

VETERANS OPPORTUNITY TO WORK ACT OF 2011

OCTOBER 11, 2011.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. MILLER of Florida, from the Committee on Veterans' Affairs, submitted the following

R E P O R T

together with

DISSENTING VIEWS

[To accompany H.R. 2433]

[Including cost estimate of the Congressional Budget Office]

The Committee on Veterans' Affairs, to whom was referred the bill (H.R. 2433) to amend title 38, United States Code, to make certain improvements in the laws relating to the employment and training of veterans, and for other purposes, having considered the same, report favorably thereon with an amendment and recommend that the bill as amended do pass.

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## AMENDMENT

The amendment is as follows:

Strike all after the enacting clause and insert the following:

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

(a) SHORT TITLE.—This Act may be cited as the “Veterans Opportunity to Work Act of 2011”.

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

Sec. 1. Short title; table of contents.

#### TITLE I—RETRAINING VETERANS

Sec. 101. Veterans retraining assistance program.

#### TITLE II—IMPROVING THE TRANSITION ASSISTANCE PROGRAM

- Sec. 201. Transition Assistance Program contracting.  
 Sec. 202. Mandatory participation in Transition Assistance Program.  
 Sec. 203. Report on Transition Assistance Program.  
 Sec. 204. Transition Assistance Program outcomes.  
 Sec. 205. Comptroller General review.

#### TITLE III—IMPROVING THE TRANSITION OF VETERANS TO CIVILIAN EMPLOYMENT

- Sec. 301. Reauthorization and improvement of demonstration project on credentialing and licensure of veterans.  
 Sec. 302. Inclusion of performance measures in annual report on veteran job counseling, training, and placement programs of the Department of Labor.  
 Sec. 303. Clarification of priority of service for veterans in Department of Labor job training programs.  
 Sec. 304. Evaluation of individuals receiving training at the National Veterans’ Employment and Training Services Institute.  
 Sec. 305. Requirements for full-time disabled veterans’ outreach program specialists and local veterans’ employment representatives.  
 Sec. 306. Report on findings of the Department of Defense and Department of Labor credentialing work group.

#### TITLE IV—IMPROVEMENTS TO UNIFORMED SERVICES EMPLOYMENT AND REEMPLOYMENT RIGHTS

Sec. 401. Clarification of benefits of employment covered under USERRA.

#### TITLE V—OTHER MATTERS

- Sec. 501. Extension of certain expiring provisions of law.  
 Sec. 502. Department of Veterans Affairs housing loan guarantees for surviving spouses of certain totally disabled veterans.  
 Sec. 503. Extension of homeless veterans reintegration programs.  
 Sec. 504. Reimbursement rate for ambulance services.  
 Sec. 505. Annual reports on Post-9/11 Educational Assistance Program and Survivors’ and Dependents’ Educational Assistance Program.  
 Sec. 506. Limitation on amount authorized to be appropriated for employee travel, printing, and fleet vehicles.  
 Sec. 507. Extension of reduced pension for certain veterans covered by Medicaid plans for services furnished by nursing facilities.  
 Sec. 508. Statutory Pay-As-You-Go-Act of 2010.

## TITLE I—RETRAINING VETERANS

### SEC. 101. VETERANS RETRAINING ASSISTANCE PROGRAM.

(a) PROGRAM AUTHORIZED.—

(1) IN GENERAL.—In accordance with this section, during the period beginning on June 1, 2012, and ending on March 31, 2014, the Secretary of Labor shall provide for monthly payments of retraining assistance to eligible veterans. Payments of retraining assistance under this section shall be made by the Secretary of Labor through the Secretary of Veterans Affairs.

(2) NUMBER OF ELIGIBLE VETERANS.—The number of eligible veterans who participate in the program may not exceed—

- (A) 45,000 during fiscal year 2012; and  
 (B) 55,000 during the period beginning October 1, 2012, and ending March 31, 2014.

(b) RETRAINING ASSISTANCE.—Except as provided by subsection (i), each veteran who participates in the program established under subsection (a)(1) shall be entitled to up to 12 months of retraining assistance, as determined by the Secretary of Labor. Such retraining assistance may only be used by the veteran to pursue a program of education (as such term is defined in section 3452(b) of title 38, United States Code) or training on a full-time basis that—

- (1) is approved under chapter 36 of such title;  
 (2) is offered by a community college or technical school;

(3) leads to an associates degree or a certificate (or other similar evidence of the completion of the program of education or training); and

(4) is designed to provide training for a high-demand occupation, as determined by the Secretary of Labor.

(c) MONTHLY CERTIFICATION.—Each veteran who participates in the program established under subsection (a)(1) shall certify to the Secretary of Veterans Affairs the enrollment of the veteran in a program of education described in subsection (b) for each month in which the veteran participates in the program.

(d) AMOUNT OF ASSISTANCE.—The monthly amount of the retraining assistance payable under this section is the amount in effect under section 3015(a)(1) of title 38, United States Code.

(e) ELIGIBILITY.—For purposes of this section, an eligible veteran is a veteran who—

(1) is at least 35 years of age but not more than 60 years of age;

(2) was last discharged from active duty service in the Armed Forces with an honorable discharge;

(3) as of the date of the submittal of the application for assistance under this section, has been unemployed for a period of time determined by the Secretary, with special consideration given to veterans who have been unemployed for at least 26 continuous weeks;

(4) is not eligible to apply for educational assistance under chapter 30, 31, 33, or 35 of title 38, United States Code; and

(5) by not later than October 1, 2013, submits to the Secretary of Labor an application containing such information and assurances as the Secretary may require.

(f) REPORT.—Not later than July 1, 2014, the Secretary of Labor and the Secretary of Veterans Affairs shall jointly submit to the Committees on Veterans' Affairs of the Senate and the House of Representatives a report on the retraining assistance provided under this section, including—

(1) the total number of—

(A) eligible veterans who participated;

(B) credit hours completed; and

(C) associates degrees or certificates awarded (or other similar evidence of the completion of the program of education or training earned); and

(2) data related to the employment status of eligible veterans who participated.

(g) JOINT AGREEMENT.—The Secretary of Labor and the Secretary of Veterans Affairs shall enter into an agreement on carrying out this section.

(h) SOURCE OF FUNDS.—Payments under this section shall be made from amounts appropriated to the readjustment benefits account of the Department of Veterans Affairs.

(i) TERMINATION OF AUTHORITY.—The authority to make payments under this section shall terminate on March 31, 2014.

## **TITLE II—IMPROVING THE TRANSITION ASSISTANCE PROGRAM**

### **SEC. 201. TRANSITION ASSISTANCE PROGRAM CONTRACTING.**

(a) TRANSITION ASSISTANCE PROGRAM CONTRACTING.—

(1) IN GENERAL.—Section 4113 of title 38, United States Code, is amended to read as follows:

#### **“§ 4113. Transition Assistance Program personnel**

“(a) AUTHORITY TO CONTRACT.—In accordance with section 1144 of title 10, the Secretary shall enter into a contract with an appropriate private entity or entities to provide the functions described in subsection (b) at all locations where the program described in such section is carried out.

“(b) FUNCTIONS.—Contractors under subsection (a) shall provide to members of the Armed Forces who are being separated from active duty (and the spouses of such members) the services described in section 1144(a)(1) of title 10, including—

“(1) counseling;

“(2) assistance in identifying employment and training opportunities and help in obtaining such employment and training;

“(3) other related information and services under such section; and

“(4) any other services that the Secretary determines are appropriate.”

(2) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 41 of title 38, United States Code, is amended by striking the item relating to section 4113 and inserting the following new item:

“4113. Transition Assistance Program personnel.”

(b) DEADLINE FOR IMPLEMENTATION.—The Secretary of Labor shall enter into the contract required by section 4113 of title 38, United States Code, as added by subsection (a), by not later than 24 months after the date of the enactment of this Act.

**SEC. 202. MANDATORY PARTICIPATION IN TRANSITION ASSISTANCE PROGRAM.**

Section 1144(c) of title 10, United States Code, is amended by striking “shall encourage” and all that follows and inserting “shall encourage the participation of members of the armed forces in pay grades E-8 and above and O-6 and above who are eligible for assistance under the program and shall require the participation of all other members of the armed forces who are eligible for assistance under the program unless a documented urgent operational requirement prevents attendance or an individual service member, with written approval of their commander, chooses to decline participation, in writing, based on post-service employment or acceptance to an education program. Such documentation shall be included in the personnel record of the member.”.

**SEC. 203. REPORT ON TRANSITION ASSISTANCE PROGRAM.**

Section 1144 of title 10, United States Code, is amended by adding at the end the following new subsection:

“(e) REPORTS AND AUDITS.—(1) Not later than January 30 of each year, the Secretary of Labor shall submit to the Committees on Veterans’ Affairs of the Senate and House of Representatives a report on the program established under this section that includes the number of members of the armed forces eligible for assistance under the program who participated in the program within 30, 90, and 180 days of being separated from active duty, and the percentages of all such eligible participants who participated within each such time period.

“(2)(A) The Secretary of Labor shall enter into a contract with an appropriate entity to conduct an audit of the program established under this section not less frequently than once every three years and to submit to the Secretary of Defense, the Secretary of Labor, the Secretary of Veterans Affairs, and the Committees on Veterans’ Affairs of the Senate and House of Representatives a report containing the results of each such audit.

“(B)(i) Except as provided in clause (ii), the Secretary of Labor shall enter into the contract under subparagraph (A) with an appropriate entity that is a small business concern owned and controlled by veterans or a small business concern owned and controlled by service-disabled veterans and that is included in the database of veteran-owned businesses maintained under subsection (f) of section 8127 of title 38 and verified by the Secretary pursuant to paragraph (4) of that subsection.

“(ii) If the Secretary of Labor is unable to enter into the contract under subparagraph (A) with a qualified business concern described in clause (i), the Secretary shall enter into such contract with another qualified appropriate entity.

“(C) The Secretary of Labor shall enter into the contract under this paragraph using funds made available for the State grant program authorized under section 4102A of title 38.”.

**SEC. 204. TRANSITION ASSISTANCE PROGRAM OUTCOMES.**

Section 1144 of title 10, United States Code, as amended by section 202 and 203, is further amended by adding at the end the following new subsection:

“(f) PROGRAM OUTCOMES.—The Secretary of Labor and the Secretary of Defense shall jointly develop a method to assess the outcomes for individuals who participate in the program established under this section. Such method shall be designed to determine the following outcomes:

“(1) The length of the period during which the individual was unemployed following the individual’s separation from active duty.

“(2) The beginning salary paid to the individual for the first job the individual obtained following such separation.

“(3) The number of months of school or other training the individual attended during the first 12-month period following such separation.”.

**SEC. 205. COMPTROLLER GENERAL REVIEW.**

Not later than one year after the date of the enactment of this Act, the Comptroller General of the United States shall conduct a review of the Transition Assistance Program under section 1144 of title 10, United States Code, and submit to Congress a report on the results of the review and any recommendations of the Comptroller General for improving the program.

## TITLE III—IMPROVING THE TRANSITION OF VETERANS TO CIVILIAN EMPLOYMENT

### SEC. 301. REAUTHORIZATION AND IMPROVEMENT OF DEMONSTRATION PROJECT ON CREDENTIALING AND LICENSURE OF VETERANS.

Section 4114 of title 38, United States Code, is amended—

(1) in subsection (b)—

(A) in paragraph (1), by striking “not less than 10” and inserting “not less than 5 but not more than 10”; and

(B) in paragraph (2), by striking “consult with appropriate Federal, State, and industry officials” and inserting “enter into a contract with an appropriate entity representing a coalition of State governors”;

(2) in subsection (g)—

(A) by striking “Veterans Benefits, Health Care, and Information Technology Act of 2006” and inserting the “Veterans Opportunity to Work Act of 2011”; and

(B) by striking “September 30, 2009” and inserting “September 30, 2014”;

(3) in subsection (h)—

(A) by striking “utilizing unobligated funds” and inserting “using not more than \$180,000 of the funds in each fiscal year”; and

(B) by inserting before the period at the end the following: “, to be derived from amounts otherwise made available to carry out sections 4103A and 4104 of this title”; and

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

“(i) REPORT TO CONGRESS.—Not later than 30 days after the last day of a fiscal year during which the demonstration project under this section is carried out, the Assistant Secretary, in coordination with the entity with which the Assistant Secretary enters into a contract under subsection (b)(2), shall submit to the Committees on Veterans’ Affairs of the Senate and House of Representatives a report on the implementation of the demonstration project during that fiscal year.”.

### SEC. 302. INCLUSION OF PERFORMANCE MEASURES IN ANNUAL REPORT ON VETERAN JOB COUNSELING, TRAINING, AND PLACEMENT PROGRAMS OF THE DEPARTMENT OF LABOR.

Section 4107(c) of title 38, United States Code, is amended—

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

(2) in paragraph (5), by striking “and” at the end;

(3) in paragraph (6), by striking the period and inserting “; and”; and

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

“(7) performance measures for the provision of assistance under this chapter, including—

“(A) the percentage of participants in programs under this chapter who are employed after the 180-day period following their completion of the program;

“(B) the percentage of such participants who are employed after the one-year period following their completion of the program;

“(C) the median earnings of such participants after the 180-day period following their completion of the program;

“(D) the median earnings of such participants after the one-year period following their completion of the program; and

“(E) the percentage of participants in such program who complete a certificate, degree, diploma, licensure, or industry-recognized credential while they are participating in the program or within one year of completing the program.”.

### SEC. 303. CLARIFICATION OF PRIORITY OF SERVICE FOR VETERANS IN DEPARTMENT OF LABOR JOB TRAINING PROGRAMS.

Section 4215 of title 38, United States Code, is amended—

(1) in subsection (a)(3), by adding at the end the following: “Such priority includes giving access to such services to a covered person before a non-covered person or, if resources are limited, giving access to such services to a covered person instead of a non-covered person.”; and

(2) by amending subsection (d) to read as follows:

“(d) ADDITION TO ANNUAL REPORT.—(1) In the annual report required under section 4107(c) of this title for the program year beginning in 2003 and each subsequent program year, the Secretary of Labor shall evaluate whether covered persons are receiving priority of service and are being fully served by qualified job training programs. Such evaluation shall include—

“(A) an analysis of the implementation of providing such priority at the local level;

“(B) whether the representation of veterans in such programs is in proportion to the incidence of representation of veterans in the labor market, including within groups that the Secretary may designate for priority under such programs, if any; and

“(C) performance measures, as determined by the Secretary, to determine whether veterans are receiving priority of service and are being fully served by qualified job training programs.

