease or disability incurred in the Armed Forces, benefits provided by reason of the service of those persons to their survivors or dependents.

(3) For purposes of this section, the term "veteran" includes a person serving on active duty or in one of the reserve components and a person who died while in the active military, naval, or air service.

(b) *MATTERS TO BE INCLUDED.*—The report under this section shall include the following:

(1) A description, by State, of the veterans education and vocational training benefits provided, including—

(A) identification of benefits that are provided specifically for disabled veterans or for which disabled veterans receive benefits in a different amount; and

(B) identification of benefits for which survivors of persons who died in the Armed Forces (or as a result of a disease or disability incurred in the Armed Forces) or who were disabled in the Armed Forces are eligible.

(2) For each State that provides a veterans education benefit consisting of full or partial tuition assistance for post-secondary education, a description of that benefit, including whether the benefit is limited to tuition for attendance at an institution of higher education in that State or to tuition for attendance at a public institution of higher education in that State.

(3) A description of actions and programs of the Department of Veterans Affairs, the Department of Defense, the Department of Education, and the Department of Labor to encourage the States to provide benefits designed to assist veterans in securing post-secondary education and vocational training.

(c) *CONSULTATION.*—The report under this section shall be prepared in consultation with the Secretary of Education, the Secretary of Defense, and the Secretary of Labor.

(d) *STATE DEFINED.*—For purposes of this section, the term "State" has the meaning given that term in section 101(20) of title 38, United States Code.

SEC. 704. TECHNICAL AMENDMENTS.

Sections 3011(i) and 3012(g)(1) are amended by striking "Federal".

Subtitle B—Housing Matters

SEC. 711. EXTENSION OF AUTHORITY FOR HOUSING LOANS FOR MEMBERS OF THE SELECTED RESERVE.

Section 3702(a)(2)(E) is amended by striking “September 30, 2003,” and inserting “September 30, 2007.”

SEC. 712. TECHNICAL AMENDMENT RELATING TO TRANSITIONAL HOUSING LOAN GUARANTEE PROGRAM.

Section 3775 is amended—

(1) by inserting “(a)” before “During each”; and

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

“(b) After the first three years of operation of such a multifamily transitional housing project, the Secretary may provide for periodic audits of the project.”

TITLE VIII—DEPARTMENT OF VETERANS AFFAIRS ADMINISTRATIVE MATTERS

SEC. 801. ENHANCED QUALITY ASSURANCE PROGRAM WITHIN THE VETERANS BENEFITS ADMINISTRATION.

(a) IN GENERAL.—(1) Chapter 77 is amended by adding at the end the following new subchapter:

“SUBCHAPTER III—QUALITY ASSURANCE

“§ 7731. Establishment

“(a) The Secretary shall carry out a quality assurance program in the Veterans Benefits Administration. The program may be carried out through a single quality assurance division in the Administration or through separate quality assurance entities for each of the principal organizational elements (known as ‘services’) of the Administration.

“(b) The Secretary shall ensure that any quality assurance entity established and operated under subsection (a) is established and operated so as to meet generally applicable governmental standards for independence and internal controls for the performance of quality reviews of Government performance and results.

“§ 7732. Functions

“The Under Secretary for Benefits, acting through the quality assurance entities established under section 7731(a), shall on an ongoing basis perform and oversee quality reviews of the functions of each of the principal organizational elements of the Veterans Benefits Administration.

“§ 7733. Personnel

“The Secretary shall ensure that the number of full-time employees of the Veterans Benefits Administration assigned to quality assurance functions under this subchapter is adequate to perform the quality assurance functions for which they have responsibility.

“§ 7734. Annual report to Congress

“The Secretary shall include in the annual report to the Congress required by section 529 of this title a report on the quality assurance activities carried out under this subchapter. Each such report shall include—

“(1) an appraisal of the quality of services provided by the Veterans Benefits Administration, including—

“(A) the number of decisions reviewed;

“(B) a summary of the findings on the decisions reviewed;

“(C) the number of full-time equivalent employees assigned to quality assurance in each division or entity;

“(D) specific documentation of compliance with the standards for independence and internal control required by section 7731(b) of this title; and

“(E) actions taken to improve the quality of services provided and the results obtained;

“(2) information with respect to the accuracy of decisions, including trends in that information; and

“(3) such other information as the Secretary considers appropriate.”.

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

“SUBCHAPTER III—QUALITY ASSURANCE

“7731. Establishment.

“7732. Functions.

“7733. Personnel.

“7734. Annual report to Congress.”.

(b) EFFECTIVE DATE.—Subchapter III of chapter 77 of title 38, United States Code, as added by subsection (a), shall take effect at the end of the 60-day period beginning on the date of the enactment of this Act.

SEC. 802. EXTENSION OF AUTHORITY TO MAINTAIN A REGIONAL OFFICE IN THE REPUBLIC OF THE PHILIPPINES.

Section 315(b) is amended by striking “December 31, 1999” and inserting “December 31, 2003”.

SEC. 803. EXTENSION OF ADVISORY COMMITTEE ON MINORITY VETERANS.

Section 544(e) is amended by striking “December 31, 1999” and inserting “December 31, 2003”.

SEC. 804. TECHNICAL AMENDMENT TO AUTOMOBILE ASSISTANCE PROGRAM.

Section 3903(e)(2) is amended by striking “(not owned by the Government)”.

TITLE IX—HOMELESS VETERANS PROGRAMS

SEC. 901. HOMELESS VETERANS’ REINTEGRATION PROGRAMS.

(a) IN GENERAL.—Chapter 41 is amended by adding at the end the following new section:

“§ 4111. Homeless veterans’ reintegration programs

“(a) *IN GENERAL.*—The Secretary, acting through the Assistant Secretary of Labor for Veterans’ Employment and Training, shall conduct, directly or through grant or contract, such programs as the Secretary determines appropriate to expedite the reintegration of homeless veterans into the labor force.

“(b) *AUTHORITY TO MONITOR EXPENDITURE OF FUNDS.*—The Secretary may collect such information as the Secretary considers appropriate to monitor and evaluate the distribution and expenditure of funds appropriated to carry out this section, and such information shall be furnished to the Secretary in such form as the Secretary determines appropriate.

“(c) *DEFINITION.*—For purposes of this section, the term ‘homeless veteran’ has the meaning given that term by section 3771(2) of this title.

“(d) *AUTHORIZATION OF APPROPRIATIONS.*—(1) There are authorized to be appropriated to carry out this section amounts as follows:

“(A) \$10,000,000 for fiscal year 2000.

“(B) \$15,000,000 for fiscal year 2001.

“(C) \$20,000,000 for fiscal year 2002.

“(D) \$20,000,000 for fiscal year 2003.

“(2) Funds obligated for any fiscal year to carry out this section may be expended in that fiscal year and the succeeding fiscal year.”.

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

“4111. Homeless veterans’ reintegration programs.”.

SEC. 902. EXTENSION OF PROGRAM OF HOUSING ASSISTANCE FOR HOMELESS VETERANS.

Section 3735(c) is amended by striking “December 31, 1999” and inserting “December 31, 2003”.

SEC. 903. HOMELESS VETERANS PROGRAMS.

The Homeless Veterans Comprehensive Service Programs Act of 1992 (38 U.S.C. 7721 note) is amended as follows:

(1) Section 3(a)(1) is amended by inserting “, and expanding existing programs for furnishing,” after “new programs to furnish”.

(2) Section 3(a)(2) is amended by striking “September 30, 1999” and inserting “September 30, 2003”.

(3) Section 3(b)(2) is amended by striking “and no more than 20 programs which incorporate the procurement of vans as described in paragraph (1)”.

(4) Section 12 is amended in the first sentence by inserting “and \$50,000,000 for each of fiscal years 2000 and 2001” after “for fiscal years 1993 through 1997”.

SEC. 904. PLAN FOR EVALUATION OF PERFORMANCE OF PROGRAMS TO ASSIST HOMELESS VETERANS.

(a) *REPORT.*—Not later than 90 days after the date of the enactment of this Act, the Secretary shall submit to the Committees on Veterans’ Affairs of the Senate and the House of Representatives a report containing a detailed plan for the evaluation by the Department of Veterans Affairs of the effectiveness of programs to assist

homeless veterans. The plan shall be prepared in consultation with the Secretary of Housing and Urban Development and the Secretary of Labor.

(b) *INCLUSION OF OUTCOME MEASURES.*—The plan shall include outcome measures to show whether veterans for whom housing or employment is secured through one or more of those programs continue to be housed or employed, as the case may be, after six months.

TITLE X—UNITED STATES COURT OF APPEALS FOR VETERANS CLAIMS

SEC. 1001. SHORT TITLE.

This title may be cited as the “Court of Appeals for Veterans Claims Amendments of 1999”.

SEC. 1002. DEFINITION.

In this title, the term “Court” means the United States Court of Appeals for Veterans Claims.

Subtitle A—Transitional Provisions To Stagger Terms of Judges

SEC. 1011. EARLY RETIREMENT AUTHORITY FOR CURRENT JUDGES.

(a) *RETIREMENT AUTHORIZED.*—One eligible judge may retire in accordance with this section in 2000 or 2001, and one additional eligible judge may retire in accordance with this section in 2001.

(b) *ELIGIBLE JUDGES.*—For purposes of this section, an eligible judge is a judge of the Court (other than the chief judge) who—

(1) has at least 10 years of service creditable under section 7296 of title 38, United States Code;

(2) has made an election to receive retired pay under section 7296 of such title;

(3) has at least 20 years of service described in section 7297(l) of such title; and

(4) is at least 55 years of age.

(c) *MULTIPLE ELIGIBLE JUDGES.*—If for any year specified in subsection (a) more than one eligible judge provides notice in accordance with subsection (d), the judge who has the greatest seniority as a judge of the Court shall be the judge who is eligible to retire in accordance with this section in that year.

(d) *NOTICE.*—An eligible judge who desires to retire in accordance with this section with respect to any year covered by subsection (a) shall provide to the President and the chief judge of the Court written notice to that effect and stating that the judge agrees to the temporary service requirements of subsection (j). Such notice shall be provided not later than April 1 of that year and shall specify the retirement date in accordance with subsection (e). Notice provided under this subsection shall be irrevocable.

(e) *DATE OF RETIREMENT.*—A judge who is eligible to retire in accordance with this section shall be retired during the calendar year as to which notice is provided pursuant to subsection (d), but

not earlier than 30 days after the date on which that notice is provided pursuant to subsection (d).

(f) *APPLICABLE PROVISIONS.*—Except as provided in subsections (g) and (j), a judge retired in accordance with this section shall be considered for all purposes to be retired under section 7296(b)(1) of title 38, United States Code.

(g) *APPLICABILITY OF RECALL STATUS AUTHORITY.*—The provisions of section 7257 of this title shall apply to a judge retired in accordance with this section as if the judge is a judge specified in subsection (a)(2)(A) of that section.

(h) *RATE OF RETIRED PAY.*—The rate of retired pay for a judge retiring in accordance with this section is—

(1) the rate applicable to that judge under section 7296(c)(1) of title 38, United States Code, multiplied by

(2) the fraction (not in excess of 1) in which—

(A) the numerator is the number of years of service of the judge as a judge of the Court creditable under section 7296 of such title; and

(B) the denominator is 15.

(i) *ADJUSTMENTS IN RETIRED PAY FOR JUDGES AVAILABLE FOR RECALL.*—Subject to section 7296(f)(3)(B) of title 38, United States Code, an adjustment provided by law in annuities payable under civil service retirement laws shall apply to retired pay under this section in the case of a judge who is a recall-eligible retired judge under section 7257 of such title or who was a recall-eligible retired judge under that section and was removed from recall status under subsection (b)(4) of that section by reason of disability.

(j) *DUTY OF ACTUARY.*—Section 7298(e)(2) is amended—

(1) by redesignating subparagraph (C) as subparagraph (D); and

(2) by inserting after subparagraph (B) the following new subparagraph:

“(C) For purposes of subparagraph (B), the term ‘present value’ includes a value determined by an actuary with respect to a payment that may be made under subsection (b) from the retirement fund within the contemplation of law.”

(k) *TRANSITIONAL SERVICE OF JUDGE RETIRED UNDER THIS SECTION.*—(1) A judge who retires under this section shall continue to serve on the Court during the period beginning on the effective date of the judge’s retirement under subsection (e) and ending on the earlier of—

(A) the date on which a person is appointed to the position on the Court vacated by the judge’s retirement; and

(B) the date on which the judge’s original appointment to the court would have expired.

(2) Subsections (f) and (g) of section 7253 of title 38, United States Code, shall apply with respect to the service of a judge on the Court under this section.

(3) Notwithstanding any other provision of law, a person whose service as a judge of the Court continues under this section shall be paid for the period of service under this subsection at the rate that is the difference between the current rate of pay for a judge of the Court and the rate of the judge’s retired pay under subsection (g).

(4) Amounts paid under paragraph (3)—

(A) shall not be treated as—

(i) compensation for employment with the United States for purposes of section 7296(e) of title 38, United States Code, or any provision of title 5, United States Code, relating to the receipt or forfeiture of retired pay or retirement annuities by a person accepting compensation for employment with the United States; or

(ii) pay for purposes of deductions or contributions for or on behalf of the person to retired pay under subchapter V of chapter 72 of title 38, United States Code, or under chapter 83 or 84 of title 5, United States Code, as applicable; but

(B) may, at the election of the person, be treated as pay for purposes of deductions or contributions for or on behalf of the person to a retirement or other annuity, or both, under subchapter V of chapter 72 of title 38, United States Code, or under chapter 83 or 84 of title 5, United States Code, as applicable.

(5) Amounts paid under paragraph (3) shall be derived from amounts available for payment of salaries and benefits of judges of the Court.

(6) The service as a judge of the Court under this subsection of a person who makes an election provided for under paragraph (4)(B) shall constitute creditable service toward the judge's years of judicial service for purposes of section 7297 of title 38, United States Code, with such service creditable at a rate equal to the rate at which such service would be creditable for such purposes if served by a judge of the Court under chapter 72 of that title. For purposes of subsection (k)(3) of that section, the average annual pay for such service shall be the sum of the judge's retired pay and the amount paid under paragraph (3) of this subsection.

(7) In the case of such a person who makes an election provided for under paragraph (4)(B), upon the termination of the service of that person as a judge of the Court under this subsection, the retired pay of that person under subsection (g) shall be recomputed to reflect the additional period of service served under this subsection.

