

VETERANS' ACCESS TO CHILD CARE ACT

JULY 28, 2017.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. ROE of Tennessee, from the Committee on Veterans' Affairs, submitted the following

R E P O R T

[To accompany H.R. 95]

[Including cost estimate of the Congressional Budget Office]

The Committee on Veterans' Affairs, to whom was referred the bill (H.R. 95) to amend title 38, United States Code, to direct the Secretary of Veterans Affairs to provide child care assistance to veterans receiving certain medical services provided by the Department of Veterans Affairs, having considered the same, report favorably thereon with an amendment and recommend that the bill as amended do pass.

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The amendment is as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the “Veterans’ Access to Child Care Act”.

SEC. 2. CHILD CARE ASSISTANCE FOR VETERANS RECEIVING MENTAL HEALTH CARE AND OTHER INTENSIVE HEALTH CARE SERVICES PROVIDED BY THE DEPARTMENT OF VETERANS AFFAIRS.

(a) IN GENERAL.—Subchapter III of chapter 17 of title 38, United States Code, is amended by adding at the end the following new section:

“§ 1730B. Child care assistance for veterans receiving mental health care and other intensive health care services

“(a) IN GENERAL.—The Secretary shall provide child care assistance to an eligible veteran for any period that the veteran—

“(1) receives covered health care services at a facility of the Department; and

“(2) is required travel to and return from such facility for the receipt of such health care services.

“(b) CHILD CARE ASSISTANCE.—(1) Child care assistance provided under this section may include any of the following:

“(A) A stipend for the payment of child care offered by a licensed child care center (either directly or through a voucher program) which shall be, to the extent practicable, modeled after the Department of Veterans Affairs Child Care Subsidy Program established pursuant to section 590 of title 40.

“(B) Direct provision of child care at an on-site facility of the Department.

“(C) A payment made directly to a private child care agency.

“(D) A collaboration with a facility or program of another Federal department or agency.

“(E) Such other form of assistance as the Secretary considers appropriate.

“(2) In the case that child care assistance under this section is provided as a stipend under paragraph (1)(A), such stipend shall cover the full cost of such child care.

“(c) DEFINITIONS.—In this section:

“(1) The term ‘eligible veteran’ means a veteran who—

“(A) is the primary caretaker of a child or children; and

“(B) is—

“(i) receiving covered health care services from the Department; or

“(ii) in need of covered health care services, and but for lack of child care services, would receive such covered health care services from the Department.

“(2) The term ‘covered health care services’ means—

“(A) regular mental health care services;

“(B) intensive mental health care services; or

“(C) such other intensive health care services that the Secretary determines that provision of assistance to the veteran to obtain child care would improve access to such health care services by the veteran.”.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 1730A the following new item:

“1730B. Child care assistance for veterans receiving mental health care and other intensive health care services.”.

SEC. 3. EXTENSION OF REDUCTION IN AMOUNT OF PENSION FURNISHED BY DEPARTMENT OF VETERANS AFFAIRS 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 “September 30, 2024” and inserting “September 30, 2026”.

SEC. 4. EXTENSION OF REQUIREMENT FOR COLLECTION OF FEES FOR HOUSING LOANS GUARANTEED BY SECRETARY OF VETERANS AFFAIRS.

Section 3729(b)(2) of title 38, United States Code, is amended—

(1) in subparagraph (A)—

(A) in clause (iii), by striking “September 30, 2024” and inserting “December 31, 2024”; and

(B) in clause (iv), by striking “September 30, 2024” and inserting “December 31, 2024”;

(2) in subparagraph (B)—

(A) in clause (i), by striking “September 30, 2024” and inserting “December 31, 2024”; and

- (B) in clause (ii), by striking “September 30, 2024” and inserting “December 31, 2024”;
- (3) in subparagraph (C)—
- (A) in clause (i), by striking “September 30, 2024” and inserting “December 31, 2024”; and
- (B) in clause (ii), by striking “September 30, 2024” and inserting “December 31, 2024”; and
- (4) in subparagraph (D)—
- (A) in clause (i), by striking “September 30, 2024” and inserting “December 31, 2024”; and
- (B) in clause (ii), by striking “September 30, 2024” and inserting “December 31, 2024”.

PURPOSE AND SUMMARY

H.R. 95, the Veterans’ Access to Child Care Act, was introduced by Representative Julia Brownley of California, the Ranking Member of the Committee on Veterans’ Affairs Subcommittee on Health, on January 3, 2017.

H.R. 95, as amended, would authorize VA to require the Department of Veterans Affairs (VA) to provide child care assistance to an eligible veteran for any period that the veteran receives covered health care services at a VA facility and is required to travel to and return from such facility for the receipt of such services. H.R. 95, as amended, would also extend the current \$90 per month limit on a VA pension paid to veterans residing in nursing homes when their nursing costs are paid through Medicaid and VA’s authority to collect certain funding fees.

