

Section 501 of the Internal Revenue Code of 1986, referred to in subsec. (d)(2), is classified to section 501 of Title 26, Internal Revenue Code.

#### AMENDMENTS

2004—Subsec. (g). Pub. L. 108-454 added subsec. (g).  
2001—Pub. L. 107-95, §5(d)(1), renumbered section 3772 of this title as this section.

Subsec. (d)(1). Pub. L. 107-95, §5(d)(2)(B), substituted “section 2052 of this title” for “section 3773 of this title”.

#### EFFECTIVE DATE

Subchapter effective Oct. 1, 1998, see section 602(f) of Pub. L. 105-368, set out as an Effective Date of 1998 Amendment note under section 2106 of this title.

### § 2052. Requirements

(a) A loan referred to in section 2051 of this title meets the requirements of this subchapter if each of the following requirements is met:

(1) The loan—

(A) is for—

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

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

(B) may also include additional reasonable amounts for—

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

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

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

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

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

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

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

(5) The loan is secured.

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

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

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

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

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

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

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

(c) Such a project—

(1) may include space for neighborhood retail services, other commercial activities, or job training programs; and

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

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

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

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

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

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

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

(Added Pub. L. 105-368, title VI, §601(a), Nov. 11, 1998, 112 Stat. 3343, §3773; renumbered §2052 and amended Pub. L. 107-95, §5(d)(1), (2)(C), Dec. 21, 2001, 115 Stat. 918; Pub. L. 108-454, title IV, §402(b), Dec. 10, 2004, 118 Stat. 3616.)

#### REFERENCES IN TEXT

Section 107 of Public Law 102-405, referred to in subsec. (d)(2), is set out as a note under section 527 of this title.

#### AMENDMENTS

2004—Subsec. (c)(1). Pub. L. 108-454 substituted “services, other commercial activities,” for “services”.

2001—Pub. L. 107-95, §5(d)(1), renumbered section 3773 of this title as this section.

Subsec. (a). Pub. L. 107-95, §5(d)(2)(C), substituted “section 2051 of this title” for “section 3772 of this title” in introductory provisions.

### § 2053. Default

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

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

(1) the maximum guarantee; or

(2) the difference between—

(A) the total outstanding obligation on the loan, including principal, interest, and ex-

penses authorized by the loan documents, through the date of the public sale (as authorized under such documents and State law); and

(B) the amount realized at such sale.

(Added Pub. L. 105-368, title VI, § 601(a), Nov. 11, 1998, 112 Stat. 3344, § 3774; renumbered § 2053, Pub. L. 107-95, § 5(d)(1), Dec. 21, 2001, 115 Stat. 918.)

#### AMENDMENTS

2001—Pub. L. 107-95 renumbered section 3774 of this title as this section.

#### § 2054. Audit

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

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

(Added Pub. L. 105-368, title VI, § 601(a), Nov. 11, 1998, 112 Stat. 3345, § 3775; amended Pub. L. 106-117, title VII, § 712, Nov. 30, 1999, 113 Stat. 1584; renumbered § 2054, Pub. L. 107-95, § 5(d)(1), Dec. 21, 2001, 115 Stat. 918.)

#### AMENDMENTS

2001—Pub. L. 107-95 renumbered section 3775 of this title as this section.

1999—Pub. L. 106-117 designated existing provisions as subsec. (a) and added subsec. (b).

#### SUBCHAPTER VII—OTHER PROVISIONS

#### § 2061. Grant program for homeless veterans with special needs

(a) ESTABLISHMENT.—The Secretary shall carry out a program to make grants to health care facilities of the Department and to grant and per diem providers in order to encourage development by those facilities and providers of programs for homeless veterans with special needs.

(b) HOMELESS VETERANS WITH SPECIAL NEEDS.—For purposes of this section, homeless veterans with special needs include homeless veterans who are—

- (1) women, including women who have care of minor dependents;
- (2) frail elderly;
- (3) terminally ill; or
- (4) chronically mentally ill.

(c) FUNDING.—(1) From amounts appropriated to the Department for “Medical Services” for each of fiscal years 2007 through 2011, \$5,000,000 shall be available for each such fiscal year for the purposes of the program under this section.

(2) The Secretary shall ensure that funds for grants under this section are designated for the first three years of operation of the program

under this section as a special purpose program for which funds are not allocated through the Veterans Equitable Resource Allocation system.

(Added Pub. L. 107-95, § 5(a)(1), Dec. 21, 2001, 115 Stat. 913; amended Pub. L. 109-461, title VII, § 706, Dec. 22, 2006, 120 Stat. 3440.)

#### AMENDMENTS

2006—Subsec. (c)(1). Pub. L. 109-461 substituted “Medical Services” for “Medical Care” and “fiscal years 2007 through 2011” for “fiscal years 2003, 2004, and 2005”.

#### STUDY OF OUTCOME EFFECTIVENESS OF GRANT PROGRAM FOR HOMELESS VETERANS WITH SPECIAL NEEDS

Pub. L. 107-95, § 7, Dec. 21, 2001, 115 Stat. 919, required the Secretary of Veterans Affairs to conduct a study of the effectiveness during fiscal year 2002 through fiscal year 2004 of the grant program under this section in meeting the needs of homeless veterans with special needs and to submit to Congress a report on the study not later than Mar. 31, 2005.

#### § 2062. Dental care

(a) IN GENERAL.—For purposes of section 1712(a)(1)(H) of this title, outpatient dental services and treatment of a dental condition or disability of a veteran described in subsection (b) shall be considered to be medically necessary, subject to subsection (c), if—

(1) the dental services and treatment are necessary for the veteran to successfully gain or regain employment;

(2) the dental services and treatment are necessary to alleviate pain; or

(3) the dental services and treatment are necessary for treatment of moderate, severe, or severe and complicated gingival and periodontal pathology.

(b) ELIGIBLE VETERANS.—Subsection (a) applies to a veteran—

(1) who is enrolled for care under section 1705(a) of this title; and

(2) who, for a period of 60 consecutive days, is receiving care (directly or by contract) in any of the following settings:

(A) A domiciliary under section 1710 of this title.

(B) A therapeutic residence under section 2032 of this title.

(C) Community residential care coordinated by the Secretary under section 1730 of this title.

(D) A setting for which the Secretary provides funds for a grant and per diem provider.

(3) For purposes of paragraph (2), in determining whether a veteran has received treatment for a period of 60 consecutive days, the Secretary may disregard breaks in the continuity of treatment for which the veteran is not responsible.

(c) LIMITATION.—Dental benefits provided by reason of this section shall be a one-time course of dental care provided in the same manner as the dental benefits provided to a newly discharged veteran.

(Added Pub. L. 107-95, § 5(a)(1), Dec. 21, 2001, 115 Stat. 913.)

#### § 2063. Employment assistance

The Secretary may authorize homeless veterans receiving care through vocational rehabili-