(l) TREATMENT OF POLITICAL PARTY MEMBERSHIP.—For purposes of determining compliance with the last sentence of section 7253(b) of title 38, United States Code, the political party membership of a judge serving on the Court under subsection (j) shall not be taken into account.

SEC. 1012. MODIFIED TERMS FOR NEXT TWO JUDGES APPOINTED TO THE COURT.

(a) MODIFIED TERMS.—The term of office of the first two judges appointed to the Court after the date of the enactment of this Act shall be 13 years (rather than the period specified in section 7253(c) of title 38, United States Code).

(b) ELIGIBILITY FOR RETIREMENT.—(1) For purposes of determining the eligibility to retire under section 7296 of title 38, United States Code, of the two judges of the Court whose term of office is determined under subsection (a)—

(A) the age and service requirements in the table in paragraph (2) shall apply to those judges rather than the otherwise applicable age and service requirements specified in the table in subsection (b)(1) of that section; and

(B) the minimum years of service applicable to those judges for eligibility to retire under the first sentence of subsection (b)(2) of that section shall be 13 years instead of 15 years.

(2) The age and service requirements in this paragraph are as follows:

<i>The judge has attained age:</i>	<i>And the years of service as a judge are at least</i>
65	13
66	13
67	13
68	12
69	11
70	10

Subtitle B—Other Matters Relating to Retired Judges

SEC. 1021. RECALL OF RETIRED JUDGES.

(a) *AUTHORITY TO RECALL RETIRED JUDGES.*—Chapter 72 is amended by inserting after section 7256 the following new section:

“§ 7257. Recall of retired judges

“(a)(1) A retired judge of the Court may be recalled for further service on the Court in accordance with this section. To be eligible to be recalled for such service, a retired judge must at the time of the judge’s retirement provide to the chief judge of the Court (or, in the case of the chief judge, to the clerk of the Court) notice in writing that the retired judge is available for further service on the Court in accordance with this section and is willing to be recalled under this section. Such a notice provided by a retired judge is irrevocable.

“(2) For the purposes of this section—

“(A) a retired judge is a judge of the Court of Appeals for Veterans Claims who retires from the Court under section 7296 of this title or under chapter 83 or 84 of title 5; and

“(B) a recall-eligible retired judge is a retired judge who has provided a notice under paragraph (1).

“(b)(1) The chief judge may recall for further service on the Court a recall-eligible retired judge in accordance with this section. Such a recall shall be made upon written certification by the chief judge that substantial service is expected to be performed by the retired judge for such period, not to exceed 90 days (or the equivalent), as determined by the chief judge to be necessary to meet the needs of the Court.

“(2) A recall-eligible retired judge may not be recalled for more than 90 days (or the equivalent) during any calendar year without the judge’s consent or for more than a total of 180 days (or the equivalent) during any calendar year.

“(3) If a recall-eligible retired judge is recalled by the chief judge in accordance with this section and (other than in the case of a judge who has previously during that calendar year served at least 90 days (or the equivalent) of recalled service on the court) declines (other than by reason of disability) to perform the service to

which recalled, the chief judge shall remove that retired judge from the status of a recall-eligible judge.

“(4) A recall-eligible retired judge who becomes permanently disabled and as a result of that disability is unable to perform further service on the Court shall be removed from the status of a recall-eligible judge. Determination of such a disability shall be made pursuant to section 7253(g) or 7296(g) of this title.

“(c) A retired judge who is recalled under this section may exercise all of the judicial powers and duties of the office of a judge in active service.

“(d)(1) The pay of a recall-eligible retired judge who retired under section 7296 of this title is specified in subsection (c) of that section.

“(2) A judge who is recalled under this section who retired under chapter 83 or 84 of title 5 shall be paid, during the period for which the judge serves in recall status, pay at the rate of pay in effect under section 7253(e) of this title for a judge performing active service, less the amount of the judge’s annuity under the applicable provisions of chapter 83 or 84 of title 5.

“(e)(1) Except as provided in subsection (d), a judge who is recalled under this section who retired under chapter 83 or 84 of title 5 shall be considered to be a reemployed annuitant under that chapter.

“(2) Nothing in this section affects the right of a judge who retired under chapter 83 or 84 of title 5 to serve as a reemployed annuitant in accordance with the provisions of title 5.”.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 7256 the following new item:

“7257. Recall of retired judges.”.

SEC. 1022. JUDGES’ RETIRED PAY.

(a) IN GENERAL.—Subsection (c)(1) of section 7296 is amended by striking “at the rate of pay in effect at the time of retirement.” and inserting the following: “as follows:

“(A) In the case of a judge who is a recall-eligible retired judge under section 7257 of this title or who was a recall-eligible retired judge under that section and was removed from recall status under subsection (b)(4) of that section by reason of disability, the retired pay of the judge shall be the pay of a judge of the court.

“(B) In the case of a judge who at the time of retirement did not provide notice under section 7257 of this title of availability for service in a recalled status, the retired pay of the judge shall be the rate of pay applicable to that judge at the time of retirement.

“(C) In the case of a judge who was a recall-eligible retired judge under section 7257 of this title and was removed from recall status under subsection (b)(3) of that section, the retired pay of the judge shall be the pay of the judge at the time of the removal from recall status.”.

(b) COST-OF-LIVING ADJUSTMENTS.—Subsection (f) of such section is amended by adding at the end the following new paragraph:

“(3)(A) A cost-of-living adjustment provided by law in annuities payable under civil service retirement laws shall apply to retired pay under this section only in the case of retired pay computed under paragraph (2) of subsection (c).

“(B) If such a cost-of-living adjustment would (but for this subparagraph) result in the retired pay of a retired judge being in excess of the annual rate of pay in effect for judges of the Court as provided in section 7253(e) of this title, such adjustment may be made only in such amount as results in the retired pay of the retired judge being equal to that annual rate of pay (as in effect on the effective date of such adjustment).”.

SEC. 1023. SURVIVOR ANNUITIES.

(a) **SURVIVING SPOUSE.**—Subsection (a)(5) of section 7297 is amended by striking “two years” and inserting “one year”.

(b) **ELECTION TO PARTICIPATE.**—Subsection (b) of such section is amended in the first sentence by inserting before the period “or within six months after the date on which the judge marries if the judge has retired under section 7296 of this title”.

(c) **REDUCTION IN CONTRIBUTIONS.**—Subsection (c) of such section is amended by striking “3.5 percent of the judge’s pay” and inserting “that percentage of the judge’s pay that is the same as provided for the deduction from the salary or retirement salary of a judge of the United States Court of Federal Claims for the purpose of a survivor annuity under section 376(b)(1)(B) of title 28”.

(d) **INTEREST PAYMENTS.**—Subsection (d) of such section is amended—

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

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

“(2) The interest required under the first sentence of paragraph (1) shall not be required for any period—

“(A) during which a judge was separated from any service described in section 376(d)(2) of title 28; and

“(B) during which the judge was not receiving retired pay based on service as a judge or receiving any retirement salary as described in section 376(d)(1) of title 28.”.

(e) **SERVICE ELIGIBILITY.**—(1) Subsection (f) of such section is amended—

(A) in paragraph (1), in the matter preceding subparagraph (A)—

(i) by striking “at least 5 years” and inserting “at least 18 months”; and

(ii) by striking “last 5 years” and inserting “last 18 months”; and

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

“(5) If a judge dies as a result of an assassination and leaves a survivor or survivors who are otherwise entitled to receive annuity payments under this section, the 18-month requirement in the matter in paragraph (1) preceding subparagraph (A) shall not apply.”.

(2) Subsection (a) of such section is further amended—

(A) in paragraph (2), by inserting “who is in active service or who has retired under section 7296 of this title” after “Court”;

(B) in paragraph (3), by striking “7296(c)” and inserting “7296”; and

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

“(8) The term ‘assassination’ as applied to a judge shall have the meaning provided that term in section 376(a)(7) of title 28 as applied to a judicial official.”.

(f) *AGE REQUIREMENT OF SURVIVING SPOUSE.*—Subsection (f) of such section is further amended by striking “or following the surviving spouse’s attainment of the age of 50 years, whichever is the later” in paragraph (1)(A).

SEC. 1024. LIMITATION ON ACTIVITIES OF RETIRED JUDGES.

(a) *IN GENERAL.*—Chapter 72 is amended by adding at the end the following new section:

“§ 7299. Limitation on activities of retired judges

“(a) A retired judge of the Court who is recall-eligible under section 7257 of this title and who in the practice of law represents (or supervises or directs the representation of) a client in making any claim relating to veterans’ benefits against the United States or any agency thereof shall, pursuant to such section, be considered to have declined recall service and be removed from the status of a recall-eligible judge. The pay of such a judge, pursuant to section 7296 of this title, shall be the pay of the judge at the time of the removal from recall status.

“(b) A recall-eligible judge shall be considered to be an officer or employee of the United States, but only during periods when the judge is serving in recall status. Any prohibition, limitation, or restriction that would otherwise apply to the activities of a recall-eligible judge shall apply only during periods when the judge is serving in recall status.”.

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

“7299. Limitation on activities of retired judges.”.

Subtitle C—Rotation of Service of Judges as Chief Judge of the Court

SEC. 1031. REPEAL OF SEPARATE APPOINTMENT OF CHIEF JUDGE.

Subsection (a) of section 7253 is amended to read as follows:

“(a) *COMPOSITION.*—The Court of Appeals for Veterans Claims is composed of at least three and not more than seven judges, one of whom shall serve as chief judge in accordance with subsection (d).”.

SEC. 1032. DESIGNATION AND TERM OF CHIEF JUDGE OF COURT.

(a) *ROTATION.*—Subsection (d) of section 7253 is amended to read as follows:

“(d) *CHIEF JUDGE.*—(1) The chief judge of the Court shall be the judge of the Court in regular active service who is senior in commission among the judges of the Court who—

“(A) have served for one or more years as judges of the Court; and

“(B) have not previously served as chief judge.

“(2) In any case in which there is no judge of the Court in regular active service who has served as a judge of the Court for at least one year, the judge of the court in regular active service who is senior in commission and has not served previously as chief judge shall act as the chief judge.

“(3) Except as provided in paragraph (4), a judge of the Court shall serve as the chief judge under paragraph (1) for a term of five years or until the judge becomes age 70, whichever occurs first. If no other judge is eligible under paragraph (1) to serve as chief judge upon the expiration of that term, that judge shall continue to serve as chief judge until another judge becomes eligible under that paragraph to serve as chief judge.

“(4)(A) The term of a chief judge shall be terminated before the end of the term prescribed by paragraph (3) if—

“(i) the chief judge leaves regular active service as a judge of the court; or

“(ii) the chief judge notifies the other judges of the court in writing that such judge desires to be relieved of the duties of chief judge.

“(B) The effective date of a termination of the term under subparagraph (A) shall be the date on which the chief judge leaves regular active service or the date of the notification under subparagraph (A)(ii), as the case may be.

“(5) If a chief judge is temporarily unable to perform the duties of chief judge, those duties shall be performed by the judge of the court in active service who is present, able and qualified to act, and is next in precedence.

“(6) Judges who have the same seniority in commission shall be eligible for service as chief judge in accordance with their relative precedence.”

(b) **INELIGIBILITY OF JUDGES ON TEMPORARY SERVICE.**—A person serving as a judge of the Court under section 1011 may not serve as chief judge of the Court.

SEC. 1033. SALARY.

Subsection (e) of section 7253 is amended to read as follows:

“(e) **SALARY.**—Each judge of the Court shall receive a salary at the same rate as is received by judges of the United States district courts.”

SEC. 1034. PRECEDENCE OF JUDGES.

Subsection (d) of section 7254 is amended to read as follows:

“(d) **PRECEDENCE OF JUDGES.**—The chief judge of the Court shall have precedence and preside at any session that the chief judge attends. The other judges shall have precedence and preside according to the seniority of their original commissions. Judges whose commissions bear the same date shall have precedence according to seniority in age.”

SEC. 1035. CONFORMING AMENDMENTS.

Chapter 72 is amended as follows:

(1) Section 7281(g) is amended to read as follows:

“(g) The chief judge of the Court may exercise the authority of the Court under this section whenever there are not at least two other judges of the Court.”

(2) Sections 7296(a)(2) and 7297(a)(2) are amended by striking “the chief judge or an associate judge” and inserting “a judge”.

SEC. 1036. APPLICABILITY OF AMENDMENTS.

(a) *EFFECTIVE DATE.*—The amendments made by this subtitle shall take effect on the date of the enactment of this Act.

(b) *SAVINGS PROVISION FOR INCUMBENT CHIEF JUDGE.*—The amendments made by this subtitle shall not apply while the individual who is chief judge of the Court on the date of the enactment of this Act continues to serve as chief judge. If that individual, upon termination of service as chief judge, provides notice under section 7257 of title 38, United States Code, of availability for service in a recalled status, the rate of pay applicable to that individual under section 7296(c)(1)(A) of such title while serving in a recalled status shall be at the rate of pay applicable to that individual at the time of retirement, if greater than the rate otherwise applicable under that section.

TITLE XI—VOLUNTARY SEPARATION INCENTIVE PROGRAM

SEC. 1101. SHORT TITLE.

This title may be cited as the “Department of Veterans Affairs Employment Reduction Assistance Act of 1999”.

SEC. 1102. PLAN FOR PAYMENT OF VOLUNTARY SEPARATION INCENTIVE PAYMENTS.

(a) *IN GENERAL.*—The Secretary of Veterans Affairs shall, before obligating any funds for the payment of voluntary separation incentive payments under this title, submit to the Director of the Office of Management and Budget an operational plan outlining the proposed use of such incentive payments and a proposed organizational chart for the elements of the Department of Veterans Affairs covered by the plan once the payment of such incentive payments has been completed.

(b) *CONTENTS.*—The plan under subsection (a) shall—

(1) take into account the limitations on elements, and personnel within elements, of the Department specified in subsection (c);

(2) specify the positions to be reduced or eliminated and functions to be restructured or reorganized, identified by element of the Department, geographic location, occupational category, and grade level;

(3) specify the manner in which the plan will improve operating efficiency, or meet actual or anticipated levels of budget or staffing resources, of each element covered by the plan and of the Department generally; and

(4) include a description of how each element of the Department covered by the plan will operate without the functions or positions affected by the implementation of the plan.