“(2) The Secretary may not use the proportion of representation of veterans described in subparagraph (B) of paragraph (1) as the basis for determining under such paragraph whether veterans are receiving priority of service and are being fully served by qualified job training programs.”.

**SEC. 304. EVALUATION OF INDIVIDUALS RECEIVING TRAINING AT THE NATIONAL VETERANS' EMPLOYMENT AND TRAINING SERVICES INSTITUTE.**

(a) **IN GENERAL.**—Section 4109 of title 38, United States Code, is amended by adding at the end the following new subsection:

“(d) The Secretary shall require that each individual who receives training provided by the Institute, or its successor, is given a final examination to evaluate the individual's performance in receiving such training. Each such evaluation shall be designed to provide the individual with a grade, which shall be designated as either a passing grade or a failing grade. The results of such final examination shall be provided to the entity that sponsored the individual who received the training.”.

(b) **EFFECTIVE DATE.**—Subsection (d) of section 4109 of title 38, United States Code, shall apply with respect to training provided by the National Veterans' Employment and Training Services Institute that begins on or after the date of the enactment of this Act.

**SEC. 305. REQUIREMENTS FOR FULL-TIME DISABLED VETERANS' OUTREACH PROGRAM SPECIALISTS AND LOCAL VETERANS' EMPLOYMENT REPRESENTATIVES.**

(a) **DISABLED VETERANS' OUTREACH PROGRAM SPECIALISTS.**—Section 4103A of title 38, United States Code, is amended by adding at the end the following new subsection:

“(d) **ADDITIONAL REQUIREMENT FOR FULL-TIME EMPLOYEES.**—(1) A full-time disabled veterans' outreach program specialist shall perform only duties related to meeting the employment needs of eligible veterans, as described in subsection (a), and shall not perform other non-veteran-related duties.

“(2) The Secretary shall conduct regular audits to ensure compliance with paragraph (1). If, on the basis of such an audit, the Secretary determines that a State is not in compliance with paragraph (1), the Secretary may reduce the amount of a grant made to the State under section 4102A(b)(5) of this title.”.

(b) **LOCAL VETERANS' EMPLOYMENT REPRESENTATIVES.**—Section 4104 of such title is amended—

(1) by redesignating subsection (e) as subsection (f); and

(2) by inserting after subsection (d) the following new subsection (e):

“(e) **ADDITIONAL REQUIREMENTS FOR FULL-TIME EMPLOYEES.**—(1) A full-time local veterans' employment representative shall perform only duties related to the employment, training, and placement services under this chapter, and shall not perform other non-veteran-related duties.

“(2) The Secretary shall conduct regular audits to ensure compliance with paragraph (1). If, on the basis of such an audit, the Secretary determines that a State is not in compliance with paragraph (1), the Secretary may reduce the amount of a grant made to the State under section 4102A(b)(5) of this title.”.

**SEC. 306. REPORT ON FINDINGS OF THE DEPARTMENT OF DEFENSE AND DEPARTMENT OF LABOR CREDENTIALING WORK GROUP.**

(a) **IN GENERAL.**—The Secretary of Defense and the Secretary of Labor shall jointly enter into a contract with a qualified organization or entity jointly selected by the Secretaries to complete the study of 10 military occupational specialties already begun by the joint Department of Defense and Department of Labor Credentialing Work Group to reduce barriers to certification and licensure for transitioning members of the Armed Forces and veterans. This study shall also include an examination of current initiatives, programs, and authority already established within the Department of Defense and the military services to promote credentialing of members of the Armed Forces and identify best practices that can be leveraged by all services to increase the transferability of military education, training, experience, and skills.

(b) **REPORT.**—The contract described in subsection (a) shall provide that upon completion of the study described in such subsection, the organization or entity with which the Secretary of Defense and the Secretary of Labor entered into the contract

shall submit to the Secretary of Defense and the Secretary of Labor a report setting forth the results of the study. The report shall include—

- (1) a plan for leveraging existing successful initiatives, programs, and authority to promote the credentialing of all members of the Armed Forces; and
- (2) such information as the Secretaries shall specify in the contract.

(c) **SUBMITTAL TO CONGRESS.**—Not later than March 31, 2012, the Secretary of Defense and the Secretary of Labor shall jointly submit to Congress a report on the results of the study described in subsection (a), together with such comments on the report as the Secretaries jointly consider appropriate.

## **TITLE IV—IMPROVEMENTS TO UNIFORMED SERVICES EMPLOYMENT AND REEMPLOYMENT RIGHTS**

### **SEC. 401. CLARIFICATION OF BENEFITS OF EMPLOYMENT COVERED UNDER USERRA.**

Section 4303(2) of title 38, United States Code, is amended by inserting “the terms, conditions, or privileges of employment, including” after “means”.

## **TITLE V—OTHER MATTERS**

### **SEC. 501. EXTENSION OF CERTAIN EXPIRING PROVISIONS OF LAW.**

(a) **ADJUSTABLE RATE MORTGAGES.**—Section 3707(a) of such title is amended by striking “2012” and inserting “2014”.

(b) **HYBRID ADJUSTABLE RATE MORTGAGES.**—Section 3707A(a) of such title is amended by striking “2012” and inserting “2014”.

(c) **POOL OF MORTGAGE LOANS.**—Section 3720(h)(2) of title 38, United States Code, is amended by striking “December 31, 2011” and inserting “December 31, 2016”.

(d) **LOAN FEES.**—

(1) **EXTENSION OF FEES.**—Section 3729(b)(2) of such title is amended—

(A) in subparagraph (A)—

(i) in clause (iii), by striking “October 1, 2011” and inserting “October 1, 2017”; and

(ii) in clause (iv), by striking “October 1, 2011” and inserting “October 1, 2017”;

(B) in subparagraph (B)—

(i) in clause (i), by striking “October 1, 2011” and inserting “October 1, 2017”;

(ii) by striking clauses (ii) and (iii) and redesignating clause (iv) as clause (ii); and

(iii) in clause (ii), as so redesignated, by striking “October 1, 2013” and inserting “October 1, 2017”;

(C) in subparagraph (C)—

(i) in clause (i), by striking “October 1, 2011” and inserting “October 1, 2017”; and

(ii) in clause (ii), by striking “October 1, 2011” and inserting “October 1, 2017”; and

(D) in subparagraph (D)—

(i) in clause (i), by striking “October 1, 2011” and inserting “October 1, 2017”; and

(ii) in clause (ii), by striking “October 1, 2011” and inserting “October 1, 2017”.

(2) **EFFECTIVE DATE.**—The amendments made by paragraph (1) shall take effect on the later of—

(A) October 1, 2011; or

(B) the date of the enactment of this Act.

(e) **TEMPORARY ADJUSTMENT OF MAXIMUM HOME LOAN GUARANTY AMOUNT.**—Section 501 of the Veterans Benefits Improvement Act of 2008 (Public Law 110–389; 122 Stat. 4175; 38 U.S.C. 3703 note) is amended by striking “December 31, 2011” and inserting “December 31, 2014”.

### **SEC. 502. DEPARTMENT OF VETERANS AFFAIRS HOUSING LOAN GUARANTEES FOR SURVIVING SPOUSES OF CERTAIN TOTALLY DISABLED VETERANS.**

(a) **IN GENERAL.**—Section 3701(b) of title 38, United States Code, is amended by adding at the end the following new paragraph:

“(6) The term ‘veteran’ also includes, for purposes of home loans, the surviving spouse of a deceased veteran who dies and who was in receipt of or enti-

tled to receive (or but for the receipt of retired or retirement pay was entitled to receive) compensation at the time of death for a service-connected disability rated totally disabling if—

“(A) the disability was continuously rated totally disabling for a period of 10 or more years immediately preceding death;

“(B) the disability was continuously rated totally disabling for a period of not less than five years from the date of such veteran’s discharge or other release from active duty; or

“(C) 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 less than one year immediately preceding death.”

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply with respect to a loan guaranteed after the date of the enactment of this Act.

(c) CLARIFICATION WITH RESPECT TO CERTAIN FEES.—Fees shall be collected under section 3729 of title 38, United States Code, from a person described in paragraph (6) of subsection (b) of section 3701 of such title, as added by subsection (a), in the same manner as such fees are collected from a person described in paragraph (2) of such subsection.

**SEC. 503. EXTENSION OF HOMELESS VETERANS REINTEGRATION PROGRAMS.**

(a) EXTENSION.—Section 2021(e)(1)(F) of title 38, United States Code, is amended by striking “2011” and inserting “2012”.

(b) REPORT.—Not later than one year after the date of the enactment of this Act, the Comptroller General of the United States shall submit to Congress a report on the operation and results of the homeless veterans reintegration programs under section 2021 of title 38, United States Code.

**SEC. 504. REIMBURSEMENT RATE FOR AMBULANCE SERVICES.**

Section 111(b)(3) of title 38, United States Code, is amended by adding at the end the following new subparagraph:

“(C) In the case of transportation of a person under subparagraph (B) by ambulance, the Secretary may pay the provider of the transportation the lesser of the actual charge for the transportation or the amount determined by the fee schedule established under section 1834(l) of the Social Security Act (42 U.S.C. 1395(l)) unless the Secretary has entered into a contract for that transportation with the provider.”

**SEC. 505. ANNUAL REPORTS ON POST-9/11 EDUCATIONAL ASSISTANCE PROGRAM AND SURVIVORS’ AND DEPENDENTS’ EDUCATIONAL ASSISTANCE PROGRAM.**

(a) REPORTS REQUIRED.—

(1) IN GENERAL.—Subchapter III of chapter 33 of title 38, United States Code, is amended by adding at the end the following new section:

**“§ 3325. Reporting requirement**

“(a) IN GENERAL.—For each academic year—

“(1) the Secretary of Defense shall submit to Congress a report on the operation of the program provided for in this chapter; and

“(2) the Secretary shall submit to Congress a report on the operation of the program provided for in this chapter and the program provided for under chapter 35 of this title.

“(b) CONTENTS OF SECRETARY OF DEFENSE REPORTS.—The Secretary of Defense shall include in each report submitted under this section—

“(1) information indicating—

“(A) the extent to which the benefit levels provided under this chapter are adequate to achieve the purposes of inducing individuals to enter and remain in the Armed Forces and of providing an adequate level of financial assistance to help meet the cost of pursuing a program of education;

“(B) whether it is necessary for the purposes of maintaining adequate levels of well-qualified active-duty personnel in the Armed Forces to continue to offer the opportunity for educational assistance under this chapter to individuals who have not yet entered active-duty service; and

“(C) describing the efforts under section 3323(b) of this title to inform members of the Armed Forces of the active duty service requirements for entitlement to educational assistance benefits under this chapter and the results from such efforts; and

“(2) such recommendations for administrative and legislative changes regarding the provision of educational assistance to members of the Armed Forces and veterans, and their dependents, as the Secretary of Defense considers appropriate.

“(c) CONTENTS OF SECRETARY OF VETERANS AFFAIRS REPORTS.—The Secretary shall include in each report submitted under this section—

“(1) information concerning the level of utilization of educational assistance and of expenditures under this chapter and under chapter 35 of this title;

“(2) the number of credit hours, certificates, degrees, and other qualifications earned by beneficiaries under this chapter and under chapter 35 of this title during the academic year covered by the report; and

“(3) such recommendations for administrative and legislative changes regarding the provision of educational assistance to members of the Armed Forces and veterans, and their dependents, as the Secretary considers appropriate.

“(d) **TERMINATION.**—No report shall be required under this section after January 1, 2021.”.

(2) **CLERICAL AMENDMENT.**—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 3324 the following new item:

“3325. Reporting requirement.”.

(3) **DEADLINE FOR SUBMITTAL OF FIRST REPORT.**—The first reports required under section 3325 of title 38, United States Code, as added by paragraph (1), shall be submitted by not later than November 1, 2012, and shall cover the 2011-2012 academic year.

(b) **REPEAL OF REPORT ON ALL VOLUNTEER-FORCE EDUCATIONAL ASSISTANCE PROGRAM.**—

(1) **IN GENERAL.**—Chapter 30 of such title is amended by striking section 3036.

(2) **CLERICAL AMENDMENT.**—The table of sections at the beginning of such chapter is amended by striking the item relating to section 3036.

**SEC. 506. LIMITATION ON AMOUNT AUTHORIZED TO BE APPROPRIATED FOR EMPLOYEE TRAVEL, PRINTING, AND FLEET VEHICLES.**

The amount authorized to be appropriated for the Department of Veterans Affairs for employee travel, printing, and fleet vehicles for fiscal year 2012 shall not exceed \$385,000,000.

**SEC. 507. EXTENSION OF REDUCED PENSION FOR CERTAIN VETERANS COVERED BY MEDICAID PLANS FOR SERVICES FURNISHED BY NURSING FACILITIES.**

Section 5503(d)(7) of title 38, United States Code, is amended by striking “May 31, 2015” and inserting “May 31, 2016”.

**SEC. 508. STATUTORY PAY-AS-YOU-GO-ACT OF 2010.**

The budgetary effects of this Act, for the purpose of complying with the Statutory Pay-As-You-Go-Act of 2010, shall be determined by reference to the latest statement titled “Budgetary Effects of PAYGO Legislation” for this Act, submitted for printing in the Congressional Record by the Chairman of the House Budget Committee, provided that such statement has been submitted prior to the vote on passage

## PURPOSE AND SUMMARY

H.R. 2433 was introduced on July 7, 2011, by Chairman Jeff Miller of Florida. H.R. 2433, as amended, would amend title 38, United States Code, to make certain improvements in the laws relating to the employment and training of veterans, and for other purposes. H.R. 2433, as amended, incorporates provisions from H.R. 120, introduced by Mrs. Foxx of North Carolina, and H.R. 2274, introduced by Mr. Bilirakis of Florida. The bill also includes two free-standing provisions that would reduce discretionary spending by preventing the Department of Veterans Affairs (VA) from being overcharged for the provision of ambulance services by non-VA providers to certain veterans and capping certain expenditures related to employee travel, fleet vehicles, and printing costs at VA. Taken together, the bill would improve the provision of Federal transition, education, vocational training, and loan guaranty benefits to members of the Armed Forces, veterans, and survivors.

