such employees are engaged in the performance of official duties shall be entertained under §§14.664 through 14.667, unless claim filed pursuant to 38 U.S.C. 703(a)(5) (§17.78 of this chapter) has been finally denied for the reason that such claim did not meet the criteria established by that law.

[38 FR 5475, Mar. 1, 1973, as amended at 42 FR 41422, Aug. 17, 1977]

§14.668 Disposition of claims.

(a) *Disallowed claims*. Claimants will be promptly notified of the disallowance of a claim and the reasons therefor.

(b) Allowed claims—(1) Reimbursement in kind. Where a claim is allowed and it is determined to be to the advantage of the Government, reimbursement will be made in kind. The official authorizing settlement will request the Director, Supply Service, Veterans Health Services and Research Administration, to procure the necessary article or articles and deliver same to the claimant.

(2) Reimbursement by check. The official authorizing settlement will forward allowed claims, other than those requiring reimbursement in kind, to the Finance activity at the Department of Veterans Affairs installation where the claim arose. That activity will audit the claim, which if found proper for payment, will be scheduled on SF 1166, Voucher and Schedule of Payments, and forwarded to the appropriate Regional Disbursing Office for payment.

 $[38\ {\rm FR}\ 5475,\ {\rm Mar.}\ 1,\ 1973,\ {\rm as}\ {\rm amended}\ {\rm at}\ 42\ {\rm FR}\ 41422,\ {\rm Aug.}\ 17,\ 1977]$

§14.669 Fees of agents or attorneys; penalty.

The Military Personnel and Civilian Employees' Claims Act of 1964 (Pub. L. 88-558; 78 Stat. 767) was amended by Pub. L. 89-185 (79 Stat. 789), on September 15, 1965, by adding a new section which provided that no more than 10 percent of the amount paid in settlement of each individual claim submitted and settled under the authority of the Act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with that claim. Any person

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violating the provisions of this Act is deemed to be guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

[38 FR 5475, Mar. 1, 1973]

COMMITMENTS-FIDUCIARIES

SOURCE: 42 FR 41422, Aug. 17, 1977, unless otherwise noted.

§14.700 Court cost and expenses; commitment, restoration, fiduciary appointments.

It is the responsibility of the Regional Counsel to assure the protection of the veteran, his or her beneficiaries, and their estates in State court proceedings involving commitment and restoration, and the appointment of fiduciaries. To this end certain expenses such as court costs, publication fees, recording fees, transportation expenses and fees for medical testimony may be authorized by the Regional Counsel. Payment of these costs will be borne by the administration concerned. However, every effort will be made by the Regional Counsel to avoid having these costs imposed on the Department of Veterans Affairs. The travel and per diem cost of the Regional Counsel personnel will be borne by the Regional Counsel.

§14.701 Commitment and restoration proceedings.

(a) State institutions. Regional Counsels are authorized to cooperate with State courts, including the production of required records in the commitment of veterans to State hospitals or in their restoration to full civil rights.

(b) Department of Veterans Affairs institutions—(1) Assistance to courts in commitment proceedings. The Regional Counsel will render assistance to the courts in cases involving the commitment of mentally ill veterans to the Department of Veterans Affairs. To this end, the Regional Counsel may:

(i) Produce Department of Veterans Affairs records.

(ii) Appear in court and present material facts.

(iii) When authorized to institute commitment proceedings under paragraph (b)(2) of this section, prepare and present all necessary legal papers, and