(c) *LIMITATION ON ELEMENTS AND PERSONNEL.*—The plan under subsection (a) shall be limited to the elements of the Department, and the number of positions within such elements, as follows:

- (1) *The Veterans Health Administration, 4,400 positions.*
- (2) *The Veterans Benefits Administration, 240 positions.*
- (3) *Department of Veterans Affairs Staff Offices, 45 positions.*
- (4) *The National Cemetery Administration, 15 positions.*

(d) APPROVAL.—(1) *The Director of the Office of Management and Budget shall approve or disapprove the plan submitted under subsection (a).*

(2) *In approving the plan, the Director may make such modifications to the plan as the Director considers appropriate with respect to the following:*

(A) *The number and amounts of voluntary incentive payments that may be paid under the plan.*

(B) *Any other matter that the Director considers appropriate.*

(3) *In the event of the disapproval of a plan by the Director under paragraph (1), the Secretary may modify and resubmit the plan to the Director. The provisions of this section shall apply to any plan submitted to the Director under this paragraph as if such plan were the initial plan submitted to the Director under subsection (a).*

SEC. 1103. VOLUNTARY SEPARATION INCENTIVE PAYMENTS.

(a) AUTHORITY TO PAY VOLUNTARY SEPARATION INCENTIVE PAYMENTS.—(1) *The Secretary may pay a voluntary separation incentive payment to an eligible employee only—*

(A) *to the extent necessary to reduce or restructure the positions and functions identified by the plan approved under section 1102; and*

(B) *if the Under Secretary concerned, or the head of the staff office concerned, approves the payment of the voluntary separation incentive payment to that employee.*

(2) *In order to receive a voluntary separation incentive payment under this title, an employee must separate from service with the Department voluntarily (whether by retirement or resignation) under the provisions of this title.*

(b) AMOUNT AND TREATMENT OF PAYMENTS.—*A voluntary separation incentive payment—*

(1) *shall be paid in a lump sum after the employee's separation under this title;*

(2) *shall be in an amount equal to the lesser of—*

(A) *an amount equal to the amount the employee would be entitled to receive under section 5595(c) of title 5, United States Code, if the employee were entitled to payment under that section (without adjustment for any previous payment made under that section); or*

(B) *an amount determined by the Secretary, not to exceed \$25,000;*

(3) *shall not be a basis for payment, and shall not be included in the computation, of any other type of Government benefit; and*

(4) *shall not be taken into account in determining the amount of severance pay to which an employee may be entitled under section 5595 of title 5, United States Code, based on any other separation.*

(c) *SOURCE OF FUNDS.*—Voluntary separation incentive payments under this title shall be paid from the appropriations or funds available for payment of the basic pay of the employees of the Department.

SEC. 1104. EFFECT OF SUBSEQUENT EMPLOYMENT WITH THE GOVERNMENT.

(a) *REPAYMENT UPON REEMPLOYMENT.*—Except as provided in subsection (b), an individual who is paid a voluntary separation incentive payment under this title and who subsequently accepts employment with the Government within five years after the date of the separation on which the payment is based shall be required to repay to the Secretary, before the individual's first day of such employment, the entire amount of the voluntary separation incentive payment paid to the individual under this title.

(b) *WAIVER AUTHORITY FOR CERTAIN INDIVIDUALS.*—(1) If the employment of an individual under subsection (a) is with an Executive agency (as defined by section 105 of title 5, United States Code), the United States Postal Service, or the Postal Rate Commission, the Director of the Office of Personnel Management may, at the request of the head of such agency, waive repayment by the individual under that subsection if the individual possesses unique abilities and is the only qualified applicant available for the position.

(2) If the employment of an individual under subsection (a) is with an entity in the legislative branch, the head of the entity or the appointing official may waive repayment by the individual under that subsection if the individual involved possesses unique abilities and is the only qualified applicant available for the position.

(3) If the employment of an individual under subsection (a) is with the judicial branch, the Director of the Administrative Office of the United States Courts may waive repayment by the individual under that subsection if the individual involved possesses unique abilities and is the only qualified applicant available for the position.

(c) *EMPLOYMENT DEFINED.*—for purposes of this section, the term “employment” includes—

(1) for purposes of subsections (a) and (b), employment of any length or under any type of appointment, but does not include employment that is without compensation; and

(2) for purposes of subsection (a), employment with any agency of the Government through a personal services contract.

SEC. 1105. ADDITIONAL AGENCY CONTRIBUTIONS TO CIVIL SERVICE RETIREMENT AND DISABILITY FUND.

(a) *REQUIREMENT.*—In addition to any other payments which it is required to make under subchapter III of chapter 83 or chapter 84 of title 5, United States Code, the Secretary shall remit to the Office of Personnel Management for deposit in the Treasury of the United States to the credit of the Civil Service Retirement and Disability Fund an amount equal to 26 percent of the final basic pay of each employee of the Department who is covered under subchapter III of chapter 83 or chapter 84 of title 5, United States Code, to whom a voluntary separation incentive is paid under this title.

(b) *FINAL BASIC PAY DEFINED.*—For purposes of this section, the term “final basic pay”, with respect to an employee, means the

total amount of basic pay that would be payable for a year of service by the employee, computed using the employee's final rate of basic pay, and, if last serving on other than a full-time basis, with appropriate adjustment therefor.

SEC. 1106. CONTINUED HEALTH INSURANCE COVERAGE.

Section 8905a(d) of title 5, United States Code, is amended—

(1) in paragraph (1)(A), by striking “paragraph (4)” and inserting “paragraphs (4) and (5)”;

(2) in paragraph (2), by striking “(1) or (4)” and inserting “(1), (4), or (5)”; and

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

“(5)(A) If the basis for continued coverage under this section is an involuntary separation from a position in or under the Department of Veterans Affairs due to a reduction in force or a title 38 staffing readjustment—

“(i) the individual shall be liable for not more than the employee contributions referred to in paragraph (1)(A)(i); and

“(ii) the agency which last employed the individual shall pay the remaining portion of the amount required under paragraph (1)(A).

“(B) This paragraph shall only apply with respect to individuals whose continued coverage is based on a separation occurring on or after the date of the enactment of this paragraph.”.

SEC. 1107. PROHIBITION OF REDUCTION OF FULL-TIME EQUIVALENT EMPLOYMENT LEVEL.

(a) PROHIBITION.—The total full-time equivalent employment in the Department may not be reduced by reason of the separation of an employee (or any combination of employees) receiving a voluntary separation incentive payment under this title.

(b) ENFORCEMENT.—The President, through the Office of Management and Budget, shall monitor the Department and take any action necessary to ensure that the requirements of this section are met.

SEC. 1108. REGULATIONS.

The Director of the Office of Personnel Management may prescribe any regulations necessary to administer this title.

SEC. 1109. LIMITATION; SAVINGS CLAUSE.

(a) LIMITATION.—No voluntary separation incentive payment may be paid under this title based on the separation of an employee after December 31, 2000.

(b) RELATIONSHIP TO OTHER AUTHORITY.—This title supplements and does not supersede any other authority of the Secretary to pay voluntary separation incentive payments to employees of the Department.

SEC. 1110. ELIGIBLE EMPLOYEES.

For purposes of this title:

(1) IN GENERAL.—Except as provided in paragraph (2), the term “eligible employee” means an employee (as defined by section 2105 of title 5, United States Code) of the Department of Veterans Affairs, who is serving under an appointment without time limitation and has been employed by the Department as of

the date of separation under this title for a continuous period of at least three years.

(2) EXCEPTIONS.—Such term does not include the following:

(A) A reemployed annuitant under subchapter III of chapter 83 or chapter 84 of title 5, United States Code, or another retirement system for employees of the Government.

(B) An employee having a disability on the basis of which such employee is eligible for disability retirement under subchapter III of chapter 83 or chapter 84 of title 5, United States Code, or another retirement system for employees of the Government.

(C) An employee who is in receipt of a specific notice of involuntary separation for misconduct or unacceptable performance.

(D) An employee who previously has received any voluntary separation incentive payment by the Government under this title or any other authority.

(E) An employee covered by statutory reemployment rights who is on transfer to another organization.

(F) An employee who, during the 24-month period preceding the date of separation, has received a recruitment or relocation bonus under section 5753 of title 5, United States Code, or a recruitment bonus under section 7458 of title 38, United States Code.

(G) An employee who, during the 12-month period preceding the date of separation, received a retention allowance under section 5754 of title 5, United States Code, or a retention bonus under section 458 of title 38, United States Code.

(H) An employee who, during the 24-month period preceding the date of separation, was relocated at the expense of the Federal Government.

And the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate to the title of the bill and agree to the same with an amendment as follows:

In lieu of the Senate amendment to the title of the bill, amend the title so as to read: "An Act to amend title 38, United States Code, to establish a program of extended care services for veterans, to make other improvements in health care programs of the Department of Veterans Affairs, to enhance compensation, memorial affairs, and housing programs of the Department of Veterans Affairs, to improve retirement authorities applicable to judges of the United States Court of Appeals for Veterans Claims, and for other purposes."

And the Senate agree to the same.

BOB STUMP,
CHRIS SMITH,
JACK QUINN,
CLIFF STEARNS,
LANE EVANS,
CORRINE BROWN,

MIKE DOYLE,
Managers on the Part of the House.

ARLEN SPECTER,
STROM THURMOND,
JAY ROCKEFELLER,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 2116) to amend title 38, United States Code, to establish a program of extended care services for veterans and to make other improvements in health care programs of the Department of Veterans Affairs, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The Senate amendment to the text of the bill struck all of the House bill after the enacting clause and inserted a substitute text.

The House recedes from its disagreement to the amendment of the Senate with an amendment that is a substitute for the House bill and the Senate amendment. The differences between the House bill, the Senate amendment, and the substitute agreed to in conference are noted below, except for clerical corrections, conforming changes made necessary by agreements reached by the conferees, and minor drafting and clerical changes.

OVERVIEW

The House bill, H.R. 2116, as amended, consists of provisions from the following House bills: H.R. 2280, which passed the House on June 29, 1999, and H.R. 2116, which passed the House on September 21, 1999.

The Senate amendment consists of provisions from the following Senate bills: S. 1402, which passed the Senate on July 26, 1999; S. 695, which passed the Senate on August 4, 1999; and S. 1076, which passed the Senate on September 8, 1999.

TITLE I—ACCESS TO CARE

SUBTITLE A—LONG-TERM CARE

EXTENDED CARE SERVICES (SEC. 101)

Current law

Section 8110 of title 38, United States Code, states that the Secretary “shall operate and maintain a total of not less than 90,000 hospital beds and nursing home beds” and “shall maintain the bed and treatment capacities of all Department medical facilities so as to ensure the accessibility and availability of such beds and treatment capacities to eligible veterans in all States and to minimize delays in admissions and in the provision of hospital, nursing home, and domiciliary care.” Section 1710 of title 38, United States Code, establishes that all veterans (as delineated in

that section) are eligible for hospital care, medical services, and nursing home care. The Secretary (to the extent appropriations permit, and subject to an enrollment system required under section 1706), "shall" furnish hospital care and medical services to such veterans. "Medical services", which are to be furnished to enrolled veterans, are defined to include "such . . . services as the Secretary determines to be reasonable and necessary." Provisions of chapter 17 of title 38, United States Code, also specifically authorize VA to provide certain extended care services (VA and community-based nursing home care, domiciliary care, adult day health care, respite care, and noninstitutional alternatives to nursing home care), as needed, to eligible veterans.

House bill

The House bill (H.R. 2116, section 101(a)) would direct VA, subject to the availability of appropriations, to operate and maintain extended care programs, to include geriatric evaluations, VA and community-based nursing home care, domiciliary care, adult day health care, respite care, and such alternatives to institutional care as the Secretary considers reasonable and appropriate. The measure would also direct the Secretary to provide extended care services to any veteran in need of such care (1) for a service-connected condition, and (2) who is 50 percent or more service-connected disabled. Such veterans also would be afforded highest priority for placements (and ongoing care) in VA nursing homes. VA would be required to prescribe regulations governing priorities for provision of VA nursing home care; such regulations would ensure that priority is given for patient rehabilitation, for clinically complex patient populations, and for patients for whom there are not other suitable placement options. The section would also proscribe VA's furnishing extended care services (as defined) for care of a nonservice-connected condition, other than for a 50 percent or more service-connected disabled veteran, unless the veteran agrees to pay a copayment for extended care services exceeding 21 days in any year. VA would be required to develop a methodology for establishing the amount of such copayments. That methodology would establish a maximum monthly copayment based on all income and assets of the veteran and spouse; protect the spouse who continues to reside in the community from financial hardship; and allow the veteran to retain a monthly personal allowance. Copayments would be deposited into a new extended care revolving fund to be used to expand extended care programming.

Section 101(b) would require VA (1) to develop and begin to implement a plan to increase (above the level of extended care services provided as of September 30, 1998) the percentage of the budget dedicated to such care and the level of services and variety of extended care programs; and (2) ensure that the staffing and level of extended care services provided in VA-operated facilities is not less than the level of such services provided nationally during fiscal year 1998.

Section 101(c) would authorize VA to furnish adult day health care services to an enrolled veteran who would otherwise require nursing home care, and would lift the limitation on providing adult day health care services to a veteran for more than six months.

The measure would also authorize VA to contract for provision of respite care services, and lift the limitation that such services must be provided in VA facilities. The measure would also authorize VA to establish per diem payments to State homes for respite care and noninstitutional care services.

Senate bill

The Senate bill (S. 1076, section 101) would amend the definition in chapter 17 of title 38, United States Code, of the term "medical services" to include the term "noninstitutional extended care services." This would require the Secretary to provide home-based primary care, adult day health care, respite care, palliative and end-of-life care, and home health aide visits to enrolled veterans. It would further define respite care to provide that such care could be furnished in the patient's home or in a VA facility. The measure would also remove the six-month time limitation on furnishing of adult day health care.

Conference agreement

The conference agreement incorporates provisions from both the House and Senate bills. The Senate recedes to the House on directing VA to operate and maintain an extended care program (subject to funding), and to maintain in-house extended care staffing and services at the FY 1998 level.

The Senate recedes to the House provision mandating extended care services, modified to limit the mandate for nursing home care for nonservice-connected conditions to veterans who are 70% or more service-connected disabled. The House recedes to the Senate on adding to the definition of the term "medical services" the term "noninstitutional extended care services," with a modified definition of that term. VA would evaluate and report to the Committees within three years after enactment on its experience in providing services under these two provisions. Such evaluation would assist the Committees in assessing whether at the end of four years these provisions should be modified or extended. In the event these provisions were to expire, veterans would continue to be eligible for such services as under existing law. With respect to the change in law governing nursing home care, the conference agreement would also make clear that patients currently receiving VA nursing home care who are not service connected or are less than 70% service-connected may not be discharged or transferred if they continue to need such care.