## BACKGROUND AND NEED FOR LEGISLATION

## TITLE I—RETRAINING VETERANS

*Section 101—Veterans Retraining Assistance Program*

The total number of unemployed veterans has stayed consistently around 1 million throughout most of FY 2011. According to the U.S. Department of Labor's (DoL) Bureau of Labor Statistics (BLS), there were 877,000 unemployed veterans in the United States during the month of August 2011. Of this number 577,000, or 66 percent, were between the ages of 35–64. Despite these high numbers, unfilled jobs have also remained high. For example, data from the Conference Board show that over 4 million jobs are available and listed on the Internet. The Committee is also aware of employers who have expressed their concern about a lack of qualified job seekers and that job applicants do not have the proper training for these openings.

BLS data show that Americans with higher education/training levels have significantly lower unemployment rates and higher weekly earnings. For example, in 2010, high school graduates had an unemployment rate of 10.3 percent and weekly earnings of \$626. Those with an Associate's Degree experienced unemployment at a rate of 7 percent and had average weekly earnings of \$767, a 22 percent increase above the earnings of high school graduates. Having a Bachelor's Degree reduced the unemployment rate to 5.4 percent while increasing weekly earnings to \$1,038.

Therefore, the challenge before the Committee is to increase the skills and qualifications of unemployed veterans. By doing this, veterans will be better positioned not only for today's job market, but also for an expanding job market as the stagnant economy improves. Upgrading skills and qualifications is especially critical for the 66 percent of unemployed veterans between the ages of 35 and 64. One proven way to do that is through providing them with meaningful education and training benefits.

Unlike younger or recently discharged older veterans who have eligibility to obtain education and training through the Post-9/11 GI Bill, older veterans seldom have access to similar education or training programs. This is because many of these veterans would have passed their eligibility period to use the predecessor education benefit to the Post-9/11 GI Bill, the Montgomery GI Bill (MGIB), and few would have the service required to be eligible for the Post-9/11 GI Bill. In times of economic downturn, this gap in benefits is particularly troubling since middle-aged veterans would typically have significantly higher financial obligations than younger veterans.

Section 101 would provide an opportunity for unemployed veterans aged 35 to 60 to gain new skills by offering them a temporary education and training benefit. The program would allow these veterans to enroll in courses at community colleges and technical training schools. Education payments would be administered under the rules governing the existing MGIB program and would only be payable to veterans enrolled in education or training courses that lead to an associate degree, certificate, or similar qualification, in a high demand occupation as determined by the Secretary of Labor.

Section 101 would authorize the DoL and the VA to enroll up to 100,000 unemployed veterans beginning June 1, 2011, through March 31, 2014. Veterans would be eligible to receive the monthly MGIB benefit that is in effect for up to 12 months. However, payments could not be made after March 31, 2014. To be eligible, veterans must be at least 35 but not more than 60 years old, have an honorable discharge, be unemployed as determined by the Secretary of Labor with special consideration given to those who have been unemployed for at least 26 consecutive weeks and have no eligibility for other VA-administered education programs. The Committee notes the bill's provision in subsection (g) directing DoL and VA to reach a joint agreement on administration of the program and expects both Departments to move aggressively to bring the program online.

Section 101 also includes a provision requiring program participants to certify attendance on a monthly basis as is done under the existing MGIB. This provision has been included to minimize overpayments to enrollees who do not complete their course of training. The Committee would expect VA to ensure that enrollees understand that failure to certify on a monthly basis may result in disenrollment and indebtedness to the government, just as in any other education or training program managed by VA.

#### TITLE II—IMPROVING THE TRANSITION ASSISTANCE PROGRAM

##### *Section 201—Transition Assistance Program contracting*

The purpose of the Transition Assistance Program (TAP) is to prepare departing servicemembers for civilian life by providing them with a two and one half day course that focuses on finding a job after discharge. TAP consists of three phases: pre-separation counseling by Department of Defense (DoD) military or civilian personnel designed to make the servicemember aware of available career options, an employment workshop taught by labor specialists, and a veterans' benefits phase taught by VA employees.

The employment workshop focuses on career training essentials such as résumé and cover letter writing, interviewing, and job search skills. Participants also receive a briefing from VA on the various types of veterans' benefits available to them.

Currently, Disabled Veteran Outreach Program Specialists (DVOPS) and Local Veteran Employment Representatives (LVER) teach most TAP courses in the United States. DVOPS and LVERs are State employees funded by DoL's Veterans Employment and Training Service (VETS). The primary job of DVOPS and LVERs is to work at State workforce employment centers to help veterans, especially disabled veterans, find meaningful employment, not to teach TAP classes.

However, contract instructors teach TAP at overseas bases as well as at several locations inside the United States. Over the past several Congresses, Committee staff has conducted site visits to observe TAP classes in action. In general, staff has found the quality of instruction in classes taught by contract instructors to be superior to those taught by DVOPS and LVERs. This is not to denigrate the efforts of the DVOPS and LVERs because they are hired for different skill sets needed to be effective job placement and outreach experts, not classroom instructors.

Section 201 would require VETS to contract for all TAP instruction. This change would not only ensure quality instruction for all servicemembers but it would allow DVOPS and LVERs to focus on their primary mission, which is to provide intensive services to disabled veterans and outreach to employers. The Committee expresses its appreciation for DVOPS and LVERs who have helped departing servicemembers transition to civilian life. However, the Committee also believes that veterans will benefit more by using contract instructors for TAP and freeing DVOPS and LVERs to devote their time to helping veterans get good-paying jobs.

Finally, the Committee believes that using contract instructors for all TAP employment workshop classes offers an excellent opportunity for VA to join with VETS to contract for the VA benefits instructional element of TAP. This would relieve VA from the need to station additional personnel overseas, as well as allow VA TAP instructors to perform their normal day-to-day duties.

*Section 202—Mandatory participation in Transition Assistance Program*

Under current law, all servicemembers are “encouraged” to participate in TAP classes but only the Marines make TAP mandatory for all of its personnel. As a result, DoD data indicate that 15 to 20 percent of departing servicemembers do not attend TAP classes.

Therefore, section 202 would require that all servicemembers below the rank of O-6 and E-8 (generally, those below the rank of Colonel for officers and Master or First Sergeant for enlisted persons) participate in TAP with a few exceptions for senior officers and enlisted personnel, as well as those unable to attend due to operational necessity.

While the TAP program is considered dated and in serious need of improvement, the Committee believes that having a servicemember attend a less-than-perfect TAP class is better than nothing at all. The Committee is also aware that DoL, VETS and DoD are in the process of modernizing TAP so that it will feature a strong emphasis on training targeted to individual needs and circumstances. The Committee encourages the Departments to complete the project as soon as possible. The Committee also expects the revamped TAP to include, at least, a period during TAP that will assist those who intend to enroll in school to assess their readiness for higher education and to choose an institution appropriate for their academic and vocational goals.

*Section 203—Report on the Transition Assistance Program*

Congress has little statistical data on TAP participation and it has been over 17 years since the TAP program was last updated. Therefore, section 203 would establish a reporting requirement on the level of participation in TAP as well as a third party review on a regular basis to determine whether the content of TAP is meeting the needs of departing servicemembers. The section would require that to the extent feasible, the third party contracted to conduct the review of TAP should be a company that has been validated as owned and controlled by a service disabled veteran and listed in the database required by section 8127 of title 38, United States Code.

*Section 204—Transition Assistance Program outcomes*

TAP has been in operation for nearly two decades. While many DVOPS and LVERs do have participants fill out evaluations on their impressions of the program, participants are not tracked to see how they used the skills presented in TAP to successfully transition to civilian life. However, that data is not compiled at a national level. Section 204 would direct DoL and DoD to develop a method to assess the outcomes obtained by participants after TAP class completion.

The Committee has learned that despite the fact that the Marines have made TAP mandatory, thousands of Marines nevertheless do not attend this important class. Additionally, with the revised TAP coming online, DoL will need to assess the effectiveness of its redesign efforts. To do that, the TAP program will need to collect data from those who have recently participated in TAP.

Based on briefings from VETS and DoD staff, the Committee is aware of the intent to include such follow-up in the redesigned TAP. The Committee accepts the Departments' statements of intent in this matter and believes that inclusion of the followup data collection will meet the requirements of this section. However, if the redesigned TAP does not collect the data required by this section, the Departments must collect the data by another means.

*Section 205—Comptroller general review*

As a means to gain a more immediate analysis of the quality and modernization needs of the TAP program, section 205 would require the Comptroller General of the United States to conduct a thorough review of TAP.

TITLE III—IMPROVING THE TRANSITION OF VETERANS TO CIVILIAN  
EMPLOYMENT

*Section 301—Reauthorization and improvement of demonstration project on credentialing and licensure of veterans*

Public Law (P.L.) 109–461, 120 Stat. 3403, was signed into law on December 22, 2006. Section 604 included provisions authorizing VETS to conduct a pilot program, from 2006 through 2009, to analyze several military occupations to determine the barriers to employment in similar civilian occupations. The law also authorized DoL to use unobligated funds to contract with an appropriate entity to carry out the project. To date, DoL has failed to carry out the study.

DoD has the largest training program in the world, training servicemembers in hundreds of occupations. While many of these occupations center on combat-related duties, the vast majority train servicemembers in support roles, many of which are closely related to skills required in civilian occupations.

Despite that close relationship, servicemembers find it difficult to transition directly into equivalent civilian occupations. There are many reasons for this, but chief among those reasons is the plethora of differing State laws and regulations that directly impede that transition.

The Committee believes that it is vital to engage the States in an effort to standardize laws and regulations, even on a limited basis, in an effort to smooth servicemembers' transition to civilian

employment and retain the value of taxpayer investment in the military training program. The Committee also recognizes that an unregulated transition for some specialties may not be achievable, but expects DOL to select military specialties ranging from those that are easier to transition from, to those that are more difficult. Therefore, section 301 would reauthorize the demonstration project on licensing and credentialing and require DoL to enter into a contract with an association of State governors to assist in developing a unified set of standards for not less than five, but no more than ten, occupations that will easily translate from the military.

*Section 302—Inclusion of performance measures in annual report on veteran job counseling, training, and placement programs of the Department of Labor*

VETS currently funds the salaries and expenses of DVOPS and LVERs at a cost of over \$165 million per year. Unfortunately, there is little statistical accountability built into the system to determine if this funding objectively leads to effective results.

Section 302 would require VETS to create new performance metrics on the participants served by DVOPS and LVERs, including data on length of employment, median income, and degrees earned by participants following the completion of the program.

*Section 303—Clarification of priority of service for veterans in Department of Labor training programs*

Section 2 of the Jobs for Veterans Act, P.L. 107–288, 116 Stat. 2033, required DoL to give veterans and certain spouses of veterans priority of service in all DoL training programs for which the veteran or spouse would otherwise qualify.

Based on DoL statistics, it appears that DoL interprets the priority of service requirement to be met if veterans and other covered persons are shown to be participating in a DoL training program at a percentage roughly equal to the percentage of veterans in the general population (around 9–10 percent). The Committee believes such a proportion-based approach fails to meet both the letter and spirit of the law. Therefore, section 303 would clarify the law to ensure that veterans are indeed receiving the priority of service envisioned in P.L. 107–288. The section also requires a new section to the VETS annual report that will track this priority of service at the local level. The section also makes it clear that DoL may not use the proportion of representation of veterans in training programs vs. the general veteran population as a basis for determining priority of service.

*Section 304—Evaluation of individuals receiving training at the National Veterans Employment and Training Services Institute*

The Committee believes it is important to hold DVOPS and LVERs accountable for the funds taxpayers are providing to enable them to perform their duties. Chapter 41 of title 38, United States Code, requires that DVOPS and LVERs complete an initial training program offered by the National Veterans Employment and Training Services Institute (NVTI). However, there is no statutory requirement that DVOPS and LVERs satisfactorily complete the course of training or that the employing State agency be informed of an employee's performance at NVTI. Therefore, section 304

would require that at the completion of their training at NVTI, each trainee would be required to take a final examination based on the training at NVTI. The results of this examination would then be sent to the organization or group that sponsored the trainee's attendance at NVTI.

The Committee expects DoL and NVTI to implement such reporting beginning with the first class completing training following enactment of this provision.

*Section 305—Requirements for full-time Disabled Veterans Outreach Program Specialists (DVOPS) and Local Veterans Employment Representatives (LVERs)*

The Committee continues to be made aware of full-time DVOPS and LVERs being required to perform non veteran-related functions at their worksites. Although the Committee understands the significant workload on the workforce development system with nearly 14 million Americans dealing with unemployment, the Committee is convinced there is sufficient work for DVOPS and LVERs to do in finding good jobs for the nearly 1 million unemployed veterans. The Committee also believes that State Directors and Assistant Directors of Veterans Employment and Training need to conduct aggressive audits of workforce development offices and make it clear to managers that DVOPS and LVERs shall not perform non veteran-related work.

Therefore, because there is currently no statutory prohibition from full-time DVOPS and LVERs performing non-veteran related work, Section 305 would prohibit full-time DVOPS and LVERs from performing non-veteran related work, and require VETS to conduct audits to ensure compliance.

*Section 306—Report on findings of the Department of Defense and Department of Labor Credentialing Work Group*

In FY 2006, DoD and DoL began a study of 10 military occupations to determine the civilian barriers to employment in those occupations. Unfortunately, the study was terminated in 2008 despite the investment made to date. Therefore, section 306 would require DoD and DoL to complete the study and provide to Congress a report on the results of the study and ways that DoD and DoL will use existing programs to promote licensing and credentialing of servicemembers in the civilian world.

TITLE IV—IMPROVEMENTS TO UNIFORMED SERVICES EMPLOYMENT AND REEMPLOYMENT RIGHTS

*Section 401—Clarification of benefits of employment covered under USERRA*

The Uniformed Services Employment and Reemployment Rights Act (USERRA) sets the parameters under which an employer must employ and reemploy members of the uniformed services who are returning from active duty or who must be absent from work due to military obligation.

DoL has suggested adding language to clarify the definition of, or has suggested clarifying the definition of “benefit,” “benefit of employment,” or “rights and benefits,”. On page 18 of the Department's Fiscal Year 2010 Annual Report on the Uniformed Services

Employment and Reemployment Rights Act (USERRA), DoL noted that:

In the Department’s view these terms [section 4303(2)] to include the right not to suffer workplace harassment or the creation of a hostile working environment because of an individual’s membership in the uniformed service or uniformed service obligations[.] DoL considers it a violation of USERRA for an employer to cause or permit workplace harassment, the creation of a hostile working environment, or to fail to take prompt and effective action to correct harassing conduct because of an individual’s membership in the uniformed service or uniformed service obligations. Although the Department believes that the statute currently supports this reading, in light of the risk of contrary interpretations by the courts, the Department recommends that Congress consider clarifying that USERRA prohibits workplace harassment or the creation of a hostile working environment. The Department of Justice and the Office of Special Counsel concur with this recommendation.