The Senate recedes to the House policy on copayments with a modification which exempts compensably rated service-connected veterans and veterans with incomes below the pension rate from such copayments. Such copayments would not be applicable to patients who are currently in receipt of long-term care services with respect to the current episode of care.

The Senate recedes to the House on authorization of VA payments to State homes for noninstitutional care.

The Senate recedes to the House on authorizing VA to contract for respite care.

PILOT PROGRAMS RELATING TO LONG-TERM CARE (SEC. 102)

Current law

VA has broad general authority under which the Secretary could establish health-delivery pilot programs not inconsistent with law.

Senate bill

The Senate bill (S. 1076, section 102) would direct VA to carry out three pilot programs over a three-year period to determine the feasibility and practicability of different models for providing long-term care. Each model would be carried out in two VA regions (networks) designated by the Secretary. No network could operate more than a single pilot. The pilots would provide a comprehensive array of services to include institutional and noninstitutional long-term care services, and appropriate case-management. Under one pilot model, VA would provide long-term care services directly (through VA staff and facilities). A second model would employ a mix of VA-provided care and care provided under cooperative arrangements with other service providers (whom VA reimbursed exclusively by providing in-kind services). Under a third model, VA would serve as a case-manager to ensure that veterans receive needed long-term care services through arrangements with appropriate non-VA entities with VA making payment for such services only when not otherwise covered by another entity or program such as Medicare or Medicaid. VA would collect data relevant to such programs and, after the completion of the program, provide Congress a report describing the services provided.

House bill

The House bill contained no similar provision.

Conference agreement

The House recedes to the Senate policy on establishing pilot programs relating to long-term care, with a modification that would direct the VA to conduct pilot programs to determine the effectiveness of different models of providing all-inclusive care to reduce use of hospital and nursing home care.

ASSISTED LIVING SERVICES (SEC. 103)

Current law

Under its domiciliary program, VA provides eligible veterans room and board in a supervised setting. Through a VA-supervised community residential care program (under section 1730 of title 38, United States Code), VA assists veterans in obtaining placement in facilities, which in some states may be considered “assisted living” facilities. Both of these programs respond to some needs that might be appropriately addressed by assisted living facilities, yet VA lacks authority to contract for, or to make payments to or on behalf of, a veteran for assisted living services.

House bill

The House bill (H.R. 2116, section 303) would require the VA Secretary to provide a comprehensive report no later than April 1, 2000, to the House and Senate Committees on Veterans' Affairs to determine the feasibility of establishing a pilot program to veterans for assisted living services. The report would contain the following information: (1) services and staffing needed for such a program, (2) the recommended design for such program, and (3) particular issues that the program should address.

Senate bill

The Senate bill (S. 1076, section 103) would direct VA to carry out a three-year pilot program to determine the feasibility of providing veterans assisted living services. Under this pilot, VA would provide services to any enrolled veteran, but would charge a copayment equal to the amount determined under section 1710(f) of title 38, United States Code, in the case of "category C" veterans. VA would be authorized to provide these services to the spouse of a veteran receiving assisted living services if the spouse agreed to pay for those services. VA would report to Congress annually on the pilot and, in a final report, assess the pilot and provide pertinent recommendations.

Conference agreement

The House recedes to the Senate policy on establishing a pilot program relating to assisted living services with a modification which would authorize the VA to provide for such services through contract arrangements. The conferees further recommend that VA establish the pilot in a State (or States) that reimburses such a program through Medicaid.

SUBTITLE B—OTHER ACCESS-TO-CARE MATTERS

REIMBURSEMENT FOR EMERGENCY TREATMENT (SEC. 111)

Current law

Current law directs VA, subject to available resources, to provide needed hospital care and medical services to veterans who enroll for care. (VA is not generally required to furnish emergency care services to enrolled veterans. It is, however, authorized to pay for emergency care under particular circumstances.) Section 1703(a)(3) of title 38, United States Code, covers such non-VA care for the treatment of emergencies (as defined) which arose in a VA facility or community nursing home (requiring transfer to an emergency care setting). Section 1728 of title 38, United States Code, authorizes reimbursement of emergency care costs involving principally care of a service-connected condition or a veteran who has a total, permanent disability from a service-connected disability, in an emergency in which VA facilities were not feasibly available, and trying to use them would be unreasonable. VA also has authority to contract for emergency hospital care (under section 1703(a)(1)(A) of title 38, United States Code) for treatment of a medical emergency involving a service-connected condition.

House bill

The House bill (H.R. 2116, section 102) would authorize VA to make payments for the reasonable value of emergency treatment for certain enrolled veterans who have no health insurance or other health care coverage (including Medicare and Medicaid); have no recourse against a third party to cover their liability; and are not eligible for reimbursement under section 1728 of title 38, United States Code. The measure would cover only veterans in (enrollment) priority groups one through six who have received VA medical care within one year prior to the emergency treatment. It would cover medical care furnished when (in VA's judgment) VA facilities are not feasibly available; care was furnished in a medical emergency of such nature that delay would have been hazardous to life or health, and until such time that the veteran could be safely transferred to a VA or other Federal facility. Section 102 would require VA to promulgate implementing regulations to set the maximum amount payable for such treatment; set procedures for, and terms under which, payment would be made; and require that VA payment to a provider would extinguish any liability on the part of the veteran.

Senate bill

The Senate bill (S. 1076, section 131) would amend the definition in section 1701 of title 38, United States Code, of the term "medical services" to provide that that term would include emergency care or reimbursement for that care. Such care would be defined to include care or treatment for an acute medical condition of such severity that a prudent layperson could reasonably expect the absence of immediate care to result in seriously jeopardizing health, seriously impairing bodily functions, or serious dysfunction of any bodily organ or part. In the case of a veteran with Medicare or insurance coverage, VA would be a secondary payor.

Conference agreement

The Senate recedes with a modification that would authorize VA to make reasonable payments for emergency care provided to enrolled veterans subject to the limitation that the veteran must have received VA care within a two-year period prior to such emergency. It would also revise the definition of "emergency treatment" to incorporate a "prudent layperson" test.

ELIGIBILITY FOR CARE OF COMBAT-INJURED VETERANS (SEC. 112)

Current law

Under current law, VA provides hospital care and medical services to veterans who have enrolled for VA care pursuant to section 1705 of title 38, United States Code. Section 1705 establishes a priority system for purposes of enrollment. A veteran who has no specific eligibility for care under section 1710(a)(1) and (2) of title 38, United States Code, is eligible for VA care if that veteran agrees to pay applicable copayments. Such veteran is afforded a lower priority for enrollment than veterans eligible under the above-cited provisions.

House bill

The House bill (H.R. 2116, section 103) would establish specific eligibility (and a priority for enrollment) for VA health care for a veteran who was injured in combat, but has no other special eligibility for care.

Senate bill

The Senate bill contained no similar provision.

Conference agreement

The Senate recedes with a modification that identifies the beneficiaries of this provision as veterans who are Purple Heart recipients.

ELIGIBILITY FOR CARE OF MILITARY RETIREES (SEC. 113)

Current law

Military retirees as veterans are eligible for VA care but have no specific eligibility for care based on their retirement status.

House bill

The House bill (H.R. 2116, section 104) would establish a specific eligibility (and an enrollment priority within so-called “category A”) for a veteran who has retired from military service, who is eligible for care under the TRICARE program, and who is not otherwise eligible for priority access to VA care. Phased implementation would be based on an interagency agreement, the provisions of which would include reimbursement rates. The agreement would not cover particular geographic areas unless the Secretary could document that VA has capacity in such area to provide timely care to current enrollees and had determined that VA would recover its cost of providing such care.

Senate bill

The Senate bill contained no similar provision.

Conference agreement

The Senate recedes with a modification. As revised, the conference agreement waives the otherwise-applicable copayment obligation for an individual receiving VA care under the provisions of this section. Unlike the House Bill, the provision would not establish a new priority classification, for purposes of enrollment, for military retirees.

TREATMENT FOR SUBSTANCE USE DISORDERS (SEC. 114)

Current law

VA is authorized to provide medical services, including needed treatment for substance abuse or dependence, to enrolled veterans. Section 1720A of title 38, United States Code, proscribes transferring military members to VA for treatment of such problems other than during the last 30 days of a tour of duty.

Senate bill

The Senate bill (S. 1076, section 133) would lift the restriction preventing VA from treating military members for substance abuse or dependency except during the last 30 days of the member's period of service.

House bill

The House bill contained no similar provision.

Conference agreement

The House recesses.

SEXUAL TRAUMA COUNSELING (SEC. 115)

Current law

Section 1720D of title 38, United States Code, authorizes VA to provide sexual trauma counseling and other appropriate care and services to veterans who require such services as a result of sexual assault, sexual battery, or sexual harassment experienced while on active duty. This authority expires on December 31, 2001.

House bill

The House bill (H.R. 2116, section 108) would require VA to operate a sexual trauma program through December 31, 2002. It would expand the scope of required outreach and require VA to report to Congress on the implementation of that outreach. VA and DOD would also be required to report on joint efforts to inform separating servicemembers about eligibility for, and availability of, VA sexual trauma services. The provision would also require VA, in consultation with DOD, to conduct a study to determine: (1) the extent to which former reservists experienced physical assault or battery of a sexual nature while serving on active duty for training; (2) the extent to which such reservists have sought VA counseling related to such incidents; and (3) the additional resources required to meet the projected needs for such counseling. Finally, the measure would require VA to report on the number of veterans who have received counseling services and the number referred to community sources in connection with such counseling and services.

Senate bill

The Senate bill contained no similar provision.

Conference agreement

The Senate recesses with a modification that would extend the program through December 31, 2004.

SPECIALIZED MENTAL HEALTH SERVICES (SEC. 116)

Current law

Under section 1706(b) of title 38, United States Code, VA is required to maintain its capacity to provide for the specialized treatment and rehabilitative needs of disabled veterans (including, among other specified groups, veterans with mental illness) within distinct programs or facilities dedicated to those specialized needs.

Senate bill

The Senate bill (S. 1076, section 132) would require VA to establish a mechanism to augment specialized mental health services to include establishing new programs, expanding provision of services, and increasing staffing. Funding for such program augmentations would be provided through a centralized fund, with an emphasis on initiatives to treat post-traumatic stress disorder and substance use disorders.

House bill

The House bill contained no similar provision.

Conference agreement

The House recedes with a modification which would require VA to allocate no less than \$15 million to enhance specialized mental health programs, with particular emphasis on programs for the treatment of post-traumatic stress disorder and substance use disorders.

LEGISLATIVE PROVISIONS NOT ADOPTED

BENEFITS FOR PERSONS DISABLED IN WORK-THERAPY

Current law

Under current law, a veteran who is injured while working in a VA-sponsored vocational rehabilitation program under circumstances which are not the result of negligence or willful misconduct is entitled to compensation under section 1151(a)(2) of title 38, United States Code. A veteran who incurs a work-related injury while participating in a VA-sponsored compensated work therapy program (authorized under section 1718 of title 38, United States Code), however, is not entitled to VA compensation benefits or to benefits under applicable workers' compensation laws because the veteran is not an "employee" of either VA or the private entity at which such individual may work under that program.

House bill

The House bill (H.R. 2116, section 105) would establish entitlement to VA compensation and health care coverage in cases in which a veteran becomes disabled or dies as a result of participating in a VA compensated work therapy program.

Senate bill

The Senate bill contained no similar provision.

TITLE II—MEDICAL PROGRAM ADMINISTRATION

COPAYMENTS (SEC. 201)

Current law

Current law sets limited copayment requirements applicable to ambulatory care services. VA is required to charge veterans under treatment for a nonservice-connected condition (other than veterans who are 50 percent or more service-connected disabled and veterans whose income is below the pension level) \$2 for each 30–

day supply of medication. Those whose only basis for eligibility for medical care is veteran status and who have income above the applicable “means test” level are also required to pay copayments for each outpatient visit; the copayment rate is at 20 percent of the estimated average cost of an outpatient visit to a VA facility.

House bill

The House bill (H.R. 2116, section 201(a)) would (1) authorize the Secretary of Veterans Affairs to increase the \$2 drug copayment amount; (2) establish a maximum annual payment applicable to veterans with multiple outpatient prescriptions; and (3) establish copayment requirements on sensory-neural aids (such as hearing aids and eyeglasses), electronic equipment, and other costly items (other than a wheelchair or artificial limbs) furnished veterans for a nonservice-connected condition. Section 201(b) would require the Secretary to revise the copayment amount or amounts charged “category C” veterans.

Senate bill

The Senate bill contained no similar provision.

Conference agreement

The Senate recedes with a modification. As revised, the measure would authorize the Secretary to set a maximum payment amount for drugs for any veteran, both by year and by month. The measure would not provide authority to establish a new category of copayments for prosthetics.

HEALTH SERVICES IMPROVEMENT FUND (SEC. 202)

Current law

Amounts which VA receives through collections and copayments are to be deposited in the Department of Veterans Affairs Medical Care Collections Fund.

House bill

The House bill (H.R. 2116, section 202) would establish a new fund in the Treasury in which VA is to deposit amounts received or collected under the following new authorities under the bill: the pilot program for dependents; new copayments and the amount of the increase in copayments provided for under new section 1722A(b) of title 38, United States Code; funds received under enhanced-use leases under new section 8165(a); and payments from the Department of Defense under section 104(c) of the bill. Amounts in the new Health Services Improvement Fund, which is intended to be used to improve services to veterans (such as by improving timeliness of care), are available without fiscal year limitation and without any requirement (such as is applicable to the medical care collections fund) that such funds be specifically appropriated. It is intended that such funds be credited to the extent feasible to the pertinent Department facility to which such collection or payment is attributable.

Senate bill

The Senate bill contained no similar provision.

Conference agreement

The Senate recedes with a modification to provide that amounts in the fund are to be allocated to facilities in the same manner as under the Medical Care Collections Fund.

ALLOCATIONS TO FACILITIES FROM MEDICAL CARE COLLECTIONS FUND
(SEC. 203)

Current law

Monies collected and recovered by each network and deposited in the Medical Care Collections Fund are to be allocated to such network.