In determining the existence of a “hostile workplace,” the Supreme Court in *Meritor Savings Bank vs. Vinson*, 477 U.S. 57, 63–66 (1986) considered whether the “term, conditions, or privileges of employment” were violated. Therefore, section 401 will expand the definition of a hostile work environment to include, “the terms, conditions, or privileges of employment,” to conform USERRA with the Supreme Court’s decision and DoL’s request in its annual report on USERRA.

#### TITLE V—OTHER MATTERS

##### *Section 501—Extension of certain expiring provisions of law*

In FY 2010, the VA Loan Guaranty Service guaranteed 314,011 loans and managed a total loan volume of over \$65 billion. Among the loans VA may guarantee are adjustable rate mortgages (ARM) loans and hybrid ARMs (which loans allow for a fixed interest rate for a defined period prior to any adjustment). However the authority for VA to guarantee these kinds of loans expires on September 30, 2012. Section 501 reauthorizes VA’s ability to guarantee ARM and hybrid ARM loans through September 30, 2014.

Further, to minimize taxpayer risk in association with mortgages and properties acquired by VA, VA has the authority to pool VA-guaranteed mortgages and sell them on the secondary market. This authority expires on December 31, 2011, and section 501 would also reauthorize this authority through December 31, 2016. The Committee believes that this authority protects taxpayer’s investment into these houses and helps remove these properties from VA’s books.

In addition, section 3729 of title 38, United States Code, requires certain uses of VA’s loan guaranty benefit to pay an upfront fee. The funding fee varies based on an individual’s status and the amount of down payment brought forward, and the date of loan origination. The rates of funding fees (expressed as a percentage of the loan) that have been in effect since 2009 are set to be reduced on October 1, 2011. These fees reduce the subsidy cost associated with VA’s guaranty of mortgage loans, and have typically been viewed as a reasonable cost to the benefit gained by having VA

guarantee a mortgage loan. Section 501 would also extend through October 1, 2017, the rates of funding fees that would otherwise be reduced on October 1, 2011.

Finally, the Veterans' Benefits Improvement Act of 2008, P.L. 110-389, 122 Stat. 4145, authorized VA to temporarily guarantee mortgages with higher loan values in recognition of the high cost of housing in several areas of the country. This authorization expires on December 31, 2011. Section 501 would extend through December 31, 2014, VA's ability to guarantee loans with a maximum value of \$417,000 for most areas of the country and a maximum of \$1.1 million in high cost areas of the country.

*Section 502—Department of Veterans Affairs housing loan guarantees for surviving spouses of certain totally disabled veterans*

Currently, surviving spouses of veterans whose deaths were not service-connected, but who had service-connected disabilities that were permanent and total for at least 10 years immediately preceding their deaths, are eligible to receive a monthly dependency and indemnity compensation (DIC) payment from VA. However, surviving spouses of such veterans are not eligible for the VA home loan guaranty benefit administered by VA. Section 502 would enable these surviving spouses to take advantage of the VA loan guaranty benefit.

*Section 503—Extension of Homeless Veterans Reintegration Programs*

The Homeless Veterans Reintegration Program (HVRP) is a grant program managed by VETS. Grants are made generally to non-profit, community-based organizations to fund efforts to qualify and place homeless veterans in jobs. The Comptroller General has consistently found the HVRP to be among the best federal programs to assist the homeless. Today, VETS funds well over 100 grantees and served 13,735 and placed 7,824 homeless veterans during the latest reporting period.

The authority for the HVRP program is set to expire on September 30, 2011. The Committee believes the program's success justifies its continuation as a part of the overall effort to reduce homelessness among veterans of all ages. Therefore, section 503 would expand the authorization for this program to September 30, 2012 and requires the Comptroller General to complete a report on the effectiveness of HVRP no later than one year after enactment.

*Section 504—Reimbursement rate for ambulance services*

Under current law, VA reimburses ambulance companies for services rendered to veterans enrolled in the VA health care system. The Administration reported to Congress that VA's reimbursement is well above the rate used to determine reimbursement under Medicare. The Administration requested that Congress end this practice and authorize reimbursement at the lesser of the actual rates charged on the rates authorized under Medicare.

Section 504 would permit VA to pay the lesser of the actual amount charged by the ambulance provider or the applicable amount in the Medicare fee schedule for ambulance services. It is the Committee's expectation that ambulance providers will accept payment at the Medicare rate and not bill veterans directly. The

Committee directs VA to report on the implementation of this provision.

*Section 505—Annual reports on Post-9/11 Educational Assistance Program and Survivors' and Dependents' Educational Assistance Program.*

Title 38, United States Code, currently requires DoD and VA to report on the effectiveness of the MGIB in meeting the statutory objectives of the program. With the advent of the Post-9/11 GI Bill, and the resulting reduction in the participation in the MGIB, the Committee believes it is time to refocus the report on the Post-9/11 GI Bill.

With the significant investment, estimated to be as much as \$60 to \$80 billion over the first 10 years, and the need for Congress to be able to determine whether provisions of the new GI Bill are meeting their intended outcomes, section 505 would require an annual assessment of the outcomes of GI Bill participants.

The report would require DoD to measure what effect the level of GI Bill benefits has on DoD's ability to recruit and maintain qualified active-duty personnel. This section would require VA to report on the level of utilization of benefits under all education programs administered by VA, the number of credit hours, certificates, degrees, and other qualifications earned by students under the GI Bill, and VA's recommendations on ways to improve the benefit for servicemembers, veterans, and their dependents.

*Section 506—Limitation on amount authorized to be appropriated for employee travel, printing, and fleet vehicles*

The President's National Commission on Fiscal Responsibility issued its report in December 2010 and recommended that every Federal agency: be prohibited from spending in excess of 80 percent of its FY 2010 travel budget; cap total government printing expenditures; and reduce government-wide (excluding DoD) vehicle fleet expenditures by 20 percent. In support of its recommendation, the President's Commission made the following observation:

Despite advances in technology, Federal travel costs have ballooned in recent years, growing 56 percent between 2001 and 2006 alone. Government fleets, meanwhile, have grown by 20,000 over the last 4 years. Printing costs are still higher than necessary despite technological advancement.

In response to pre-hearing questions for the record submitted by Committee Chairman Jeff Miller, VA testified that its combined expenditures for employee travel, printing costs, and costs associated with its vehicle fleet, was \$289 million in fiscal year 2009, \$341 million in fiscal year 2010, and was budgeted at \$385 million in fiscal year 2011. Although the President's Commission recommended reductions relative to FY 2010 spending, the Committee believes it is appropriate, in light of VA efforts to increase its outreach to veterans in rural communities and its effort to train newly hired employees, to cap spending at an amount that not only encourages greater use of technology (as the Commission recommended) but also remains sensitive to VA's mission to serve veterans.

Accordingly, section 506 would establish an authorization cap of \$385 million in FY 2012 for employee travel, printing costs, and fleet vehicles. The authorization cap would be equal to planned FY

2011 spending and, according to VA, \$9 million below VA's planned expenditures for FY 2012. The Committee notes that the authorization cap under section 506 would be 33 percent above the fiscal year 2009 amount and 13 percent above the fiscal year 2010 amount. The Committee encourages VA, consistent with the Commission's recommendations, to strive for greater savings in these areas through the expanded use of technology.

*Section 507—Extension of reduced pension for certain veterans covered by Medicaid plans for services furnished by nursing facilities.*

Current law limits pensions for veterans who have no dependents, and who are residing in nursing homes paid for under a Medicaid plan, to \$90 per month. The provision will expire on May 31, 2015. Section 507 would extend this provision through May 31, 2016.

#### HEARINGS

On July 7, 2011, the Subcommittee on Economic Opportunity conducted a legislative hearing on various bills introduced during the 112th Congress, including:

H.R. 1911, H.R. 240, H.R. 1263, H.R. 120, H.R. 2274, H.R. 2301, H.R. 2302, H.R. 2345, and H.R. 2329. The following witnesses testified: Mr. Tom Tarantino, Senior Legislative Associate of Iraq and Afghanistan Veterans of America; Mr. Shane Barker, Senior Legislative Associate, National Legislative Service of the Veterans of Foreign Wars of the United States; Mr. Jeff Steele, Assistant Director, National Legislative Commission of The American Legion; MG David Bockel, USA (Ret.), Executive Director of the Reserve Officers Association of the United States (testimony also submitted on behalf of Reserve Enlisted Association of the United States); Mr. Arthur F. Kirk, Jr., President, Saint Leo University, Saint Leo, FL, on behalf of National Association of Independent Colleges and Universities; Ms. Susan C. Aldridge, Ph.D., President, University of Maryland University College, Adelphia, MD, on behalf of the American Association of State Colleges and Universities; and Mr. Curtis L. Coy, Deputy Under Secretary for Economic Opportunity, Veterans Benefits Administration of the U.S. Department of Veterans Affairs, who was accompanied by Mr. John Brizzi, Deputy Assistant General Counsel, Office of General Counsel of the U.S. Department of Veterans Affairs. Ms. Vivianne Cisneros Wersel, Au.D., Chair, Government Relations Committee of Gold Star Wives of America, Inc., and Paralyzed Veterans of America submitted a statement for the record.

On July 15, 2011, the Committee conducted a legislative hearing on various bills introduced during the 112th Congress, including: H.R. 2433, H.R. 1941, and H.R. 1169. The following witnesses testified: The Honorable Sanford D. Bishop Jr., Georgia, U.S. House of Representatives; The Honorable Jack Quinn, President, Erie Community College, Williamsville, NY. The following individuals and organization submitted statements for the record: Mr. Ryan M. Gallucci, Deputy Director, National Legislative Service of the Veterans of Foreign Wars of the United States; Mr. Tom Tarantino, Senior Legislative Associate, Iraq and Afghanistan Veterans of America; Mr. Robert Madden, Assistant Director, National Eco-

conomic Commission of The American Legion, Mr. Bob Simoneau, Deputy Executive Director, National Association of State Workforce Agencies; Mr. Curtis L. Coy, Deputy Under Secretary for Economic Opportunity of the Veterans Benefits Administration of the U.S. Department of Veterans Affairs who was accompanied by Mr. John Brizzi, Deputy Assistant General Counsel, Office of General Counsel, U.S. Department of Veterans Affairs; and the Honorable Raymond M. Jefferson, Assistant Secretary of the Veterans' Employment and Training Service of the U.S. Department of Labor. United States Department of Defense; Paralyzed Veterans of America; and Mr. John F. Morgan, President/Chief Executive Officer of Veterans of Modern Warfare.

#### COMMITTEE CONSIDERATIONS

On September 8, 2011, the full Committee met in an open markup session, a quorum being present, and ordered reported favorably H.R. 2433, as amended, to the House of Representatives, by voice vote.

#### COMMITTEE VOTES

Clause 3(b) of rule XIII of the Rules of the House of Representatives requires the Committee to list the record votes on the motion to report the legislation and amendments thereto. Ranking Member Filner requested a record vote on H.R. 2433, as amended. The results of the record vote are as follows with the motion carrying by 17 yeas and 5 nays. Following the record vote on passage of H.R. 2433 as amended, the Committee approved a motion by Mr. Bilirakis to report favorably the bill, as amended, to the House, by voice vote.

Member	Yea/Nay	Member	Yea/Nay
Mr. Miller (FL) .....	Yea	Mr. Filner .....	Nay
Mr. Bilirakis .....	Yea	Ms. Brown .....	Not Present
Mr. Stearns .....	Yea	Mr. Reyes .....	Not Present
Mr. Lamborn .....	Yea	Mr. Michaud .....	Yea
Mr. Roe .....	Yea	Ms. L. Sanchez .....	Yea
Mr. Stutzman .....	Yea	Mr. Braley .....	Nay
Mr. Flores .....	Yea	Mr. McNerney .....	Nay
Mr. Johnson (OH) .....	Yea	Mr. Donnelly .....	Yea
Mr. Denham .....	Yea	Mr. Walz .....	Yea
Mr. Runyan .....	Yea	Mr. Barrow .....	Nay
Mr. Benishek .....	Yea	Mr. Carnahan .....	Nay
Ms. Buerkle .....	Yea		
Mr. Huelskamp .....	Yea		

#### COMMITTEE OVERSIGHT FINDINGS

In compliance with clause 3(c)(1) of rule XIII and clause (2)(b)(1) of rule X of the Rules of the House of Representatives, the Committee's oversight findings and recommendations are reflected in the descriptive portions of this report.

#### STATEMENT OF GENERAL PERFORMANCE GOALS AND OBJECTIVES

In accordance with clause 3(c)(4) of rule XIII of the Rules of the House of Representatives, the Committee's performance goals and objectives are reflected in the descriptive portions of this report.

NEW BUDGET AUTHORITY, ENTITLEMENT AUTHORITY, AND TAX  
EXPENDITURES

In compliance with clause 3(c)(2) of rule XIII of the Rules of the House of Representatives, the Committee adopts as its own the estimate of new budget authority, entitlement authority, or tax expenditures or revenues contained in the cost estimate prepared by the Director of the Congressional Budget Office pursuant to section 402 of the Congressional Budget Act of 1974.

EARMARKS AND TAX AND TARIFF BENEFITS

H.R. 2433, as amended, does not contain any Congressional earmarks, limited tax benefits, or limited tariff benefits as defined in clause 9 of rule XXI of the Rules of the House of Representatives.

COMMITTEE COST ESTIMATE

The Committee adopts as its own the cost estimate on H.R. 2433, as amended, prepared by the Director of the Congressional Budget Office pursuant to section 402 of the Congressional Budget Act of 1974.

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

Pursuant to clause 3(c)(3) of rule XIII of the Rules of the House of Representatives, the following is the cost estimate for H.R. 2433, as amended, provided by the Congressional Budget Office pursuant to section 402 of the Congressional Budget Act of 1974.

U.S. CONGRESS,  
CONGRESSIONAL BUDGET OFFICE,  
*Washington, DC, September 19, 2011.*

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

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for H.R. 2433, the Veterans Opportunity to Work Act of 2011.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is William Ma.

Sincerely,

DOUGLAS W. ELMENDORF.

Enclosure.

*H.R. 2433—Veterans Opportunity to Work Act of 2011*

Summary: H.R. 2433 would create or modify programs that provide employment and training services to veterans and servicemembers separating from active duty. The bill also would make changes to programs that offer home loan guarantees, ambulance services, and pension payments to qualifying individuals.

If enacted, CBO estimates that, on net, the bill would decrease direct spending by \$8 million over the 2012–2016 period and by \$291 million over the 2012–2021 period. Because the bill would affect direct spending, pay-as-you-go procedures apply. Enacting H.R. 2433 would not affect revenues.

In addition, CBO estimates that implementing H.R. 2433 would have a discretionary cost of \$8 million over the 2012–2016 period, assuming appropriation of the specified and estimated amounts.

H.R. 2433 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA).

Estimated cost to the Federal Government: The estimated budgetary impact of H.R. 2433 is shown in the following table. The costs of this legislation fall within budget functions 700 (veterans benefits and services) and 050 (national defense).

TABLE 1.—ESTIMATED BUDGETARY EFFECTS OF H.R. 2433, THE VETERANS OPPORTUNITY TO WORK ACT OF 2011

	By fiscal year, in millions of dollars—					
	2012	2013	2014	2015	2016	2012–2016
CHANGES IN DIRECT SPENDING <sup>a</sup>						
Estimated Budget Authority .....	– 20	1,066	– 266	– 360	– 428	– 8
Estimated Outlays .....	– 20	1,066	– 266	– 360	– 428	– 8
CHANGES IN SPENDING SUBJECT TO APPROPRIATION						
Estimated Authorization Level .....	90	48	– 41	– 47	– 51	1
Estimated Outlays .....	– 1	69	33	– 45	– 50	8

Note: Components may not sum to totals because of rounding.

<sup>a</sup>In addition to the direct spending effects shown here, enacting H.R. 2433 would have additional effects on direct spending beyond 2016 (see Table 2). CBO estimates that net direct spending would decrease by \$291 million over the 2012–2021 period.

**Basis of estimate:** This estimate is based on information from the Department of Veterans Affairs (VA), the Department of Labor (DOL), the Department of Defense (DoD), and the National Veterans Training Institute (NVTI). For the purposes of this estimate, CBO assumes the bill will be enacted near the beginning of fiscal year 2012, that the necessary amounts will be appropriated each year, and that outlays will follow historical patterns for similar and existing programs.

#### *Direct spending*

Table 2 summarizes the effects of H.R. 2433 on direct spending for veterans' housing loan guarantees, training and employment assistance, and pension payments. CBO estimates that enacting those provisions would reduce net direct spending for veterans' programs by \$291 million over the 2012–2021 period.

TABLE 2.—ESTIMATED CHANGES IN DIRECT SPENDING UNDER H.R. 2433

	Outlays, in millions of dollars, by fiscal year—												
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2012-2016	2012-2021	
Guaranteed Loan Provisions .....	-242	-262	-281	-292	-300	-307	3	2	2	2	1	-1,377	-1,676
Veterans Retraining Assistance .....	223	1,330	17	0	0	0	0	0	0	0	0	1,570	1,570
Pensions for Veterans in Medicaid Nursing Homes .....	0	0	0	-65	-125	0	0	0	0	0	0	-190	-190
Loan Guarantees for Surviving Spouses .....	-1	-2	-2	-3	-3	-4	5	5	5	5	5	-11	5
Total changes .....	-20	1,066	-266	-360	-428	-311	8	7	7	7	6	-8	-291

Note: \* = less than \$500,000.

**Guaranteed Loan Provisions.** Section 501 would modify several provisions of current law related to VA's authority to guarantee certain mortgages provided to veterans. In total, those changes would decrease direct spending by almost \$1.7 billion over the 2012–2021 period.

*Fee Changes.* Most significantly, section 501 would postpone scheduled decreases in the fees that VA charges for providing loan guarantees. Under its mortgage guarantee program, VA promises lenders a payment of up to 25 percent of the outstanding loan balance (subject to some limitations on the original loan amount) in the event that the borrower defaults. Such guarantees enable veterans to get better loan terms, such as lower interest rates or smaller down payments. VA charges fees to some borrowers for its guarantee to offset the costs of subsequent defaults. The amount of the fee varies depending on the size of the down payment and whether the borrower has previously used the loan-guarantee benefit.

Under current law, in 2011, veterans who get a mortgage with a VA guarantee and who make no down payment are required to pay an up-front fee equal to 2.15 percent of the principal amount. The fees for veterans who do make down payments range from 1.25 percent to 1.50 percent of the principal amount, depending on the size of the down payment. Under current law, in 2012 and thereafter the fees for such loans are scheduled to decline by roughly half. Veterans who have previously used the loan-guarantee benefit currently pay an up-front fee equal to 3.30 percent of a subsequent guaranteed loan taken in 2011. The rate for that fee will decline to 2.80 percent in 2012, to 2.15 percent in 2013, and to 1.25 percent in 2014 and any subsequent year. (Veterans of the reserve components pay an additional fee of 0.25 percent for loan guarantees.)

Section 501 would increase the current-law fee rates for the 2012–2017 period to the rates in effect for 2011. Reserve veterans would continue to pay the additional 0.25 percent premium. In 2018 and thereafter, the fees would decline to the rates specified for those years in current law. Eliminating the scheduled fee decline for the 2012–2017 period would increase collections by VA, lowering the subsidy cost of the loan guarantees provided in those years; direct spending would decrease by \$229 million in 2012, and by \$1,684 million over the 2012–2021 period, CBO estimates.<sup>1</sup>

*Adjustable-Rate, Hybrid-Adjustable-Rate, and Jumbo Mortgages.* Section 501 also would extend several expiring authorities to guarantee certain types of mortgages. VA is authorized to provide guarantees for adjustable-rate mortgages and hybrid-adjustable-rate mortgages (that is, mortgages with a rate that is fixed for an initial period and adjustable thereafter) until the end of fiscal year 2012. The bill would extend those authorities through fiscal year 2014.

It also would increase the maximum loan level for which VA can provide a full guarantee. The guaranteed payment from VA is generally capped at 25 percent of the initial loan balance, up to the

<sup>1</sup>Under the Federal Credit Reform Act of 1990, the subsidy cost of a loan guarantee is the net present value of estimated payments by the government to cover defaults and delinquencies, interest subsidies, or other expenses, offset by any payments to the government, including origination fees, other fees, penalties, and recoveries on defaulted loans. Such subsidy costs are calculated by discounting those expected cash flows using the rate on Treasury securities of comparable maturity. The resulting estimated subsidy costs are recorded in the budget when the loans are disbursed.

limit on loan size established by the Federal Home Loan Mortgage Corporation Act, currently a maximum loan amount of \$417,000. (Loans at or below that level are known as conforming loans; loans in excess are called jumbo loans. Exceptions are made to the conforming limit for certain high-cost areas like Hawaii and Alaska.) The Veterans Benefits Improvements Act of 2008 (Public Law 110–389) temporarily increased by 75 percent—to \$729,750—the maximum loan amount eligible for the full guarantee. The limit reverts to the lower level after December 31, 2011. Section 501 would extend for three years the authority to guarantee loans up to that higher limit.

Based on the number of adjustable-rate, hybrid-adjustable-rate, and jumbo mortgages VA has guaranteed in recent years, CBO estimates that VA would guarantee about \$6 billion worth of additional loans a year during the period those expiring authorities would be extended. In conjunction with the fee increases discussed above, those extensions would reduce direct spending by \$13 million in 2012, and increase it by \$8 million over the 2012–2021 period, CBO estimates.

**Veterans Retraining Assistance.** Section 101 would provide up to 12 months of retraining assistance to no more than 100,000 unemployed veterans that enter education or training programs at community colleges or technical schools to prepare them for employment in an occupational field that is determined by DOL to have significant employment opportunities. The monthly amount of assistance payable to participating veterans would equal the maximum monthly amount of basic assistance payable under the Montgomery G.I. Bill. For 2011, that rate is \$1,426 per month. To qualify for the retraining assistance, veterans must be:

- Unemployed;
- At least 35, but not more than 60 years of age;
- Discharged from active-duty service under honorable conditions; and
- Ineligible to receive any other educational assistance from VA.

Of the total number of veterans that qualify for retraining assistance, only 45,000 may enter the retraining program in fiscal year 2012 and only 55,000 may enter the program between October 1, 2012, and March 31, 2014. Based on information from DOL, CBO estimates that those caps will quickly be reached and that each participating veteran would, on average, receive about \$15,500 in assistance. Over the 2012–2014 period, CBO estimates that providing retraining assistance to those veterans would increase direct spending by about \$1.5 billion, with most of that cost falling in fiscal year 2013.

Of the 100,000 unemployed veterans expected to participate in the retraining program, we project that nearly half also would apply for, and be eligible to participate in, the Federal Pell Grant and Federal Student Loan Programs funded by the U.S. Department of Education. While the bulk of funding for Pell grants is discretionary (see discussion below under the spending subject to appropriation estimate for section 101), CBO estimates that, if enacted, section 101 would increase direct spending by \$21 million over the 2012–2015 period for the mandatory portion of the Pell

Grant program. The bill also would have a negligible impact on direct spending for student loans.

**Pensions for Veterans in Medicaid Nursing Homes.** Section 507 would extend from May 31, 2015, to May 31, 2016, the expiration date of a provision of current law that sets a \$90 per month limit on pensions paid to any veteran without a spouse or child, or to any survivor of a veteran, who is receiving Medicaid coverage in a Medicaid-approved nursing home. The law also allows the beneficiary to retain the pension instead of having to use it to defray nursing home costs. Using data provided by VA, CBO estimates that in 2012 about 15,000 veterans and 19,000 survivors will be affected by this provision and that the average savings to VA will total about \$18,600 per veteran and \$11,600 per survivor. Extrapolating from this estimate to account for mortality and new nursing home patients, CBO estimates the provision would save VA \$490 million over the 2015–2016 period. Higher Medicaid payments to nursing homes would offset some of those savings. We estimate that those costs would total about \$300 million over the 2015–2016 period, resulting in a net savings of \$190 million over the period.

**Loan Guarantees for Surviving Spouses.** Section 502 would make the surviving spouses of certain totally disabled veterans eligible for the mortgage guarantee benefit. Under current law, surviving spouses of veterans who die from a service-connected disability may get a loan with a VA guarantee; spouses of veterans whose disability was not related to their service are ineligible. The bill would authorize VA to guarantee loans to surviving spouses of veterans with disabilities that were not service-connected if the veteran had been continuously and completely disabled for 10 years preceding death, completely disabled for five years from the date of discharge, or completely disabled for one year if they had also been held as a prisoner of war and died after September 30, 1999. CBO estimates that VA would guarantee few such loans initially, but that over time, the number of additional loans it would guarantee would reach about 2,500 a year. Those additional loans—taking into account the fee structure specified in section 501—would yield a net increase in direct spending of \$5 million over the 2012–2021 period, CBO estimates.

*Spending subject to appropriation*

H.R. 2433 would limit reimbursement to organizations that provide ambulance services to veterans and modify programs that provide employment and training services to veterans and servicemembers separating from active duty. If enacted, CBO estimates that, on net, the bill would have a discretionary cost of \$8 million over the 2012–2016 period, assuming appropriation of the specified and estimated amounts (see Table 3).

**Reimbursement for Ambulance Services.** Section 504 would allow VA to pay the provider of ambulance services the lesser of the actual charge or the amount determined by the Medicare fee schedule for such services. Under current law, VA does not have a standard fee for ambulance services; rather the department reimburses the transportation costs for certain veterans based upon the “actual necessary expense” as submitted by the provider. CBO expects that paying Medicare rates for ambulance services would lower such costs by roughly 20 percent (comparable to the difference between

Medicare Part B physician payment rates and those of the private sector). On that basis, CBO estimates that using the Medicare fee schedule would reduce spending for ambulance services by \$246 million over the 2012–2016 period, assuming future appropriations are reduced accordingly.

TABLE 3.—ESTIMATED CHANGES IN SPENDING SUBJECT TO APPROPRIATION UNDER H.R. 2433

	By fiscal year, in millions of dollars—					
	2012	2013	2014	2015	2016	2012–2016
<b>Reimbursement for Ambulance Services:</b>						
Estimated Authorization Level .....	–45	–48	–51	–53	–56	–253
Estimated Outlays .....	–41	–47	–50	–53	–55	–246
<b>Veterans Retraining Assistance:</b>						
Estimated Authorization Level .....	76	91	5	0	0	172
Estimated Outlays .....	27	80	64	1	0	172
<b>Homeless Veterans Reintegration Program:</b>						
Authorization Level .....	50	0	0	0	0	50
Estimated Outlays .....	4	31	14	1	0	50
<b>Transition Assistance Program (TAP) Outcomes:</b>						
Estimated Authorization Level .....	2	2	3	3	3	14
Estimated Outlays .....	2	2	3	3	3	14
<b>Mandatory Participation in TAP:</b>						
Estimated Authorization Level .....	2	2	2	2	2	10
Estimated Outlays .....	2	2	2	2	2	10
<b>Reports, Studies, and Audits:</b>						
Estimated Authorization Level .....	5	1	*	1	*	7
Estimated Outlays .....	5	1	*	1	*	7
<b>Credentialing and Licensure:</b>						
Authorization Level .....	*	*	*	0	0	1
Estimated Outlays .....	*	*	*	*	*	1
<b>Total Changes:</b>						
Estimated Authorization Level .....	90	48	–41	–47	–51	1
Estimated Outlays .....	–1	69	33	–45	–50	8

Notes: \* = less than \$500,000.  
Components may not sum to totals because of rounding.

**Veterans Retraining Assistance.** In addition to the direct spending effects estimated for section 101, CBO estimates that implementing this provision would cost \$172 million over the 2012–2016 period, assuming appropriation of the estimated amounts.

**Personnel and Information Technology.** Based on information from VA, CBO estimates that about 60 full-time permanent employees and about 70 temporary employees would be required to review and process all incoming applications for retraining assistance. An information technology (IT) system also would need to be created to manage those applications once approved. Hiring those employees and developing and maintaining the IT system would cost \$22 million and about \$2 million, respectively, over the 2012–2016 period, CBO estimates.

**Pell Grant Program.** As discussed in the direct spending estimate for section 101, CBO projects that nearly half of the 100,000 unemployed veterans expected to participate in the retraining program would apply for, and be eligible to participate in, the Pell Grant program. If enacted, section 101 would increase discretionary costs for Pell grants by \$148 million over the 2012–2016 period, CBO estimates.