Senate bill

The Senate bill (S. 1076, section 134) would provide that, of the monies collected and recovered by VA and deposited in the Medical Care Collections Fund, each facility is to receive the amount collected or recovered on behalf of that facility.

House bill

The House bill contained no similar provision.

Conference agreement

The House recedes.

NON-PROFIT CORPORATIONS FOR EDUCATION (SEC. 204)

Current law

Section 7361 of title 38, United States Code, authorizes VA (through December 31, 2000) to establish a non-profit corporation at any VA medical center to receive and administer funds for the conduct of research.

House bill

The House bill (H.R. 2116, section 204) would authorize (through December 31, 2000) the establishment of non-profit corporations at any VA medical center to facilitate research and education, or both, or the expansion of any VA research corporations to facilitate education as well. The provision would specifically identify (by reference to provisions of law) the types of training and education activities such corporations may foster. Such corporations would be subject to the same oversight and accountability measures as the existing research corporations. The provision would make any expenditures related to education activities subject to policies, procedures, and approval processes prescribed by the Under Secretary for Health.

Senate bill

The Senate bill contained no similar provision.

Conference agreement

The Senate recedes with a modification that would define the term “education and training” and would revise reporting requirements for the corporations.

EXTENSION OF CERTAIN AUTHORITIES (SEC. 205)

Current law

In addition to providing ongoing authority to furnish readjustment counseling to Vietnam-theater veterans and other veterans who served in a theater of combat operations or in certain areas of armed conflict after the Vietnam War, VA is authorized to provide readjustment counseling to veterans of the Vietnam era who seek such counseling before January 1, 2000. VA is required, through December 31, 1999, to evaluate the health status of dependents of Persian Gulf War veterans, and to distribute a newsletter to veterans listed in VA’s Gulf War registry.

House bill

The House bill (H.R. 2116, section 205) would extend through January 1, 2003, the date by which Vietnam era veterans must apply to be eligible for readjustment counseling services.

Senate bill

The Senate bill (S. 1076, section 135) would extend the requirements relating to Gulf War veterans for three years.

Conference agreement

The Senate recedes to the House with a modification that would extend until December 31, 2003, the period within which Vietnam era veterans may apply for and receive counseling. The House recedes with a modification that would extend the expiring provisions relating to Persian Gulf veterans for four years.

REESTABLISHMENT OF COMMITTEE ON POST-TRAUMATIC STRESS
DISORDER (SEC. 206)*Current law*

Section 7321 of title 38, United States Code, directs VA to establish and support a Committee on Care of Severely Chronically Mentally Ill Veterans to carry out a continuing assessment of VA’s capacity to meet effectively the treatment needs of severely mentally ill veterans and to advise on specific program matters. The Under Secretary of Health is required to report to Congress annually through February 1, 2001 on the committee’s findings and recommendations and on the steps taken to improve VA treatment of such veterans.

Section 110 of Public Law 98–528 directed VA to establish a Committee on Post-Traumatic Stress Disorder which is to serve as an advisory committee, to carry out a continuing assessment of VA’s capacity to treat PTSD, and to make recommendations on specific program matters. The requirement that VA report to Congress annually regarding the committee’s findings and recommendations

and steps taken thereon lapsed with the requirement of a report by October 1, 1993.

House bill

The House bill (H.R. 2116, section 205) would extend the requirement that VA submit reports (through 2003) to Congress related to the work of the Committee on Care of Severely Chronically Mentally Ill Veterans, and renew the requirement that VA submit reports (through 2004) related to the work of the Committee on Post-Traumatic Stress Disorder.

Senate bill

The Senate bill contained no similar provision.

Conference agreement

The Senate recedes to the House regarding the reestablishment of the Committee on Post-Traumatic Stress Disorder. The provision does not extend the reporting requirements for the Committee on Care of Severely Chronically Mentally Ill Veterans; that reporting requirement does not lapse until next year. The Committees on Veterans' Affairs defer action on this provision with no prejudice to the important work done by this body.

STATE HOME GRANT PROGRAM (SEC. 207)

Current law

Current law provides a framework for VA to award grants to States for construction or renovation of nursing homes and domiciliaries for veterans. The law calls for VA regulations which are to include direction as to the number of beds for which grant support is available. The law also sets requirements States must meet in filing applications for such funds. That law also specifies the relative priority to be assigned applications. An application from a State that has made its funding available in advance is to be accorded the highest priority for funding. In assigning priority among such pre-funded State projects, current law provides that priority is to be given to construction or acquisition of nursing home or domiciliary buildings.

House bill

The House bill (H.R. 2116, section 206) would provide greater specificity in directing VA to prescribe regulations for the number of beds for which grant assistance may be furnished (providing that such regulations are to be based on projected demand (ten years after the bill's enactment) by veterans who would be 65 or older and who reside in the state). Under such regulations, VA is to establish criteria for determining the relative need for additional beds on the part of a State which already has such State home beds. Section 206(b) would strengthen the requirements governing award of a grant. It would also revise provisions governing the relative priority of each application (among those projects for which States have made their funding available in advance). It would differentiate among applications for new bed construction by reference to the relative need for such beds; by assigning a higher priority

to renovation projects (with a total cost exceeding \$400,000) than under current law (with highest priority to renovations involving patient life or safety); and by assigning second highest priority to an application from a State that has not previously applied for award of a VA construction grant or a grant for a State nursing home. Section 206(c) would establish a “transition” rule providing that current law regulations and provisions governing applications for State home grants would continue in effect with respect to applications for a limited number of projects. Those “grandfathered” projects are limited to those projects on the list of approved projects (described in title 38, United States Code, section 8135(b)(4)), established by the Secretary of Veterans Affairs on October 29, 1998 for which States had made sufficient funds available so that the project could proceed upon approval of the grant without further action required by the State to make the funds available for that purpose.

Senate bill

The Senate bill contained no similar provision.

Conference agreement

The Senate recedes to the House with a modification to the transition provision, which takes into account the publication by the Secretary of Veterans Affairs on November 3, 1999, of a new list of approved projects. The revised transition measure retains the “grandfathering” provided for under the House bill while adding a second tier of grandfathered projects. The second tier consists of those “priority one” projects on the VA’s FY 2000 list (projects for which States have made their funding available in advance and are identified as “priority group one” on that list) submitted by States which have not received FY 1999 grant monies and are not included in the first-tier of grandfathered projects.

EXPANSION OF ENHANCED-USE LEASE AUTHORITY (SEC. 208)

Current law

VA is authorized to enter into long-term agreements under which VA real property may be leased and improved for uses that are not inconsistent with VA’s mission and at least part of the use of the property under the lease is to provide space for an activity contributing to a VA mission. A lease involving construction or substantial renovation may be for up to 35 years (or otherwise for up to 20). VA must receive fair consideration, whether monetary, or in services or facilities. Seventy-five percent of funds received, after deduction of expenses of leasing, are to be deposited in the Nursing Home Revolving Fund; the remainder are to be credited to the medical care account for use of the facility at which the property is located. VA’s authority to enter into enhanced-use leases expires on December 31, 2001.

House bill

The House bill (H.R. 2116, section 207) would establish an additional, independent basis for entering into a long-term agreement under which VA real property may be leased and improved—name-

ly on a determination that applying the consideration under such a lease to provide medical care (pursuant to a business plan) would demonstrably improve services to eligible veterans in the network where the leased property is located. The provision would extend the maximum lease term to 75 years, and authorize VA to provide in the terms of the lease for it to use minor construction funds for capital contribution payments. The section would also provide that funds received under such arrangements (after required deductions) would be deposited in the new fund under section 202 of the bill; VA would be required to make no less than 75 percent of the amount attributable to that lease available to the network in which the property is located. The section would also repeal the termination provision.

Senate bill

The Senate bill (S. 1076, section 111) would extend until December 31, 2011, VA's authority to enter into "enhanced-use" leases; extend the maximum authorized term for such leases to 55 years; and authorize the expenditure of minor project construction account funds for capital activities on property leased under that authority. It would require VA to provide training to VA medical center staff on approaching potential lessees in the medical or commercial sectors regarding the possibility of such leasing. The measure would also require VA to secure an independent analysis of opportunities for enhanced-use leasing. The analysis, to be based on a survey and assessment of VA facilities, is to include an integrated business plan for each facility with leasing potential. VA would be authorized to lease property identified as having development potential if the proposed lease is consistent with such a business plan.

Conference agreement

The Senate recedes to the House with modifications that address the duration of leasing authority and the policy regarding training of medical center personnel. The conference agreement also includes a provision derived from the Senate bill which would require VA to contract with an appropriate entity or entities to obtain needed expertise in identifying opportunities for leasing. The conferees do not intend, however, that the conduct or planned conduct of any such analyses should impede or delay the VA from developing enhanced-use leasing opportunities which it may identify independent of this provision. The House recedes to the Senate in eliminating provisions of the bill that would have repealed provisions of section 8162 of title 38, United States Code, that prohibit enhanced use agreements unless specifically authorized by law at the West Los Angeles VA Medical Center.

LICENSURE REQUIREMENT FOR VA HEALTH PROFESSIONALS (SEC. 209)

Current law

As reflected in section 7402 of title 38, United States Code, a health care professional must be licensed (or, in some instances, registered or certified) in a State to be eligible for appointment to a position in such profession in the VA. Current law does not spe-

cifically address the situation of a professional having lost his or her license to practice in one jurisdiction while still being licensed in another.

House bill

The House bill (H.R. 2116, section 208) would provide that an individual may not be employed as a title 38, United States Code, health care professional if a State has terminated for cause that individual's license, registration, or certification or such an individual has relinquished such license, registration, or certification after being notified in writing by the State of a potential termination for cause.

Senate bill

The Senate bill contained no similar provision.

Conference agreement

The Senate recesses.

VA/DOD PROCUREMENT COORDINATION (SEC. 210)

Current law

VA and DoD both operate programs to procure pharmaceuticals and medical supplies to support the health care systems of the respective departments.

Senate bill

The Senate bill (S. 1076, section 136) would require the Secretaries of the Departments of Veterans Affairs and Defense to submit to Congress, no later than March 31, 2000, a report on cooperation between the departments on procurement of pharmaceuticals and medical supplies.

House bill

The House bill contained no provision relating to this matter.

Conference agreement

The House recesses.

REIMBURSEMENT FOR MEDICAL CARE IN ALASKA (SEC. 211)

Current law

VA has authority to set payment rates for treatment furnished by community providers.

Senate bill

The Senate bill (S. 1076, section 137) would require that for one year VA, in making payments under section 1728 of title 38, United States Code, use the payment schedule in effect for such purposes as of July 31, 1999 rather than the Participating Physician Fee Schedule under the Medicare program.

House bill

The House bill contained no similar provision.

Conference agreement

The House recedes with the understanding that the intent of this section is to provide a transition to a modified payment schedule.

TITLE III—MISCELLANEOUS MEDICAL PROVISIONS

CHANGES IN OPERATIONS AND PROGRAMS (SEC. 301)

Current law

VA is under no obligation to provide Congress advance notice of proposed changes to the operation of individual facilities unless such changes would in any fiscal year reduce staffing at a facility by a specified percentage. In the event of such a “reorganization”, as defined in section 510 of title 38, United States Code, VA would be required to defer implementation for a specified period to permit congressional review. Under section 1706(b) of title 38, United States Code, VA is to maintain its capacity to provide for the specialized treatment and rehabilitative needs of disabled veterans (including among other specified groups, veterans with mental illness) within distinct programs or facilities dedicated to those specialized needs.

House bill

The House bill (H.R. 2116, section 301) would establish new reporting requirements. It would require VA to report and provide justification to Congress on, and defer for a period, plans to “close” within any fiscal year more than half the beds within a “bed section” of a VA medical center (as those quoted terms are defined). This provision is intended to provide assurance that proposals which would further shrink programs serving veterans with severe mental illness or who require intensive rehabilitation, for example, are making adequate provision for otherwise meeting the special needs of such patients.

Section 301 would also require VA to notify Congress annually as to the number of (and circumstances regarding) medical and surgical service beds closed during the fiscal year, and as to the number of nursing home beds that were the subject of a mission change during that period.

Senate bill

The Senate bill contained no similar provision.

Conference agreement

The Senate recedes.

VA CANTEEN SERVICE (SEC. 302)

Current law

Current law limits the scope of service which VA’s canteens may offer visitors and employees to the sale of merchandise or services for consumption or use on the premises.

House bill

The House bill (H.R. 2116, section 302) would lift the restrictions on VA's canteen service relating to off-premises consumption and use, and would make technical changes to revise references in law from "hospitals and homes" to "medical facilities."

Senate bill

The Senate bill contained no similar provision.

Conference agreement

The Senate recesses with a modification limiting the provision to removing the sales restrictions on off-premises consumption.

CHIROPRACTIC TREATMENT (SEC. 303)

Current law

VA has specific authority to provide eligible veterans (in addition to hospital care and nursing home care) with needed "medical services", a term defined to include "rehabilitative services" and other unspecified services that "the Secretary determines to be reasonable and necessary." VA has determined that it has authority (and in some instances has exercised that authority) to provide certain veterans chiropractic treatments under "fee-basis" arrangements. Current law does not require (or specifically authorize) VA to furnish veterans with chiropractic treatment nor to have a policy on such treatment.

House bill

The House bill (H.R. 2116, section 304) would require the VA Under Secretary for Health, in consultation with chiropractors, to establish a policy regarding chiropractic treatment.

Senate bill

The Senate bill contained no similar provision.

Conference agreement

The Senate recesses.

HOSPITAL NAMING (SEC. 304)

Current law

Under section 531 of title 38, United States Code, VA facilities (or any major portion of a facility) shall be named only for its geographic location except as expressly provided by law.

House bill

The House bill (H.R. 2116, section 305) would designate the hospital replacement building under construction at the Ioannis A. Lougaris Veterans Affairs Medical Center in Reno, Nevada, as the "Jack Streeter Building."

Senate bill

The Senate bill (S. 1076, section 112) contains a substantively identical provision.

Conference agreement

The conference agreement includes the provision.

TITLE IV—CONSTRUCTION AND FACILITIES MATTERS

AUTHORIZATION OF CONSTRUCTION (SEC. 401)

Current law

Section 8104 of title 38, United States Code, provides that no funds may be appropriated for any fiscal year, and VA may not obligate or expend funds (other than for planning and design) for any medical construction project involving a total expenditure of more than \$4 million unless funds for that project have been specifically authorized by law.