**Homeless Veterans Reintegration Program (HVRP).** Section 503 would extend the HVRP through fiscal year 2012, authorizing \$50 million for DOL to provide grants to agencies and organizations

that provide job placement, training, and vocational counseling to homeless veterans. Under current law, the authorization for this program will expire at the end of fiscal year 2011. CBO estimates that implementing this section would cost \$50 million over the 2012–2016 period, assuming appropriation of the authorized amount.

Transition Assistance Program (TAP) Outcomes. Section 204 would require DOL and DoD to develop a joint method to assess certain outcomes of every TAP participant. Specifically, DOL and DoD would have to be able to determine the following for each TAP participant:

- The length of the period of unemployment following separation from active-duty service,
- The beginning salary paid for the first job obtained following separation, and
- The number of months of school or training attended during the first 12 months following separation.

Based on information from DOL and DoD, and assuming implementation of section 202 (see discussion below under “Mandatory Participation in TAP”), CBO estimates that DOL and DoD would need to contact about 170,000 veterans each year. CBO estimates that it would cost \$12 million to hire the additional staff and about \$2 million to develop and maintain the IT system needed to conduct this outreach over the 2012–2016 period, assuming appropriation of the estimated amounts.

Mandatory Participation in TAP. Under current law, separating servicemembers are not required to participate in the employment and job training workshops provided by DOL as an element of TAP. Section 202 would require that all servicemembers separating from active duty participate in those workshops unless they fall under one of these categories:

- In pay grades E-8 and above or O-6 and above,
- Prevented from attending due to an urgent operational requirement, or
- Accepted to an education program or already obtained post-service employment.

Under current law, DOL provides employment and job training services to an average of 130,000 separating servicemembers through about 4,100 employment workshops per year. Based on information from DOL and DoD, CBO estimates that under section 202 an additional 36,000 individuals would be required to attend those workshops each year and that DOL would have to hold about 1,100 additional workshops annually to accommodate the increased attendance. Based on the cost of current workshops, CBO estimates that implementing section 202 would cost \$10 million over the 2012–2016 period, assuming appropriation of the estimated amounts.

Reports, Studies, and Audits. H.R. 2433 contains several provisions that would require the Comptroller General and the Secretaries of Labor, Defense, and Veterans Affairs to complete, or contract with appropriate entities to complete, various reports, studies, audits, and program reviews. Sections 302 and 303 also would expand existing reporting requirements. If implemented, CBO estimates that those efforts, collectively, would cost \$7 million over the

2012–2016 period, assuming appropriation of the necessary amounts.

Credentialing and Licensure. Section 301 would continue a demonstration project on credentialing and licensure of veterans through September 30, 2014, and authorize the use of up to \$180,000 each year for that purpose. The authority to run that project ended September 30, 2009. If implemented, CBO estimates that continuing that demonstration project would cost about \$1 million over the 2012–2016 period, assuming appropriation of the necessary amounts.

Testing of National Veterans Training Institute Course Participants. NVTI was created to provide training to disabled veterans' outreach program specialists, local veterans' employment representatives, and other personnel that provide employment services to veterans. Section 304 would require that individuals receiving training at NVTI be given a final examination at the end of each training course and that the results of those examinations be provided to the entity that sponsored the training. Under current law, no such testing is required. Based on information from NVTI, CBO estimates that administering those exams would cost less than \$500,000 over the 2012–2016 period, assuming the availability of appropriated funds.

Pay-As-You-Go considerations: The Statutory Pay-As-You-Go Act of 2010 establishes budget-reporting and enforcement procedures for legislation affecting direct spending or revenues. The net changes in outlays that are subject to those pay-as-you-go procedures are shown in the following table.



Intergovernmental and private-sector impact: H.R. 2433 contains no intergovernmental or private-sector mandates as defined in UMRA and would not affect the budgets of state, local, or tribal governments.

Previous CBO estimates: On July 7, 2011, CBO transmitted a cost estimate for S. 951, the Hiring Heroes Act of 2011, as ordered reported by the Senate Committee on Veterans' Affairs on June 29, 2011. Sections 6 and 13 of that bill are similar to sections 202 and 301 in H.R. 2433, respectively. The differences in the estimated costs reflect differences in the proposals.

On August 30, 2011, CBO transmitted a cost estimate for S. 914, the Veterans Programs Improvements Act of 2011, as ordered reported by the Senate Committee on Veterans' Affairs on June 29, 2011. Sections 108 and 206 of that bill are similar to sections 504 and 503 in H.R. 2433, respectively, and their estimated costs are the same.

Estimate prepared by: Federal Costs: Ann Futrell, Justin Humphrey, William Ma, David Newman, and Dwayne Wright; Impact on State, Local, and Tribal Governments: Lisa Ramirez-Branum; Impact on the Private Sector: Elizabeth Bass.

Estimate approved by: Theresa Gullo, Deputy Assistant Director for Budget Analysis.

#### FEDERAL MANDATES STATEMENT

The Committee adopts as its own the estimate of Federal mandates regarding H.R. 2433, as amended, prepared by the Director of the Congressional Budget Office pursuant to section 423 of the Unfunded Mandates Reform Act.

#### ADVISORY COMMITTEE STATEMENT

No advisory committees within the meaning of section 5(b) of the Federal Advisory Committee Act would be created by H.R. 2433, as amended.

#### STATEMENT OF CONSTITUTIONAL AUTHORITY

Pursuant to Article I, section 8 of the United States Constitution, the reported bill is authorized by Congress' power to "provide for the common Defense and general Welfare of the United States."

#### APPLICABILITY TO LEGISLATIVE BRANCH

The Committee finds that the legislation does not relate to the terms and conditions of employment or access to public services or accommodations within the meaning of section 102(b)(3) of the Congressional Accountability Act.

#### SECTION-BY-SECTION ANALYSIS OF THE LEGISLATION

##### *Section 1. Short title*

This section provides the short title of H.R. 2433 as the "Veterans Opportunity to Work Act of 2011."

## TITLE I

*Section 101—Veterans Retraining Assistance Program*

(a) Authorizes payments to up to 100,000 veterans eligible under this section.

(b) Defines the types of education and training eligible for payment under this section.

(c) Requires participants to certify continuing participation on a monthly basis as done under the Montgomery GI Bill program.

(d) Defines the benefit payment as the amount paid under the Montgomery GI Bill in effect at the time of participation.

(e) Defines the eligibility requirements for those veterans desiring to participate in the program.

(f) Requires VA to report educational achievement data for Post-9/11 GI Bill participants.

(g) Directs the DoL and VA to jointly develop an agreement to carry out section 101.

(h) Directs that funds to pay benefits shall come from the Readjustment Benefits Account.

(i) Terminates all payments on March 31, 2014.

## TITLE II

*Section 201—Transition Assistance Program Contracting*

(a) Amends Section 4113 of title 38, United States Code, to direct the DoL to contract for all Transition Assistance Employment Workshop instruction and describes the minimum functions to be performed under the contract.

(b) Requires DoL to contract for TAP instruction not later than 24 months after enactment.

*Section 202—Mandatory Participation in Transition Assistance Program*

Amends Section 1144(c) of title 38, United States Code, to require, with limited exceptions, all servicemembers to participate in the TAP.

*Section 203—Report on the Transition Assistance Program*

Amends Section 1144 of title 10, United States Code, to require DoL to submit annually a report on TAP participation and to contract with a validated small business owned and controlled by a service disabled veteran(s) that is listed in the database of such companies that is maintained by the VA. Also authorizes funding to pay for the contract to come from the Jobs for Veterans State Grant program.

*Section 204—Transition Assistance Program Outcomes*

Amends Section 1144 of title 10, United States Code, to require the DoL and DoD to collect employment data on TAP participants during the first year following discharge.

*Section 205—Comptroller general review*

Requires the Comptroller General to provide a review of the TAP and to submit recommendations on the program to the Congress not later than one year after the date of enactment.

## TITLE III

*Section 301—Reauthorization and improvement of Demonstration Project on credentialing and licensure of veterans*

Amends section 4114 of title 38, United States Code, to direct the DoL to conduct a study in cooperation with an association of governors on 5 to 10 military occupations to determine barriers to transitioning those skills to civilian employment and authorizes \$180,000 per year to fund the program through September 30, 2014, and sets reporting requirements.

*Section 302—Inclusion of performance measures in annual report on veteran job counseling, training, and placement programs of the Department of Labor*

Amends Section 4107(c) of title 38, United States Code, to specify certain employment-education/training-related data for veterans placed in jobs by DVOPS and LVERs.

*Section 303—Clarification of priority of service for veterans in Department of Labor job training programs*

Amends Section 4215 of title 38, United States Code, to clarify that the term “priority of service” in DoL training programs does not mean proportional participation and requires the DoL to submit an analysis of how priority of service is implemented at the local level and prohibits the use of proportional representation as the basis of determining whether qualified veterans are receiving priority of service.

*Section 304—Evaluation of individuals receiving training at the National Veterans Employment and Training Services Institute*

Amends section 4109 of title 38, United States Code, to require the National Veterans Employment and Training Services Institute to test participants in its training program and to provide the results of that testing to the student’s employer.

*Section 305—Requirements for full-time Disabled Veterans Outreach Program Specialists and Local Veterans Employment Representatives*

Amends section 4103A of title 38, United States Code, to prohibit full-time DVOP and LVER representatives from being required to perform functions that are not part of their statutory veterans’ employment-related duties. Also requires the DoL to conduct reviews to determine compliance with the section and to reduce the State grant funding as the DoL considers appropriate in cases of non-compliance.

*Section 306—Report on the findings of the Department of Defense and Department of Labor Credentialing Work Group*

Requires the DoL and DoD to complete a licensing and credentialing study of military occupations that was terminated in 2008 and to report the findings of the study not later than March 31, 2012.

## TITLE IV

*Section 401—Clarification of benefits of employment covered under USEERRA*

Amends Section 4303(2) of title 38, United States Code, to clarify the circumstances that define what can be considered a hostile work environment.

## TITLE V

*Section 501—Extension of certain expiring provisions of law*

Extends the authorization dates for Adjustable Rate Mortgages (ARMs), Hybrid ARMs, the sale of mortgage-backed securities, temporary higher maximum VA loan guaranty amount, and certain loan guaranty funding fees.

*Section 502—Department of Veterans Affairs housing loan guarantees for surviving spouses of certain totally disabled veterans*

Amends Section 3701(b) of title 38, United States Code, by authorizing VA to guarantee home loans for the surviving spouses of certain veterans who are eligible for DIC but not for VA's loan guaranty benefit.

*Section 503—Extension of Homeless Veterans Reintegration Program*

Amends section 2021(e)(1)(F) of title 38, United States Code, to extend the HVRP through FY 2012.

*Section 504—Reimbursement rate for ambulance services*

Amends section 111(b)(3) of title 38, United States Code, to limit VA payments for ambulance services to the lesser of the actual charges or the rates authorized under Medicare.

*Section 505—Annual reports on Post-9/11 Educational Assistance Program and Survivor's and Dependents' Education Assistance Program*

Amends subchapter 33 of title 38, United States Code, to require DoD and VA to report on the effectiveness of the education and training offered under the Post-9/11 GI Bill to servicemembers and dependents in meeting recruiting and retention goals. It would also require VA to report the levels of educational achievement earned by participants. Section 505 also terminates similar Montgomery GI Bill reporting requirements under section 3036 of title 38, United States Code.

*Section 506—Limitation on amount authorized to be appropriated for employee travel, printing, and fleet vehicles*

Reduces the amount of funding for travel, printing, and fleet vehicles to \$385 million for FY 2012.

*Section 507—Extension of reduced pension for certain veterans covered by Medicaid plans for services furnished by nursing facilities*

Extends the current \$90 limit on pension paid to certain veterans residing in nursing homes being paid for by Medicaid.

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3(e) of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

**TITLE 38, UNITED STATES CODE**

\* \* \* \* \*

**PART I—GENERAL PROVISIONS**

\* \* \* \* \*

**CHAPTER 1—GENERAL**

\* \* \* \* \*

**§ 111. Payments or allowances for beneficiary travel**

(a) \* \* \*

(b)(1) \* \* \*

\* \* \* \* \*

(3)(A) \* \* \*

\* \* \* \* \*

*(C) In the case of transportation of a person under subparagraph (B) by ambulance, the Secretary may pay the provider of the transportation the lesser of the actual charge for the transportation or the amount determined by the fee schedule established under section 1834(l) of the Social Security Act (42 U.S.C. 1395(l)) unless the Secretary has entered into a contract for that transportation with the provider.*

\* \* \* \* \*

**PART II—GENERAL BENEFITS**

\* \* \* \* \*

**CHAPTER 20—BENEFITS FOR HOMELESS VETERANS**

\* \* \* \* \*

**SUBCHAPTER III—TRAINING AND OUTREACH**

**§ 2021. Homeless veterans reintegration programs**

(a) \* \* \*

\* \* \* \* \*

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

(A) \* \* \*

\* \* \* \* \*

(F) \$50,000,000 for each of fiscal years 2007 through **[2011]**  
**2012.**

\* \* \* \* \*

**PART III—READJUSTMENT AND RELATED  
 BENEFITS**

\* \* \* \* \*

**CHAPTER 30—ALL-VOLUNTEER FORCE EDUCATIONAL  
 ASSISTANCE PROGRAM**

SUBCHAPTER I—PURPOSES; DEFINITIONS

Sec.

3001. Purposes.

\* \* \* \* \*

SUBCHAPTER IV—TIME LIMITATION FOR USE OF ELIGIBILITY AND  
 ENTITLEMENT; GENERAL AND ADMINISTRATIVE PROVISIONS

\* \* \* \* \*

**[3036. Reporting requirement.]**

\* \* \* \* \*

SUBCHAPTER IV—TIME LIMITATION FOR USE OF ELIGI-  
 BILITY AND ENTITLEMENT; GENERAL AND ADMINISTRA-  
 TIVE PROVISIONS

\* \* \* \* \*

**[§ 3036. Reporting requirement**

**[(a)** The Secretary of Defense and the Secretary shall submit to the Congress at least once every two years separate reports on the operation of the program provided for in this chapter.

**[(b)** The Secretary of Defense shall include in each report submitted under this section—

**[(1)** information indicating (A) the extent to which the benefit levels provided under this chapter are adequate to achieve the purposes of inducing individuals to enter and remain in the Armed Forces and of providing an adequate level of financial assistance to help meet the cost of pursuing a program of education, (B) whether it is necessary for the purposes of maintaining adequate levels of well-qualified active-duty personnel in the Armed Forces to continue to offer the opportunity for educational assistance under this chapter to individuals who have not yet entered active-duty service, and (C) describing the efforts under sections 3011(i) and 3012(g) of this title to inform members of the Armed Forces of the minimum service requirements for entitlement to educational assistance benefits under this chapter and the results from such efforts; and

**[(2)** such recommendations for administrative and legislative changes regarding the provision of educational assistance to members of the Armed Forces and veterans, and their dependents, as the Secretary of Defense considers appropriate.

**[(c)** The Secretary shall include in each report submitted under this section—

[(1) information concerning the level of utilization of educational assistance and of expenditures under this chapter; and  
 [(2) such recommendations for administrative and legislative changes regarding the provision of educational assistance to members of the Armed Forces and veterans, and their dependents, as the Secretary considers appropriate.

[(d) No report shall be required under this section after January 1, 2011.]

\* \* \* \* \*

**CHAPTER 33—POST-9/11 EDUCATIONAL ASSISTANCE**

SUBCHAPTER I—DEFINITIONS

Sec.  
 3301. Definitions.

\* \* \* \* \*

SUBCHAPTER III—ADMINISTRATIVE PROVISIONS

3325. Reporting requirement.

\* \* \* \* \*

SUBCHAPTER III—ADMINISTRATIVE PROVISIONS

\* \* \* \* \*

**§ 3325. Reporting requirement**

(a) *IN GENERAL.—For each academic year—*

(1) *the Secretary of Defense shall submit to Congress a report on the operation of the program provided for in this chapter; and*

(2) *the Secretary shall submit to Congress a report on the operation of the program provided for in this chapter and the program provided for under chapter 35 of this title.*

(b) *CONTENTS OF SECRETARY OF DEFENSE REPORTS.—The Secretary of Defense shall include in each report submitted under this section—*

(1) *information indicating—*

(A) *the extent to which the benefit levels provided under this chapter are adequate to achieve the purposes of inducing individuals to enter and remain in the Armed Forces and of providing an adequate level of financial assistance to help meet the cost of pursuing a program of education;*

(B) *whether it is necessary for the purposes of maintaining adequate levels of well-qualified active-duty personnel in the Armed Forces to continue to offer the opportunity for educational assistance under this chapter to individuals who have not yet entered active-duty service; and*

(C) *describing the efforts under section 3323(b) of this title to inform members of the Armed Forces of the active duty service requirements for entitlement to educational assistance benefits under this chapter and the results from such efforts; and*

(2) *such recommendations for administrative and legislative changes regarding the provision of educational assistance to*

*members of the Armed Forces and veterans, and their dependents, as the Secretary of Defense considers appropriate.*

(c) *CONTENTS OF SECRETARY OF VETERANS AFFAIRS REPORTS.—The Secretary shall include in each report submitted under this section—*

*(1) information concerning the level of utilization of educational assistance and of expenditures under this chapter and under chapter 35 of this title;*

*(2) the number of credit hours, certificates, degrees, and other qualifications earned by beneficiaries under this chapter and under chapter 35 of this title during the academic year covered by the report; and*

*(3) such recommendations for administrative and legislative changes regarding the provision of educational assistance to members of the Armed Forces and veterans, and their dependents, as the Secretary considers appropriate.*

(d) *TERMINATION.—No report shall be required under this section after January 1, 2021.*

\* \* \* \* \*

**CHAPTER 37—HOUSING AND SMALL BUSINESS LOANS**

\* \* \* \* \*

**SUBCHAPTER I—GENERAL**

**§ 3701. Definitions**

(a) \* \* \*

(b) For the purposes of housing loans under this chapter—

(1) \* \* \*

\* \* \* \* \*

(6) *The term “veteran” also includes, for purposes of home loans, the surviving spouse of a deceased veteran who dies and who was in receipt of or entitled to receive (or but for the receipt of retired or retirement pay was entitled to receive) compensation at the time of death for a service-connected disability rated totally disabling if—*

*(A) the disability was continuously rated totally disabling for a period of 10 or more years immediately preceding death;*

*(B) the disability was continuously rated totally disabling for a period of not less than five years from the date of such veteran’s discharge or other release from active duty; or*

*(C) 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 less than one year immediately preceding death.*

\* \* \* \* \*

**§ 3707. Adjustable rate mortgages**

(a) The Secretary shall carry out a demonstration project under this section during fiscal years 1993 through **[2012]** 2014 for the purpose of guaranteeing loans in a manner similar to the manner

in which the Secretary of Housing and Urban Development insures adjustable rate mortgages under section 251 of the National Housing Act.

\* \* \* \* \*

**§ 3707A. Hybrid adjustable rate mortgages**

(a) The Secretary shall carry out a demonstration project under this section during fiscal years 2004 through ~~2012~~ 2014 for the purpose of guaranteeing loans in a manner similar to the manner in which the Secretary of Housing and Urban Development insures adjustable rate mortgages under section 251 of the National Housing Act in accordance with the provisions of this section with respect to hybrid adjustable rate mortgages described in subsection (b).

\* \* \* \* \*

SUBCHAPTER III—ADMINISTRATIVE PROVISIONS

**§ 3720. Powers of Secretary**

(a) \* \* \*

\* \* \* \* \*

(h)(1) \* \* \*

(2) The Secretary may not under this subsection guarantee the payment of principal and interest on certificates or other securities issued or approved after ~~December 31, 2011~~ December 31, 2016.

\* \* \* \* \*

**§ 3729. Loan fee**

(a) \* \* \*

(b) DETERMINATION OF FEE.—(1) \* \* \*

(2) The loan fee table referred to in paragraph (1) is as follows:

LOAN FEE TABLE

Type of loan	Active duty veteran	Reservist	Other obligor
(A)(i) Initial loan described in section 3710(a) to purchase or construct a dwelling with 0-down, or any other initial loan described in section 3710(a) other than with 5-down or 10-down (closed before January 1, 2004) .....	2.00	2.75	NA
(A)(ii) Initial loan described in section 3710(a) to purchase or construct a dwelling with 0-down, or any other initial loan described in section 3710(a) other than with 5-down or 10-down (closed on or after January 1, 2004, and before October 1, 2004) .....	2.20	2.40	NA
(A)(iii) Initial loan described in section 3710(a) to purchase or construct a dwelling with 0-down, or any other initial loan described in section 3710(a) other than with 5-down or 10-down (closed on or after October 1, 2004, and before <del>October 1, 2011</del> October 1, 2017) .....	2.15	2.40	NA

## LOAN FEE TABLE—Continued

Type of loan	Active duty veteran	Reservist	Other obligor
(A)(iv) Initial loan described in section 3710(a) to purchase or construct a dwelling with 0-down, or any other initial loan described in section 3710(a) other than with 5-down or 10-down (closed on or after <b>October 1, 2011</b> <i>October 1, 2017</i> ) .....	1.40	1.65	NA
(B)(i) Subsequent loan described in section 3710(a) to purchase or construct a dwelling with 0-down, or any other subsequent loan described in section 3710(a) (closed before <b>October 1, 2011</b> <i>October 1, 2017</i> ) .....	3.30	3.30	NA
<b>[(B)(ii) Subsequent loan described in section 3710(a) to purchase or construct a dwelling with 0-down, or any other subsequent loan described in section 3710(a) (closed on or after October 1, 2011, and before October 1, 2012) .....</b>	2.80	2.80	NA
<b>[(B)(iii) Subsequent loan described in section 3710(a) to purchase or construct a dwelling with 0-down, or any other subsequent loan described in section 3710(a) (closed on or after October 1, 2012 and before October 1, 2013) .....</b>	2.15	2.15	<b>NA]</b>
(B) <b>[(iv) (ii) Subsequent loan described in section 3710(a) to purchase or construct a dwelling with 0-down, or any other subsequent loan described in section 3710(a) (closed on or after <b>October 1, 2013</b> <i>October 1, 2017</i>) .....</b>	1.25	1.25	NA
(C)(i) Loan described in section 3710(a) to purchase or construct a dwelling with 5-down (closed before <b>October 1, 2011</b> <i>October 1, 2017</i> ) .....	1.50	1.75	NA
(C)(ii) Loan described in section 3710(a) to purchase or construct a dwelling with 5-down (closed on or after <b>October 1, 2011</b> <i>October 1, 2017</i> ) .....	0.75	1.00	NA
(D)(i) Initial loan described in section 3710(a) to purchase or construct a dwelling with 10-down (closed before <b>October 1, 2011</b> <i>October 1, 2017</i> ) .....	1.25	1.50	NA
(D)(ii) Initial loan described in section 3710(a) to purchase or construct a dwelling with 10-down (closed on or after <b>October 1, 2011</b> <i>October 1, 2017</i> ) .....	0.50	0.75	NA
(E) Interest rate reduction refinancing loan .....	0.50	0.50	NA
(F) Direct loan under section 3711 .....	1.00	1.00	NA
(G) Manufactured home loan under section 3712 (other than an interest rate reduction refinancing loan) .....	1.00	1.00	NA
(H) Loan to Native American veteran under section 3762 (other than an interest rate reduction refinancing loan) .....	1.25	1.25	NA
(I) Loan assumption under section 3714 .....	0.50	0.50	0.50
(J) Loan under section 3733(a) .....	2.25	2.25	2.25

\* \* \* \* \*

**CHAPTER 41—JOB COUNSELING, TRAINING, AND PLACEMENT SERVICE FOR VETERANS**

Sec.

4100. Findings.

\* \* \* \* \*

**[4113. Outstationing of Transition Assistance Program personnel.]**

*4113. Transition Assistance Program personnel.*

\* \* \* \* \*

\* \* \* \* \*

**§ 4103A. Disabled veterans' outreach program**

(a) \* \* \*

\* \* \* \* \*

*(d) ADDITIONAL REQUIREMENT FOR FULL-TIME EMPLOYEES.—(1) A full-time disabled veterans' outreach program specialist shall perform only duties related to meeting the employment needs of eligible veterans, as described in subsection (a), and shall not perform other non-veteran-related duties.*

*(2) The Secretary shall conduct regular audits to ensure compliance with paragraph (1). If, on the basis of such an audit, the Secretary determines that a State is not in compliance with paragraph (1), the Secretary may reduce the amount of a grant made to the State under section 4102A(b)(5) of this title.*

**§ 4104. Local veterans' employment representatives**

(a) \* \* \*

\* \* \* \* \*

*(e) ADDITIONAL REQUIREMENTS FOR FULL-TIME EMPLOYEES.—(1) A full-time local veterans' employment representative shall perform only duties related to the employment, training, and placement services under this chapter, and shall not perform other non-veteran-related duties.*

*(2) The Secretary shall conduct regular audits to ensure compliance with paragraph (1). If, on the basis of such an audit, the Secretary determines that a State is not in compliance with paragraph (1), the Secretary may reduce the amount of a grant made to the State under section 4102A(b)(5) of this title.*

**[(e)]** *(f) REPORTING.—Each local veterans' employment representative shall be administratively responsible to the manager of the employment service delivery system and shall provide reports, not less frequently than quarterly, to the manager of such office and to the Director for Veterans' Employment and Training for the State regarding compliance with Federal law and regulations with respect to special services and priorities for eligible veterans and eligible persons.*

\* \* \* \* \*

**§ 4107. Administrative controls; annual report**

(a) \* \* \*

\* \* \* \* \*

*(c) Not later than February 1 of each year, the Secretary shall report to the Committees on Veterans' Affairs of the Senate and*

the House of Representatives on the success during the preceding program year of the Department of Labor and its affiliated State employment service agencies in carrying out the provisions of this chapter and programs for the provision of employment and training services to meet the needs of eligible veterans and eligible persons. The report shall include—

(1) \* \* \*

(2) a comparison of the rate of entered employment (as determined in a manner consistent with State performance measures applicable under section 136(b) of the Workforce Investment Act of 1998) for each of the categories of veterans and persons described in [clause (1)] paragraph (1) of this subsection with such rate of entered employment (as so determined) for nonveterans of the same age groups registered for assistance with the public employment system in each State;

\* \* \* \* \*

(5) a report on the operation during the preceding program year of programs for the provision of employment and training services designed to meet the needs of eligible veterans and eligible persons, including an evaluation of the effectiveness of such programs during such program year in meeting the requirements of section 4102A(b) of this title, the efficiency with which services were provided through such programs during such year, and such recommendations for further legislative action relating to veterans' employment and training as the Secretary considers appropriate; [and]

(6) a report on the operation during the preceding program year of the program of performance incentive awards for quality employment services under section 4112 of this title[.]; and

(7) performance measures for the provision of assistance under this chapter, including—

(A) the percentage of participants in programs under this chapter who are employed after the 180-day period following their completion of the program;

(B) the percentage of such participants who are employed after the one-year period following their completion of the program;

(C) the median earnings of such participants after the 180-day period following their completion of the program;

(D) the median earnings of such participants after the one-year period following their completion of the program; and

(E) the percentage of participants in such program who complete a certificate, degree, diploma, licensure, or industry-recognized credential while they are participating in the program or within one year of completing the program.