House bill

The House bill (H.R. 2116, section 401) would authorize renovations to provide a domiciliary in Orlando, Florida, using previously appropriated funds and construction of a surgical addition at the Kansas City, Missouri, VA Medical Center.

Senate bill

The Senate bill (S. 1076, section 141) would authorize construction of a long-term care facility at the Lebanon, Pennsylvania, VA Medical Center, construction of a surgical addition at the Kansas City, Missouri, VA Medical Center, and renovations at VA medical centers in both Fargo, North Dakota, and Atlanta, Georgia.

Conference agreement

The conference agreement incorporates all the projects authorized by either bodies and also includes authorization for demolition of buildings at the Leavenworth, Kansas, VA Medical Center.

AUTHORIZATION OF LEASING (SEC. 402)

Current law

Section 8104 of title 38, United States Code, provides that no funds may be appropriated for any fiscal year, and VA may not obligate or expend funds for any medical facility lease involving an average annual rental of more than \$600 thousand unless funds for that lease have been specifically authorized by law.

House bill

The House bill (H.R. 2116, section 402) would authorize leases of an outpatient clinic in Lubbock, Texas, and of a research building in San Diego, California.

Senate bill

The Senate bill contained no similar provision.

Conference agreement

The Senate recesses.

AUTHORIZATION OF APPROPRIATIONS (SEC. 403)

House bill

The House bill (H.R. 2116, section 403) would authorize appropriations for fiscal years 2000 and 2001 of \$13 million for construction, and \$2,178,500 for the leases.

Senate bill

The Senate bill (S. 1076, section 141) would authorize appropriations for fiscal years 2000 of \$225.5 million for construction.

Conference agreement

The conference agreement would authorize appropriations for fiscal years 2000 and 2001 of \$57.5 million for construction, and \$2,178,500 for the leases.

LEGISLATIVE PROVISIONS NOT ADOPTED

MEDICAL SERVICES FOR DEPENDENTS

Current law

The VA has authority to treat non-veterans under “sharing agreements” authorized under section 8153 of title 38, United States Code. VA lacks authority, however, to recover from insurance companies and other third parties for the cost of care provided to nonveterans.

House bill

The House bill (H.R. 2116, section 106) would authorize VA to establish a three-year pilot program in which VA may provide primary health care services to dependents of veterans in up to four networks, provided that such care would not deny or delay access to care for veterans. Participants must have the ability to pay for such care directly or through reimbursement or indemnification by a third party. This section would also require that GAO monitor the pilot program, report its findings to VA and for VA to act on these recommendations as appropriate.

Senate bill

The Senate bill contained no similar provision.

ENHANCED SERVICES PROGRAM AT FACILITIES UNDERGOING MISSION
CHANGES*Current law*

Section 510 of title 38, United States Code, authorizes the Secretary of Veterans Affairs to eliminate or redistribute the functions of VA facilities. Section 510 requires, with respect to an administrative reorganization (a term defined as a reduction in the number of full-time equivalent employees of a specified percentage), that such a reorganization not be implemented for at least 45 days after the Secretary has provided the Committees a detailed report on such proposed reorganization.

House bill

The House bill (H.R. 2116, section 107) would establish a process under which VA would (1) conduct studies to identify medical centers which should undergo mission changes, and (2) develop plans for such mission changes and for reallocating savings resulting from such change to improve veterans' access to care and quality of services provided. Section 107 would set limits on VA's authority to change medical center missions or close medical centers. It would require: (1) VA to determine (based on market and data analysis) both that the facility (in whole or in part) can no longer be operated efficiently and at optimal quality (because of such factors as the projected need for care-capacity, functional obsolescence, and cost of operating and maintaining physical plant) and that the patients who use the facility can receive care of appropriate quality under contract arrangements or at another VA medical center; (2) that VA consult with and provide for veterans organizations, unions, and other interested parties to participate in the development of a facility realignment plan; (3) VA to provide specified protections for employees who would be displaced under any such plan; (4) VA to maintain ongoing oversight of any hospital care provided under contract under a realignment plan; (5) that 90 percent of operational savings under a realignment be retained by the pertinent VA network and be used to establish new clinics or other means of improving patient access and service; and (6) VA to defer implementing a realignment plan pending the passage of at least 45 days following submission of a report to Congress on the plan.

Senate bill

The Senate bill contained no similar provision.

VETERANS TOBACCO TRUST FUND

Current law

Any monies which the United States might recover (other than under existing recovery provisions of title 38, United States Code) attributable to VA's cost of providing care to veterans for tobacco-related illnesses would be for deposit as miscellaneous receipts in the Treasury.

House bill

The House bill (H.R. 2116, section 203) would require that if the United States pursues recovery (other than a recovery currently authorized under title 38, United States Code, for health care costs incurred by the United States that are attributable to tobacco-related illnesses) VA is to: (1) retain the proportional amount of the recovery which is attributable to VA's cost of providing care to veterans for tobacco-related illnesses; and (2) deposit such funds in a trust fund (the "Veterans Tobacco Trust Fund") in the Treasury to be available after fiscal year 2004 for medical care and research.

Senate bill

The Senate bill contained no similar provision.

TERMS OF OFFICE FOR VA UNDER SECRETARIES

Current law

Appointments to the positions of Under Secretary for Benefits and Under Secretary for Health in the Department of Veterans Affairs shall be for a four-year period, with reappointment permissible for successive like periods; if the President removes such official before the completion of the term, the President is to communicate the reasons for the removal to Congress.

Senate bill

The Senate bill (S. 1076, section 138) would strike the provision which sets the term of appointment for the Under Secretary of Benefits and of Health and which requires the President to communicate to Congress the reasons for a removal from office.

House bill

The House bill contained no similar provision.

TITLE V—BENEFITS AND EMPLOYMENT MATTERS

SUBTITLE A—COMPENSATION AND DIC

DEPENDENCY AND INDEMNITY COMPENSATION FOR SURVIVING
SPOUSES OF FORMER PRISONERS OF WAR (SEC. 501)*Current law*

Dependency and indemnity compensation (DIC) is paid to the surviving spouse or children of a veteran when the veteran's death is a result of a service-connected disability. In addition, DIC payments may be authorized for the survivors of veterans who die as a result of their service-connected disabilities if the veteran was rated totally disabled due to a service connected cause for a period of ten or more years immediately preceding death. The survivors of former prisoners of war are eligible for DIC benefits under the same rules as other veterans. However, many former POWs will not meet the "10-year rule," and their surviving spouses would therefore not be eligible for DIC.

House bill

The House bill (H.R. 2280, section 102) contained a provision that would authorize dependency and indemnity compensation to the surviving spouses of former prisoners of war who were rated totally and permanently disabled and who had one of the conditions which the law presumes a prisoner of war incurred while in service. Under the House bill, DIC would be payable even though the veteran died of a nonservice-connected disability and irrespective of the ten-year rule.

Senate bill

The Senate bill (S. 1076, section 204) authorizes DIC to those surviving spouses of certain former prisoners of war who have died from nonservice-connected causes if the former POW was rated totally disabled due to any service-connected cause for a period of one

or more years (rather than 10 or more years) immediately prior to death.

Conference agreement

The House recesses.

REINSTATEMENT OF CERTAIN BENEFITS FOR REMARRIED SURVIVING SPOUSES OF VETERANS UPON TERMINATION OF THEIR REMARRIAGE (SEC. 502)

Current law

Surviving spouses of veterans entitled to veterans benefits lose their eligibility for those benefits if they remarry. Section 8207 of Public Law 105–178 reinstated eligibility for dependency and indemnity compensation to former DIC recipients whose remarriages are terminated. However, ancillary survivor benefits for CHAMPVA medical care, education, and home loan benefits were not reinstated upon termination subsequent marriages.

House bill

The House bill (H.R. 2280, section 104) restores CHAMPVA medical coverage, educational assistance, and housing loan benefits to those surviving spouses whose eligibility had been severed as the result of remarriage. This provision extends legislation passed in the 105th Congress (Public Law 105–178) allowing the reinstatement of dependency and indemnity compensation benefits to this group of surviving spouses.

Senate bill

The Senate bill contained no similar provision.

Conference agreement

The Senate recesses.

PRESUMPTION THAT BRONCHIOLO-ALVEOLAR CARCINOMA IS SERVICE-CONNECTED (SEC. 503)

Current law

Section 1112(c)(2) of title 38, United States Code, provides veterans who participated in a “radiation-risk activity” with eligibility for service-connected compensation benefits based upon a presumption that certain cancers and other diseases were incurred or aggravated during active military service. The presumption applies if the veteran develops one of the specific diseases within 40 years after the last date of exposure to radiation.

House bill

The House bill (H.R. 2280, section 102) contained a provision that would add bronchiolo-alveolar carcinoma to the list of presumed service-connected illnesses in veterans exposed to radiation. Scientific research has found that this is not a smoking-related lung cancer.

Senate bill

The Senate bill contained no similar provision.

Conference agreement

The Senate recesses.

SUBTITLE B—EMPLOYMENT

CLARIFICATION OF VETERANS' EMPLOYMENT OPPORTUNITIES (SEC. 511)

Current law

Section 3304(f) of title 5, United States Code, accords preference-eligible veterans and veterans with three or more years of active duty service the opportunity to compete for vacancies in a Federal agency when the agency opens competition to outside applicants. The Office of Personnel Management (OPM) has interpreted this provision to allow veterans covered by the Act to compete and fill job vacancies only under an "excepted" hiring authority. That interpretation has the effect of prohibiting such veteran's job advancement on a competitive basis within an agency since "excepted" employees do not acquire "competitive status."

Senate bill

The Senate bill (S. 1076, section 206) would clarify certain changes in law made under the Veterans Employment Opportunities Act of 1998 (Public Law 105-339). Section 206 of S. 1076 would confer competitive status on veterans hired under the Act, thereby allowing them to compete for internal vacancies.

House bill

The House bill contained no similar provision.

Conference agreement

The House recesses to the Senate provision in modified form. Language has been stricken from the Senate provision which, according to OPM, could be construed to mean that persons hired under the Act would be exempt from serving a probationary period as civilian employees. Further, additional language has been added to permit OPM to promulgate regulations ensuring that those honorably discharged from active duty military service shortly before completing three years of service are not excluded from coverage under the Act.

LEGISLATIVE PROVISIONS NOT ADOPTED

PAYMENT RATE OF BURIAL BENEFITS FOR CERTAIN FILIPINO VETERANS

Current law

Former members of the Philippine Commonwealth Army may qualify for VA disability compensation, burial benefits, and National Service Life Insurance benefits, and their survivors may qualify for dependency and indemnity compensation. These benefits are paid at half the rate they are provided to U.S. veterans.

Senate bill

The Senate bill (S. 1076, section 201) would provide, in cases of death after enactment of section 201, a full-rate funeral expense and plot allowance to Philippine Commonwealth Army veterans

who, at the time of death: (a) are naturalized citizens of the United States residing in the U.S. and (b) are receiving compensation for a service-connected disability or would have been eligible for VA pension benefits had their service been deemed to have been active military, naval, or air service.

House bill

The House bill contained no similar provision.

REPEAL OF LIMITATION ON PAYMENTS OF BENEFITS TO INCOMPETENT
INSTITUTIONALIZED VETERANS

Current law

Under section 5503 of title 38, United States Code, VA is prohibited from paying compensation and pension benefits to an incompetent veteran who has assets of \$1,500 or more if the veteran is being provided institutional care by VA (or another governmental provider) and he or she has no dependents. Such payments are restored if the veteran's assets drop to \$500 in value.

Senate bill

The Senate bill (S. 1706, section 205) would repeal the limitation on benefit payments imposed by section 5503, title 38, United States Code.

House bill

The House bill contained no similar provision.

TITLE VI—MEMORIAL AFFAIRS

SUBTITLE A—AMERICAN BATTLE MONUMENTS COMMISSION

CODIFICATION AND EXPANSION AUTHORITY FOR WORLD WAR II MEMORIAL (SEC. 601); GENERAL AUTHORITY TO SOLICIT AND RECEIVE CONTRIBUTIONS (SEC. 602); INTELLECTUAL PROPERTY AND RELATED ITEMS (SEC. 603)

Current law

Public Law 103–32 authorizes the American Battle Monuments Commission (ABMC) to establish a World War II Memorial in Washington, DC. It will be the first national memorial dedicated to all who served during World War II and acknowledging the commitment and achievement of the entire nation. The memorial is to be funded entirely by private contributions, with donations from individuals, corporations and foundations. Construction of the memorial will begin when all necessary funds have been secured.

House bill

The House bill (H.R. 2280, sections 201, 202, 203) would make various revisions to chapter 21 of title 36, United States Code. The House bill would (a) continue the authorization of the ABMC to solicit and accept contributions for a World War II Memorial in the District of Columbia; (b) codify the existing World War II Memorial fund and modify it to reflect changes made in this legislation; (c) modify the purpose for which funds deposited in the Treasury may

be used; (d) provide the Commission the authority to borrow up to \$65 million from the Treasury for groundbreaking, construction, and dedication of the Memorial on a timely basis; (e) require that in determining whether ABMC has sufficient funds to complete construction of the World War II memorial, the Secretary of the Interior will consider the \$65 million in funds that the ABMC may borrow from the Treasury as funds available to complete the construction of the memorial, whether or not the ABMC has actually exercised the authority to borrow the funds; (f) authorize the ABMC to accept voluntary services in furtherance of the fundraising activities relative to the memorial; and to (1) establish that a person providing voluntary services will be considered to be a federal employee for purposes of chapter 81 of title 5, United States Code, relating to compensation for work-related injuries, and chapter 171 of title 28, United States Code, relating to tort claims, in addition; (2) authorize the ABMC to provide for reimbursement of incidental expenses that are incurred by a person providing voluntary services; and (3) disallow the use of volunteer services to displace or replace any Federal employee; (g) require that a contract entered into by the ABMC for the design or construction of the World War II Memorial not be considered a funding agreement as that term is defined in section 201 of title 35, United States Code; and (h) extend the authority to establish the Memorial to December 31, 2005.

Section 202 would amend section 2103(e) of title 36, United States Code, to specify the conditions by which the ABMC may solicit and receive funds and in-kind donations. It expands the sources from which the ABMC may solicit and receive such funds and requires the ABMC to prescribe guidelines to avoid conflicts of interest.

Section 203 would amend chapter 21 of title 36, United States Code, by adding a new section 2114 entitled "Intellectual Property and related items" to (a) authorize the Commission to use and register intellectual property and grant licenses, and enforce such authority; and (b) require that the Secretary of Defense provide the ABMC with a legal representative in administrative proceedings before the Patent and Trademark Office and Copyright Office.