\* \* \* \* \*

**§ 4109. National Veterans' Employment and Training Services Institute**

(a) \* \* \*

\* \* \* \* \*

*(d) The Secretary shall require that each individual who receives training provided by the Institute, or its successor, is given a final examination to evaluate the individual's performance in receiving such training. Each such evaluation shall be designed to provide the individual with a grade, which shall be designated as either a passing grade or a failing grade. The results of such final examination shall be provided to the entity that sponsored the individual who received the training.*

\* \* \* \* \*

**§ 4113. Outstationing of Transition Assistance Program personnel**

**[(a) STATIONING OF TAP PERSONNEL AT OVERSEAS MILITARY INSTALLATIONS.—(1) The Secretary—**

**[(A) shall station employees of the Veterans' Employment and Training Service, or contractors under subsection (c), at each veterans assistance office described in paragraph (2); and**

**[(B) may station such employees or contractors at such other military installations outside the United States as the Secretary, after consultation with the Secretary of Defense, determines to be appropriate or desirable to carry out the purposes of this chapter.**

**[(2) Veterans assistance offices referred to in paragraph (1)(A) are those offices that are established by the Secretary of Veterans Affairs on military installations pursuant to the second sentence of section 6304(a) of this title.**

**[(b) FUNCTIONS.—Employees (or contractors) stationed at military installations pursuant to subsection (a) shall provide, in person, counseling, assistance in identifying employment and training opportunities, help in obtaining such employment and training, and other related information and services to members of the Armed Forces who are being separated from active duty, and the spouses of such members, under the Transition Assistance Program and Disabled Transition Assistance Program established in section 1144 of title 10.**

**[(c) AUTHORITY TO CONTRACT WITH PRIVATE ENTITIES.—The Secretary, consistent with section 1144 of title 10, may enter into contracts with public or private entities to provide, in person, some or all of the counseling, assistance, information and services under the Transition Assistance Program required under subsection (a).]**

**§ 4113. Transition Assistance Program personnel**

*(a) AUTHORITY TO CONTRACT.—In accordance with section 1144 of title 10, the Secretary shall enter into a contract with an appropriate private entity or entities to provide the functions described in subsection (b) at all locations where the program described in such section is carried out.*

*(b) FUNCTIONS.—Contractors under subsection (a) shall provide to members of the Armed Forces who are being separated from active duty (and the spouses of such members) the services described in section 1144(a)(1) of title 10, including—*

*(1) counseling;*

*(2) assistance in identifying employment and training opportunities and help in obtaining such employment and training;*

- (3) *other related information and services under such section; and*
- (4) *any other services that the Secretary determines are appropriate.*

**§ 4114. Credentialing and licensure of veterans: demonstration project**

(a) \* \* \*

(b) IDENTIFICATION OF MILITARY OCCUPATIONAL SPECIALTIES AND ASSOCIATED CREDENTIALS AND LICENSES.—(1) The Assistant Secretary shall select **[not less than 10]** *not less than 5 but not more than 10* military occupational specialties for purposes of the demonstration project. Each specialty so selected by the Assistant Secretary shall require a skill or set of skills that is required for civilian employment in an industry with high growth or high worker demand.

(2) The Assistant Secretary shall **[consult with appropriate Federal, State, and industry officials]** *enter into a contract with an appropriate entity representing a coalition of State governors* to identify requirements for credentials, certifications, and licenses that require a skill or set of skills required by a military occupational specialty selected under paragraph (1).

\* \* \* \* \*

(g) PERIOD OF PROJECT.—The period during which the Assistant Secretary may carry out the demonstration project under this section shall be the period beginning on the date that is 60 days after the date of the enactment of the **[Veterans Benefits, Health Care, and Information Technology Act of 2006]** *Veterans Opportunity to Work Act of 2011* and ending on **[September 30, 2009]** *September 30, 2014*.

(h) FUNDING.—The Assistant Secretary may carry out the demonstration project under this section **[utilizing unobligated funds]** *using not more than \$180,000 of the funds in each fiscal year that are appropriated in accordance with the authorization set forth in section 4106 of this title, to be derived from amounts otherwise made available to carry out sections 4103A and 4104 of this title.*

(i) REPORT TO CONGRESS.—*Not later than 30 days after the last day of a fiscal year during which the demonstration project under this section is carried out, the Assistant Secretary, in coordination with the entity with which the Assistant Secretary enters into a contract under subsection (b)(2), shall submit to the Committees on Veterans' Affairs of the Senate and House of Representatives a report on the implementation of the demonstration project during that fiscal year.*

\* \* \* \* \*

**CHAPTER 42—EMPLOYMENT AND TRAINING OF VETERANS**

\* \* \* \* \*

**§ 4215. Priority of service for veterans in Department of Labor job training programs**

(a) DEFINITIONS.—In this section:

(1) \* \* \*

\* \* \* \* \*

(3) The term “priority of service” means, with respect to any qualified job training program, that a covered person shall be given priority over nonveterans for the receipt of employment, training, and placement services provided under that program, notwithstanding any other provision of law. *Such priority includes giving access to such services to a covered person before a non-covered person or, if resources are limited, giving access to such services to a covered person instead of a non-covered person.*

\* \* \* \* \*

[(d) ADDITION TO ANNUAL REPORT.—In the annual report required under section 4107(c) of this title for the program year beginning in 2003 and each subsequent program year, the Secretary of Labor shall evaluate whether covered persons are receiving priority of service and are being fully served by qualified job training programs, and whether the representation of veterans in such programs is in proportion to the incidence of representation of veterans in the labor market, including within groups that the Secretary may designate for priority under such programs, if any.]

*(d) ADDITION TO ANNUAL REPORT.—(1) In the annual report required under section 4107(c) of this title for the program year beginning in 2003 and each subsequent program year, the Secretary of Labor shall evaluate whether covered persons are receiving priority of service and are being fully served by qualified job training programs. Such evaluation shall include—*

*(A) an analysis of the implementation of providing such priority at the local level;*

*(B) whether the representation of veterans in such programs is in proportion to the incidence of representation of veterans in the labor market, including within groups that the Secretary may designate for priority under such programs, if any; and*

*(C) performance measures, as determined by the Secretary, to determine whether veterans are receiving priority of service and are being fully served by qualified job training programs.*

*(2) The Secretary may not use the proportion of representation of veterans described in subparagraph (B) of paragraph (1) as the basis for determining under such paragraph whether veterans are receiving priority of service and are being fully served by qualified job training programs.*

\* \* \* \* \*

**CHAPTER 43—EMPLOYMENT AND REEMPLOYMENT RIGHTS OF MEMBERS OF THE UNIFORMED SERVICES**

**SUBCHAPTER I—GENERAL**

\* \* \* \* \*

**§ 4303. Definitions**

For the purposes of this chapter—

(1) \* \* \*

(2) The term “benefit”, “benefit of employment”, or “rights and benefits” means *the terms, conditions, or privileges of employment, including* any advantage, profit, privilege, gain, status, account, or interest (including wages or salary for work performed) that accrues by reason of an employment contract or agreement or an employer policy, plan, or practice and includes rights and benefits under a pension plan, a health plan, an employee stock ownership plan, insurance coverage and awards, bonuses, severance pay, supplemental unemployment benefits, vacations, and the opportunity to select work hours or location of employment.

\* \* \* \* \*

**PART IV—GENERAL ADMINISTRATIVE PROVISIONS**

\* \* \* \* \*

**CHAPTER 55—MINORS, INCOMPETENTS, AND OTHER WARDS**

\* \* \* \* \*

**§ 5503. Hospitalized veterans and estates of incompetent institutionalized veterans**

(a) \* \* \*

\* \* \* \* \*

(d)(1) \* \* \*

\* \* \* \* \*

(7) This subsection expires on ~~【May 31, 2015】~~ *May 31, 2016*.

\* \* \* \* \*

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**TITLE 10, UNITED STATES CODE**

\* \* \* \* \*

**SUBTITLE A—GENERAL MILITARY LAW**

\* \* \* \* \*

**PART II—PERSONNEL**

\* \* \* \* \*

**CHAPTER 58—BENEFITS AND SERVICES FOR MEMBERS BEING SEPARATED OR RECENTLY SEPARATED**

\* \* \* \* \*

**§ 1144. Employment assistance, job training assistance, and other transitional services: Department of Labor**

(a) \* \* \*

\* \* \* \* \*

(c) PARTICIPATION.—The Secretary of Defense and the Secretary of Homeland Security [shall encourage and otherwise promote maximum participation by members of the armed forces eligible for assistance under the program carried out under this section.] *shall encourage the participation of members of the armed forces in pay grades E-8 and above and O-6 and above who are eligible for assistance under the program and shall require the participation of all other members of the armed forces who are eligible for assistance under the program unless a documented urgent operational requirement prevents attendance or an individual service member, with written approval of their commander, chooses to decline participation, in writing, based on post-service employment or acceptance to an education program. Such documentation shall be included in the personnel record of the member.*

\* \* \* \* \*

(e) REPORTS AND AUDITS.—(1) *Not later than January 30 of each year, the Secretary of Labor shall submit to the Committees on Veterans' Affairs of the Senate and House of Representatives a report on the program established under this section that includes the number of members of the armed forces eligible for assistance under the program who participated in the program within 30, 90, and 180 days of being separated from active duty, and the percentages of all such eligible participants who participated within each such time period.*

(2)(A) *The Secretary of Labor shall enter into a contract with an appropriate entity to conduct an audit of the program established under this section not less frequently than once every three years and to submit to the Secretary of Defense, the Secretary of Labor, the Secretary of Veterans Affairs, and the Committees on Veterans' Affairs of the Senate and House of Representatives a report containing the results of each such audit.*

(B)(i) *Except as provided in clause (ii), the Secretary of Labor shall enter into the contract under subparagraph (A) with an appropriate entity that is a small business concern owned and controlled by veterans or a small business concern owned and controlled by service-disabled veterans and that is included in the database of veteran-owned businesses maintained under subsection (f) of section 8127 of title 38 and verified by the Secretary pursuant to paragraph (4) of that subsection.*

(ii) *If the Secretary of Labor is unable to enter into the contract under subparagraph (A) with a qualified business concern described in clause (i), the Secretary shall enter into such contract with another qualified appropriate entity.*

(C) *The Secretary of Labor shall enter into the contract under this paragraph using funds made available for the State grant program authorized under section 4102A of title 38.*

(f) PROGRAM OUTCOMES.—*The Secretary of Labor and the Secretary of Defense shall jointly develop a method to assess the outcomes for individuals who participate in the program established*

*under this section. Such method shall be designed to determine the following outcomes:*

*(1) The length of the period during which the individual was unemployed following the individual's separation from active duty.*

*(2) The beginning salary paid to the individual for the first job the individual obtained following such separation.*

*(3) The number of months of school or other training the individual attended during the first 12-month period following such separation.*

\* \* \* \* \*

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**SECTION 501 OF THE VETERANS BENEFITS  
IMPROVEMENT ACT OF 2008**

**SEC. 501. TEMPORARY INCREASE IN MAXIMUM LOAN GUARANTY  
AMOUNT FOR CERTAIN HOUSING LOANS GUARANTEED BY  
SECRETARY OF VETERANS AFFAIRS**

Notwithstanding subparagraph (C) of section 3703(a)(1) of title 38, United States Code, for purposes of any loan described in subparagraph (A)(i)(IV) of such section that is originated during the period beginning on the date of the enactment of this Act and ending on **December 31, 2011** *December 31, 2014*, the term "maximum guaranty amount" shall mean an amount equal to 25 percent of the higher of—

(1) \* \* \*

\* \* \* \* \*

## DISSENTING VIEWS

I appreciate Chairman Miller's efforts to make meaningful change in the lives of our veterans and their families with this legislation but we need to be clear about what H.R. 2433, the Veterans Opportunity to Work Act, is and what it is not and how this measure is paid for. This bill is not a jobs bill, however it may be portrayed. This bill creates no new jobs. Rather, it is a retraining bill. It seeks to assist some veterans in the age group of 35 to 60 who have been out of the military for years and have transitioned into the civilian world, while doing little to assist returning servicemembers who are facing double-digit unemployment rates. While I fully support widening the opportunities for all of our veterans by providing them with additional skills, I do not believe we should take from some veterans to provide assistance to other veterans.

In order to pay for this legislation, this bill would extend higher loan fees on our veterans that utilize the VA Home Loan Guarantee Program and then use those monies to pay for the monthly stipend and retraining costs created by this bill. By not allowing the higher loan fee rates to expire to much lower rates and by extending the higher rates for 10 years, we are effectively taxing a specific group of veterans for using a benefit. The House Majority Leader, Representative Cantor of Virginia, said on July 11, 2011, that "We don't believe you ought to be raising taxes right now in this recession, in this economy[.]"

If this is the belief of our colleagues, then we must be consistent in how we apply these beliefs. If allowing the Bush tax cuts to expire was characterized as a tax increase, then not allowing these higher rates to expire should also be characterized as a tax increase. We need to be crystal clear as to what we are doing, and say in plain language that we are raising taxes on veterans. I believe it is wrong and hypocritical of this Committee to move forward with, to use the Majority's own logic, a tax increase on a certain portion of our veterans. During these troubled economic times and high veteran unemployment, we should not seek to make home ownership more difficult for veterans. I support many of the changes this bill makes, but the underlying issue is that all programs are being funded on the backs of veterans. It is unconscionable that this Committee cavalierly passes a tax increase on veterans while Congress is fighting to prevent any other type of tax increase. If Congress is serious about these programs then Congress should seek to truly find funding for these programs instead of taking the funds from our veterans' pockets.

I want to be transparent about this "shell game" and how we are paying for it, so we are not back here later talking about how we had some "unintended consequences" and we then have to find some way to pay for the "pay-for."

Simply put, in order to pay for this bill, we will charge our veterans more for the use of their benefit in one program so we can pay for other veterans and their benefits in another program. In this economy where our national housing market is very depressed, where we, on this Committee, have worked so very hard to protect our veterans from home foreclosures, we must carefully weigh our actions and be sure that the actions we take are not going to make it more difficult for a veteran to purchase or keep a home.

All too often we read about veterans who come home with the invisible wounds of war and cannot find the dignity and security that work provides. We read about increasing suicide statistics, problems at home, substance abuse, and even in rising homelessness among our veterans. Unemployment among veterans, and all of our citizens, is a national tragedy. A recent article in the *Los Angeles Times* dated July 11, 2011, stated that “Unemployment among recently returned veterans, already in double digits, is poised to get worse as more soldiers return from Iraq and Afghanistan.” According to the Bureau of Labor Statistics, unemployment among Gulf War-era II veterans aged 18–24 was nearly 21 percent in 2010. Our focus should be to help recently separated veterans who are in desperate need of transition assistance and have very little experience in the civilian sector. Many of our recently separated veterans suffer from serious injuries such as: Post-Traumatic Stress Disorder, Traumatic Brain Injuries, blindness and amputations.

The Majority believes that it has found the quality of instruction in classes taught by contract instructors to be superior to those taught by DVOPS and LVERS. No fault has been found with the VA portion of the instruction and if Department of Labor instruction is subpar then the Committee has an obligation to fix it—not to immediately seek to contract it out. This is an area that we prefer to have the Department of Labor continue to perform because they do have more experience and tend to have less turnover than part-time contractors.

This Committee should be working tirelessly to find ways to create real jobs for veterans. The Majority has failed to convince me that this measure will do this. I am willing to support needed improvements in the current retraining regime once we demonstrate a real need for these improvements. Once again, the Majority has failed to convince me that this is the case.

Finally, I simply cannot support, in these troubled economic times, an approach that seeks to continue higher loan fees that are scheduled to decrease, an approach that can only be characterized as taxing some veterans to pay for the benefits of other veterans. I simply cannot understand why it is acceptable for them to do this to veterans while vigorously resisting any attempt to promote increased revenues to address our fiscal situation from those who are well-off.

BOB FILNER.