Senate bill

The Senate bill (S. 1706, sections 312, 313, 314) contained substantively identical language.

Conference agreement

The conference agreement contains this provision.

SUBTITLE B—NATIONAL CEMETERIES

ESTABLISHMENT OF ADDITIONAL NATIONAL CEMETERIES (SEC. 611)

Current law

Congress does not direct the Secretary of Veterans Affairs to establish cemeteries in specific areas. The National Cemetery Administration establishes cemeteries based on areas of greatest need, largely as determined by their 1987 and 1994 reports to Congress, both entitled, "Report on the National Cemetery System."

House bill

The House bill (H.R. 2280, section 211) would direct the Secretary of Veterans Affairs to: (1) establish a national cemetery in each of the four areas in the United States deemed to be most in need of such a cemetery; (2) obligate fiscal year 2000 advance planning funds (APF) for this purpose; (3) submit a report to Congress within 120 days of enactment setting forth the four areas, a schedule for establishment, the estimated cost associated with establishment, and the amount obligated under the APF for this purpose; and (4) until the four cemeteries are completed, submit to Congress an annual report that updates the information included in the initial report.

Senate bill

The Senate bill (S. 695, section 1) would direct the Secretary of Veterans Affairs to establish a National Cemetery in the following five areas: Atlanta, Georgia, metropolitan area; Southwestern Pennsylvania; Miami, Florida, metropolitan area; Detroit, Michigan, metropolitan area; and Sacramento, California, metropolitan area. Senate Report 106–113 identifies the six areas from both the 1987 and 1994 reports to Congress titled “Report on the National Cemetery System” that remain unserved. These areas are: (1) Detroit, Michigan; (2) Sacramento, California; (3) Atlanta, Georgia; (4) Miami, Florida; (5) Pittsburgh, Pennsylvania; and (6) Oklahoma City, Oklahoma. In addition, the Senate bill would require that, before selecting the site for the national cemetery to be established, the Secretary consult with the appropriate state and local government officials of each of the five states and appropriate officials of the United States, including the Administrator of General Services, with respect to land belonging to the United States that would be suitable as a location for the establishment of each national cemetery. Further, the Secretary would submit a report to Congress as soon as practicable after the date of enactment on the establishment of national cemeteries, setting forth a schedule for the establishment of each cemetery and an estimate of the costs associated with the establishment of each cemetery.

Conference agreement

The Senate recedes to the House provision with a modification to require the Secretary to establish a national cemetery in each of the six areas of the United States deemed to be most in need. It is the Committees’ expectation that the Secretary shall act on the six areas identified in Senate Report 106–113 as those areas most in need.

USE OF FLAT GRAVE MARKERS AT SANTA FE NATIONAL CEMETERY,
NEW MEXICO (SEC. 612)

Current law

Section 2404(c)(2) of title 38, United States Code, requires grave markers to be upright for interments that occur on or after January 1, 1987, except for certain exceptions.

Senate bill

The Senate bill (S. 695, section 2) would authorize the Secretary of Veterans Affairs to provide for flat grave markers at the Santa Fe, New Mexico, National Cemetery. It would also require the Secretary to submit a report to Congress within 90 days assessing the advantages and disadvantages of the National Cemetery Administration using flat grave markers and upright grave markers. The report would have to include upright grave markers and include criteria to be utilized in determining whether to prefer the use of one type of grave marker over the other.

House bill

The House bill contained no similar provision.

Conference agreement

The House recedes to the Senate provision but deletes the requirement for a report with respect to upright and flat markers and deletes inclusion of criteria in determining whether to prefer the use of one type of grave marker over the other. The Committees further direct the Secretary to assure Congress within 90 days that the new flat markers at Santa Fe will be implemented and maintained in a way that is befitting of the honor that national cemeteries are intended to bestow upon our Nation's veterans.

INDEPENDENT STUDY ON IMPROVEMENTS TO VETERANS' CEMETERIES
(SEC. 613)

Current law

There is no provision in title 38, United States Code, requiring the Secretary of Veterans Affairs to conduct an independent study on potential improvements to veterans' cemeteries.

House bill

The House bill (H.R. 2280, section 212) would require within 180 days the Secretary of Veterans Affairs to enter into a contract with one or more qualified organizations to conduct a study of national cemeteries. The study would include an assessment of: (a) the one-time repairs required at each national cemetery under the jurisdiction of the National Cemetery Administration to ensure a dignified and respectful setting appropriate to such cemetery; (b) the feasibility of making standards of appearance commensurate with the finest cemeteries in the world; and (c) the number of additional national cemeteries required for burials after 2005. The report would identify, by five-year periods beginning with 2005 and ending with 2020, the number of additional national cemeteries required during each five-year period and the areas in the United States with the greatest concentration of veterans whose needs are not served by national or State veterans' cemeteries. Not later than one year after the date on which the contract is entered into, the contractor would be required to submit a report to the Secretary setting forth the results and conclusions of the study. Not later than 120 days after the report is submitted, the Secretary would transmit to the Congress a copy of the report with any comments.

Senate bill

The Senate bill contained no similar provision.

Conference agreement

The Senate recedes to the House provision with an additional requirement that the Secretary submit a report to Congress assessing the advantages and disadvantages of the National Cemetery Administration using flat grave markers and upright grave markers. Additionally, the Secretary is required to report on the current conditions of flat marker sections at all national cemeteries. Finally, the study of the feasibility of making standards of appearance at national cemeteries commensurate with standards of appearance of the finest cemeteries in the world is modified to differentiate between active and closed cemeteries.

In conducting the study of national cemeteries, the report shall identify as a base but not necessarily be limited to: (1) The number of national cemeteries necessary to ensure 90 percent of America's veterans reside within 75 miles of a national or State cemetery; (2) the number and percentage of veterans in each State who would reside within 75 miles of an open national or State cemetery; (3) an estimate of the expected construction costs and the future costs of staffing, equipping and operating the projected national cemeteries in (1) and (2) above; and (4) in addition to projecting cemetery needs at five-year intervals beginning in 2005 and ending in 2020, the report should take into account cemeteries which will close to new burials and the age distribution of local veterans' populations during the reporting periods.

SUBTITLE C—BURIAL BENEFITS

INDEPENDENT STUDY ON IMPROVEMENTS TO VETERANS' BURIAL BENEFITS (SEC. 621)

Current law

There is no provision in title 38, United States Code, requiring the Secretary of Veterans Affairs to conduct one-time or periodic independent assessments of the adequacy and effectiveness of the current burial benefits administered by VA.

House bill

The House bill (H.R. 2280, section 212) would require that within 180 days, the Secretary of Veterans Affairs enter into a contract with one or more qualified organizations to conduct a study of national cemeteries, including potential enhancements to burial benefits such as an increase in the plot allowance.

Senate bill

The Senate bill contained no similar provision.

Conference agreement

The Senate recedes to the House provision with modifications. Not later than 60 days after the date of enactment, the Secretary shall enter into a contract to independently examine (a) the adequacy and effectiveness of the current burial benefits administered

by the Department under chapter 23 of title 38, United States Code, in serving the burial needs of veterans and their families; (b) options to better serve the burial needs of veterans and their families, including modifications of burial benefit amounts and eligibility, together with estimated costs for each such modification; and (c) expansion of authority of the Department to provide burial benefits for burials in private sector cemeteries and to make grants to private sector cemeteries.

The contractor shall submit a report to the Secretary within 120 days of entering into a contract making appropriate recommendations pursuant to the study findings. Within 60 days after receipt of the report, the Secretary shall transmit to the Committees on Veterans' Affairs of the House of Representatives and the Senate a copy of the report, together with any comments the Secretary considers appropriate.

TITLE VII—EDUCATION AND HOUSING MATTERS

SUBTITLE A—EDUCATION MATTERS

AVAILABILITY OF MONTGOMERY GI BILL BENEFITS FOR PREPARATORY COURSES FOR COLLEGE AND GRADUATE SCHOOL ENTRANCE EXAMS (SEC. 701)

Current law

Veterans may not use Montgomery GI Bill education benefits to take preparatory courses for college and graduate school entrance examinations. However, VA does have the authority to pay for preparatory post-educational professional examinations, such as CPA or Bar exams.

Senate bill

The Senate bill (S. 1402, section 3) would amend section 3452(b) of title 38, United States Code, to include as a “program of education” for which the Montgomery GI Bill (MGIB) may be used (a) preparatory courses for a test that is required or utilized for admission to an institution of higher education and (b) a preparatory course for a test that is required or utilized for admission to a graduate school.

House bill

The House bill contained no similar provision.

Conference agreement

The House recedes.

DETERMINATION OF ELIGIBILITY PERIOD FOR MEMBERS OF THE ARMED FORCES COMMISSIONED FOLLOWING COMPLETION OF OFFICER TRAINING SCHOOL (SEC. 702)

Current law

Section 3011(a) of title 38, United States Code, requires that MGIB participants complete their initial obligated period of service to receive MGIB benefits. Exceptions to this requirement are limited to individuals whose service is cut short due to disability or

hardship, the convenience of the government (if the individual has completed 30 months of a three-year enlistment or 20 months of a two-year enlistment), or due to reduction in force by the service branch. A servicemember who, after a period of continuous active duty and following successful completion of officer training school, is discharged to accept a commission as an officer in the Armed Forces. Under current law, if the discharge occurs before completion of the minimum period of active duty needed to establish MGIB eligibility, the servicemember is ineligible for education benefits.

Senate bill

The Senate bill (S. 1402, section 7) would create an additional exception to the requirement that enlistees complete their initial obligated period of service in order to be eligible for MGIB benefits. Individuals who are discharged from service so that they may accept a commission would remain eligible for MGIB benefits if they complete the service obligation incurred in accepting the commission.

House bill

The House bill contained no similar provision.

Conference agreement

The House recedes to the Senate provision in modified form to address the following: The conference agreement would allow the two periods of active duty (pre-commissioned and commissioned) to be considered as one, thus allowing these individuals to remain eligible for the MGIB program. Also, under the conference agreement, the eligibility period for using entitlement to educational assistance allowances under the MGIB expires on the later of (1) the end of the 10-year period beginning on the date of enactment, or (2) the end of the 10-year period beginning on the date of the individual's last discharge or release from active duty.

REPORT ON VETERANS' EDUCATION AND VOCATIONAL TRAINING
BENEFITS PROVIDED BY THE STATES (SEC. 703)

Current law

Title 38, United States Code, contains no requirement that VA report annually to the Congress on veterans' education and vocational training benefits provided by the States.

Senate bill

The Senate bill (S. 1402, section 10) would require that VA, in consultation with the Departments of Defense, Education, and Labor, report annually to the Congress on veterans' education and vocational training benefits provided by the States. The first such report would be due not later than six months after enactment. In addition, section 10 expresses the sense of the Senate that the States should admit qualified veterans to State-supported educational institutions without payment of tuition.

House bill

The House bill contained no similar provision.

Conference agreement

The House recedes to the Senate provision in modified form. Not later than six months after the date of enactment, the Secretary shall submit to the Committees on Veterans' Affairs of the Senate and the House of Representatives a report on veterans' education and vocational training benefits provided by the States. Benefits to be considered as veterans' education and vocational training benefits include any such benefits provided by a State for which persons are eligible by reason of service in the Armed Forces, including, in the case of persons who died in the Armed Forces or as a result of a disease or disability incurred in the Armed Forces, benefits provided to their survivors or dependents.

The term "veteran" includes a person serving on active duty or in one of the reserve components and a person who died while in the active military, naval, or air service.

The Committees note that the conference agreement also lists and defines matters specifically to be included in the Secretary's report.

SUBTITLE B—HOUSING MATTERS

EXTENSION OF AUTHORITY FOR HOUSING LOANS FOR MEMBERS OF
THE SELECTED RESERVE (SEC. 711)*Current law*

The Department of Veterans Affairs' authority to guarantee home loans for members of National Guard and Reserve (Selected Reserve) components expires on September 30, 2003.

House bill

The House bill (H.R. 2280, section 301) would provide permanent eligibility for former members of the Selected Reserve for veterans housing loan guaranties. Individuals would continue to be required to serve at least six years in the Reserve or National Guard to be eligible.

Senate bill

The Senate bill contained no similar provision.

Conference agreement

The Senate recedes in modified form. Eligibility for members of the Selected Reserve for veterans housing loan guarantees is extended to 2007.

LEGISLATIVE PROVISIONS NOT ADOPTED

MONTGOMERY GI BILL ENHANCEMENTS

Current law

Except for certain exceptions, chapter 30 of title 38, United States Code, generally provides active duty servicemembers a one-time opportunity to disenroll from the basic educational assistance

program under the Montgomery GI Bill, which establishes eligibility for a monthly educational assistance allowance of \$536 per month (as of October 1, 1999) for 36 months and requires a \$100 monthly pay reduction over 12 months and the fulfillment of minimum service requirements. Chapter 35 of title 38, United States Code, provides a monthly survivors' and dependents' educational assistance allowance of \$485 per month for full-time enrollment.

Senate bill

The Senate bill (S. 1402) would make the following changes to the educational assistance programs under chapter 30 of the Montgomery GI Bill: (a) increase the basic monthly educational assistance allowance to \$600 (section 4); (b) allow servicemembers who have not opted out of Montgomery GI Bill participation to increase the monthly rate of educational benefits they receive after service by making contributions, during service, over and above the \$1,200 basic pay reduction (section 6); (c) authorize servicemembers who had opted out of Montgomery GI Bill (MGIB) participation to reverse their decision to waive their participation by accepting a \$100 per month pay reduction for 15 months, or by "buying into" participation by making a lump sum \$1,500 payment (section 8); and (d) authorize VA to make accelerated payments under the terms of regulations that VA would promulgate to allow MGIB participants to receive benefits for a semester, a quarter, or a term at the beginning of the semester, quarter or term (section 9).

S. 1402 would increase the rates of survivors' and dependents' educational assistance to \$550 per month.

House bill

The House bill contained no similar provisions.

TITLE VIII—DEPARTMENT OF VETERANS AFFAIRS
ADMINISTRATIVE MATTERS

ENHANCED QUALITY ASSURANCE PROGRAM WITHIN THE VETERANS
BENEFITS ADMINISTRATION (SEC. 801)

Current law

There is no provision in title 38, United States Code, requiring the Veterans Benefits Administration (VBA) to maintain a quality assurance program that meets governmental standards for internal control, separation of duties, and organizational independence.

House bill

The House bill (H.R. 2280, section 502) would require the Secretary of Veterans Affairs to develop and implement a program to review and evaluate initial decisions made by the Veterans Benefits Administration on claims for compensation, pension, education, vocational rehabilitation and counseling, home loans, and insurance benefits.

The legislation gives discretion to the Department in the organization, number of full-time employees (FTE) and structure of the quality review program. This provision addresses problems identified by the General Accounting Office and the VA Inspector General in their reviews of VBA quality assurance matters. The Sec-

retary is directed to design the program so that it complies with the governmental standards for independence and internal control recommended by the General Accounting Office in its March 1, 1999 report, "Veterans' Benefits Claims: Further Improvements Needed in Claims-Processing Accuracy."

Senate bill

The Senate bill contained no similar provision.

Conference agreement

The Senate recesses.

EXTENSION OF AUTHORITY TO MAINTAIN A REGIONAL OFFICE IN THE
REPUBLIC OF THE PHILIPPINES (SEC. 802)

Current law

Section 315(b) of title 38, United States Code, provides the authority for the Secretary of Veterans Affairs to operate a regional office in the Republic of the Philippines through December 31, 1999. Congress has periodically extended this authority at VA's request in recognition that a regional office in the Philippines is the most cost-effective means of administering VA programs for beneficiaries residing there, in addition to providing an on-site presence to prevent potential fraud.

Senate bill

The Senate bill (S. 1076, section 202) would extend to December 31, 2004, VA's authority to operate a Veterans Benefits Administration regional office in the Philippines.

House bill

The House bill contained no similar provision.

Conference agreement

The House recesses in modified form. VA's authority to operate a regional office in the Philippines is extended to December 31, 2003.

EXTENSION OF ADVISORY COMMITTEE ON MINORITY VETERANS (SEC.
803)

Current law

Public Law 103-466 established the VA's Advisory Committee on Minority Veterans. The Advisory Committee provides advice and consultation on the needs, problems, and concerns of the minority veterans community. The Advisory Committee's statutory authority expires on December 31, 1999.

House bill

The House bill (H.R. 2280, section 503) would extend the Advisory Committee on Minority Veterans from December 31, 1999 to December 31, 2004.

Senate bill

The Senate bill (S. 1076, section 203) contained substantively identical language.

Conference agreement

The Senate recedes in modified form. The Advisory Committee on Minority Veterans is extended to December 31, 2003.

TITLE IX—HOMELESS VETERANS

HOMELESS VETERANS' REINTEGRATION PROGRAMS (HVRP) (SEC. 901)

Current law

Section 738(e)(1) of the Stewart B. McKinney Act, section 11448(e)(1) of title 42, United States Code, authorizes \$10 million for fiscal year 1998 and \$10 million for fiscal year 1999 for the Secretary of Labor to carry out Homeless Veterans' Reintegration Projects (HVRP). The HVRP appropriations authority expired on September 30, 1999.

House bill

The House bill (H.R. 2280, section 302) would create a new section 4111 of chapter 41, title 38, United States Code, to authorize appropriations to the Department of Labor of \$10 million in fiscal year 2000, \$15 million in fiscal year 2001, \$20 million in fiscal year 2002, \$25 million in fiscal year 2003, and \$30 million in fiscal year 2004 for the Homeless Veterans' Reintegration Projects.

Senate bill

The Senate bill (S. 1076, section 123) would amend section 738(e)(1) of the Stewart B. McKinney Homeless Assistance Act to authorize appropriations to the Department of Labor of \$10 million in fiscal year 2000 and \$10 million in fiscal year 2001 for the HVRP.

Conference agreement

The Senate recedes in modified form. Appropriations are authorized for the HVRP at \$10 million in fiscal year 2000, \$15 million in fiscal year 2001, \$20 million in fiscal year 2002, and \$20 million in fiscal year 2003.

EXTENSION OF PROGRAM OF HOUSING ASSISTANCE FOR HOMELESS
VETERANS (SEC. 902)*Current law*

VA furnishes assistance to homeless veterans through various mechanisms, both directly and by assisting community-based not-for-profit entities that furnish assistance to homeless veterans. VA assistance to community-based organizations takes two primary forms: VA transfers VA-acquired residential properties to such entities for their use to house homeless veterans and their families, and VA makes grants to such entities to assist them in establishing new programs to furnish outreach, rehabilitative services, vocational counseling and training, and transitional housing services. Congress extended these two authorities for a two-year period in

the Veterans' Benefits Act of 1997, Public Law 105–114. Such authority expires on December 31, 1999.

Senate bill

The Senate bill (S. 1076, section 121) would extend VA's authority to furnish assistance to homeless veterans through various mechanisms, both directly and by assisting community-based not-for-profit entities that furnish assistance to homeless veterans, for two years, to December 31, 2001.

House bill

The House bill contained no similar provision.

Conference agreement

The House recedes to the Senate in modified form. VA's authority to furnish housing assistance to homeless veterans is extended until December 31, 2003.

HOMELESS VETERANS PROGRAMS (SEC. 903)

Current law

Section 3 of the Homeless Veterans Comprehensive Service Program Act of 1992, authorizes VA (through September 30, 1999) to make grants to public or non-profit entities to establish new programs to provide outreach, rehabilitative services, vocational assistance, and transitional housing to homeless veterans. In requiring VA to set criteria for the award of such grants, the law limits to 20 the number of programs incorporating the procurement of vans for which grant support may be provided. To carry out the Act, Public Law 102–590 authorized annual appropriations of \$48 million through Fiscal Year 1997, and provided further that nothing in the public law should be construed to diminish funds for continuation or expansion of existing programs.

House bill

The House bill (H.R. 2116, section 205) would extend through September 30, 2002, VA's authority to make grants (under the Homeless Veterans Comprehensive Service Program Act of 1992, as amended) for new programs to combat veteran homelessness, and would eliminate the limitation on grant support for programs involving van procurement.

Senate bill

The Senate bill (S. 1076, section 122) would extend through September 30, 2001, VA's authority to make grants under the 1992 Act and would permit grants to assist in expanding existing programs as well as grants to establish new programs. It would also authorize annual appropriations of \$50 million to carry out the Act.

Conference agreement

The conference agreement incorporates the provisions of both the House and Senate bills, with a modification to extend the authority under the grant program through September 30, 2003.

PLAN FOR EVALUATION OF PERFORMANCE OF PROGRAMS TO ASSIST
HOMELESS VETERANS (SEC. 904)

Current law

The Government Performance and Results Act requires federal departments and agencies to assess and evaluate the effectiveness and outcomes of the programs they administer. The Committees note that the General Accounting Office has determined that the effectiveness of VA programs is unclear. [“Homeless Veterans: VA Expands Partnerships, but Homeless Program Effectiveness is Unclear” (HEHS-99-53, April 1, 1999)]

Senate bill

The Senate bill (S. 1076, section 124) would require the Secretary of Veterans Affairs to submit a report, not later than three months after enactment, containing a detailed plan for the evaluation of VA programs to assist homeless veterans. Such plan would be required to contain an identification of outcome measures adopted by VA to determine whether veterans who are provided housing and employment-related services are housed and employed six months after securing services under such programs.

House bill

The House bill contained no similar provision.

Conference agreement

The House recedes to the Senate provision in modified form. The Secretary of Veterans Affairs is required to submit a plan, in consultation with the Secretaries of Labor and Housing and Urban Development, for evaluating the effectiveness of programs to assist homeless veterans.

TITLE X—UNITED STATES COURT OF APPEALS FOR
VETERANS CLAIMS

SUBTITLE A—TRANSITIONAL PROVISIONS TO STAGGER TERMS OF
JUDGES

EARLY RETIREMENT AUTHORITY FOR CURRENT JUDGES (SEC. 1011)

Current law

Under section 7296(b)(2) of title 38, United States Code, a judge of the Court is eligible to retire at the completion of the term for which the judge was appointed if the judge is not re-appointed for another term. There is no provision for the retirement of judges before the completion of their term except for judges who meet age and service (“Rule of 80”) requirements of section 7296(b)(1), title 38, United States Code.

House bill

The House bill (H.R. 2280, section 407) would provide for the early retirement of up to five judges.

Senate Bill

The Senate bill (S. 1076, section 403) would provide a one-time buy-out for judges who meet the Rule of 80 retirement criteria. The Senate bill would also provide for temporary service of judges who retire or complete their terms.

Conference agreement

The Senate recedes with modifications to restrict to two the number of judges who may retire early. In addition, the compromise includes provisions which require that a judge who retires early must continue to serve until the judge's successor is appointed or the date on which the judge's original appointment would have expired. During this transitional service, the judge could continue to accrue credit toward a full retirement benefit and would receive a combination of salary and retirement benefits equal to the salaries of other judges. Judges who retire early may elect to be placed in recall status and thereby qualify for post-retirement increases in retirement pay.

MODIFIED TERMS FOR NEXT TWO JUDGES APPOINTED TO THE COURT
(SEC. 1012)

Current law

Under section 7253(c) of title 38, United States Code, all judges are appointed for a term of 15 years.

Senate bill

The Senate bill (S. 1076, section 402) would provide for 13-year terms for judges appointed to a position on the Court that becomes vacant in the year 2004.

House bill

The House bill contained no similar provision.

Conference agreement

The House recedes with a modification to change to 13 years the term of office of the first two judges who are appointed after the date of enactment.

SUBTITLE B—OTHER MATTERS RELATING TO RETIRED JUDGES

RECALL OF RETIRED JUDGES (SEC. 1021)

Current law

There is no provision in current law for the recall of retired judges.

House bill

The House bill (H.R. 2280, section 402) would provide for a recall of judges who elect at the time of retirement to be eligible for recall. Judges who elect to be eligible for recall would receive increases in the amount of their retired pay.

Senate bill

The Senate bill (S. 1076, section 401) contains a provision that permits judges who have retired or whose terms have expired to continue serving on the court on a temporary basis.

Conference agreement

The Senate recesses.

JUDGES' RETIREMENT PAY (SEC. 1022)

Current law

There is no specific provision authorizing judges to receive an increase in the amount of pay received after retirement.

House bill

The House bill (H.R. 2280, section 404) would authorize increases in the amount of retired pay for judges who elect to be recalled for service. Judges who do not elect to be eligible for recall would have the amount of their retired pay frozen at the amount for which they are eligible upon leaving office. The House bill also would authorize a cost of living increase for disability retirement benefits paid to judges who retire due to disability.

Senate bill

The Senate bill contained no similar provision.

Conference agreement

The Senate recesses with a modification to delete provisions concerning coordination with military retired pay.

SURVIVOR ANNUITIES (SEC. 1023)

Current law

In order to qualify for a survivor annuity under section 7297 (the program available to judges of the Court), title 38, United States Code, a surviving spouse must have been married to the judge for at least two years immediately preceding the judge's death, unless there are children born of the marriage. There is no provision for payment of a survivor annuity if a retired judge marries after leaving the bench. Judges are required to contribute 3.5 percent of their pay if they wish to participate in the survivor annuity plan.

House bill

The House bill (H.R. 2280, section 405) would reduce the period of marriage needed to qualify for a survivor annuity to one year immediately preceding the judge's death. Provision would be made for a judge to participate in the survivor's benefit plan if the judge marries after leaving the bench. The financial contribution of judges would be changed to reflect the same contribution made by judges who participate in the United States Court of Federal Claims survivor annuity program.

Senate bill

The Senate bill contained no similar provision.

Conference agreement

The Senate recesses.

LIMITATION ON ACTIVITIES OF RETIRED JUDGES (SEC. 1024)

Current law

There is no provision in title 38, United States Code, limiting the activities of retired judges.

House bill

The House bill (H.R. 2280, section 406) would provide for limitation of the activities of retired judges who are recall eligible.

Senate bill

The Senate bill contained no similar provision.

Conference agreement

The Senate recesses.

SUBTITLE C—ROTATION OF SERVICE OF JUDGES AS CHIEF JUDGE OF THE COURT

Current law

The Chief Judge is appointed for a term of 15 years. Section 7254(d) of title 38, United States Code, provides that in the event of a vacancy, the associate judge senior in service shall serve as “acting” Chief Judge unless the President designates another judge to so serve.

House bill

The House bill contained no similar provision.

Senate bill

The Senate bill contained no similar provision.

Conference agreement

The bill would implement a policy that eliminates the requirement of a separate appointment to the Chief Judge position. Instead, the Chief Judge would be the most senior judge in regular active service on the Court. In the event that two eligible judges had the same seniority in commission, the judge senior in age would be selected.

This person would serve as Chief Judge for five years and then the next most senior judge would rotate into the position. This provision is modeled on the provision for the Chief Judge for the United States Court of Appeals for the Armed Forces. The conference agreement also eliminates the salary distinction between the Chief Judge and the other judges.

LEGISLATIVE PROVISIONS NOT ADOPTED
AUTHORITY TO PRESCRIBE RULES AND REGULATIONS

Current law

There is no general authority for the Court to prescribe rules and regulations to carry out the provisions of chapter 72 of title 38, United States Code. The Court has specific authority to promulgate rules concerning the filing of complaints with respect to judicial conduct and rules of practice and procedures governing proceedings before the Court.

House bill

The House bill (H.R. 2280, section 401) would provide for the Court to promulgate rules and regulations to carry out chapter 72 of title 38, United States Code.

Senate bill

The Senate bill contained no provision.

CALCULATION OF YEARS OF SERVICE

Current law

Title 38, United States Code, is silent as to the calculation of years of service for purposes of retirement.

House bill

The House bill (H.R. 2280, section 403) would treat 183 days or more of service on the Court as a full year for purposes of retirement.

Senate bill

The Senate bill contained no similar provision.

TITLE XI—VOLUNTARY SEPARATION INCENTIVE
PROGRAMS

Current law

VA does not currently have the authority to offer voluntary separation incentives.

House bill

The House bill contained no provision.

Senate bill

The Senate bill contained no provision.

Conference agreement

The conference agreement provides authority to VA for one year to offer voluntary separation incentives to a limited number of FTEE.

BOB STUMP,
CHRIS SMITH,
JACK QUINN,
CLIFF STEARNS,

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LANE EVANS,
CORRINE BROWN,
MIKE DOYLE,
Managers on the Part of the House.

ARLEN SPECTER,
STROM THURMOND,
JAY ROCKEFELLER,
Managers on the Part of the Senate.