BACKGROUND AND NEED FOR LEGISLATION

Section 2. Child care assistance for veterans receiving mental health care and other intensive health care services provided by the Department of Veterans Affairs

The lack of child care services at many VA medical facilities is frequently cited as a barrier to care for veterans, in general, and for women veterans, in particular. A 2015 independent study mandated by the Caregivers and Veterans Omnibus Health Services Act of 2010 (Public Law 111–163; 124 Stat. 1130) on the barriers to comprehensive health care experienced by women veterans found that 42 percent of female VA users considered finding childcare to attend medical appointments either “somewhat hard” or “very hard.”¹ Furthermore, 42 percent of the women veterans surveyed had dependents 17 years or younger living at home and 62 percent indicated that they would find on-site childcare at a VA medical center “very helpful.”²

The Caregivers and Veterans Omnibus Health Services Act of 2010 (Public Law 111–163; 124 Stat. 1130) also required VA to carry out a pilot program to assess the feasibility and advisability of providing child care assistance to veterans receiving mental health care and other intensive health care services. According to the most recent report on this pilot by VA, the pilot cost \$3.5 million to administer from fiscal year 2011 to fiscal year 2014, with costs for individual sites varying depending on start-up expenses

¹ *Study of Barriers for Women Veterans to VA Health Care*. U.S. Department of Veterans Affairs. April 2015. https://www.womenshealth.va.gov/docs/Womens%20Health%20Services_Barriers%20to%20Care%20Final%20Report_April2015.pdf.

² *Ibid.*

like readily available space and volume of demand.³ At the time of the report's publication, a total of 10,423 children utilized the program and a majority of those children were between the ages of three and five years, with the next-largest age demographic being between the ages of one and three years.⁴ Average monthly utilization varied between 37 children and 250 children a month, with children tending to stay in child care between 60 and 90 minutes.⁵ Based on responses to surveys administered as part of the pilot, 44 percent of veteran users were mothers or stepmothers and 32 percent were fathers or stepfathers (with the balance consisting of legal guardians and grandparents) and veterans were consistently "completely satisfied" with services received.⁶ Congress has extended the authority of VA to carry out this child care pilot through December 31, 2017, in the Department of Veterans Affairs Expiring Authorities Act of 2016 (P.L. 114–228; 130 Stat. 935).

The Committee recognizes that the lack of child care is a barrier to care for many veterans and that the existing VA child care pilot program has been successful in reducing that barrier for many veterans. As such, section 2 of the bill would make the existing VA child care pilot program permanent by requiring VA to provide child care assistance to an eligible veteran for any period that the veteran receives covered health care services at a VA facility and is required to travel to and return from such facility for the receipt of such care. "Covered health care services" are defined as regular mental health care services, intensive mental health care services, or such other intensive health care services as determined by VA. "Eligible veteran" is defined as those who are the primary caretaker of a child and who are either receiving covered health care services from VA or who are in need of and would receive such services but for the lack of child care. Section 2 of the bill would include the following among child care assistance that would be provided pursuant to this authority: a stipend for the payment of the full cost of child care offered by a licensed child care center to be modeled after the VA's Child Care Subsidy Program; direct provision of child care at an on-site VA facility; payment made directly to a private child care agency; and, collaboration with a facility or program of another federal department or agency.

Section 3. Extension of reduction in amount of pension furnished by Department of Veterans Affairs for certain veterans covered by Medicaid plans for services furnished by nursing facilities

Section 5503 of title 38 United States Code (U.S.C.) sets forth the criteria under which eligibility for income-based pension payments and aid and attendance allowances are affected by domiciliary or nursing home residence. In instances where a veteran, or surviving spouse, has neither a spouse nor a child and is receiving Medicaid-covered nursing home care, the veteran or surviving spouse is eligible to receive no more than \$90 per month in VA pension or death pension payments for any period after the end of the third full cal-

³ *Child Care Assistance for Eligible Veterans Accessing Health Care Services at Medical Facilities*. U.S. Department of Veterans Affairs. March 2015.

⁴ *Child Care Assistance for Eligible Veterans Accessing Health Care Services at Medical Facilities*. U.S. Department of Veterans Affairs. March 2015.

⁵ *Ibid.*

⁶ *Ibid.*

endar month following the month of admission. Under current law, this authority expires on September 30, 2024.

Section 3 of the bill would extend through September 20, 2026, the current \$90 per month limit on a VA pension paid to veterans residing in nursing homes when their nursing costs are paid through title XIX (Medicaid) of the Social Security Act.

Section 4. Extension of requirement for collection of fees for housing loans guaranteed by Secretary of Veterans Affairs

Under VA's home loan guaranty program, VA may guarantee a loan made to eligible servicemembers, veterans, reservists, and certain un-remarried surviving spouses for the purchase or refinancing of a house, condominium, or manufactured home. Section 3729(b)(2) of title 38, U.S.C., sets forth a loan fee table that lists funding fees associated with such loans. These funding fees are expressed as a percentage of the loan amount for different types of loans. Under current law, the higher rates will expire on September 30, 2024.

Section 4 of the bill would extend through September 30, 2025, VA's authority to collect certain funding fees by amending the fee schedule set forth in section 3729(b)(2) of title 38, U.S.C.

HEARINGS

There were no full Committee hearings held on H.R. 95, as amended.

On March 29, 2017, the Subcommittee on Health conducted a legislative hearing on a number of bills, including H.R. 95.

The following witnesses testified:

The Honorable David P. Roe M.D. of Tennessee; The Honorable Jackie Walorski of Indiana; The Honorable Doug Collins of Georgia; The Honorable Mike Coffman of Colorado; The Honorable Stephen Knight of California; The Honorable Ann M. Kuster of New Hampshire; Jennifer S. Lee, M.D., the Deputy Under Secretary for Health for Policy and Services for the Veterans Health Administration of the U.S. Department of Veterans Affairs who was accompanied by Susan Blauert, the Chief Counsel for the Health Care Law Group of the Office of the General Counsel for the U.S. Department of Veterans Affairs; Kayda Keleher, Legislative Associate for the National Legislative Service of the Veterans of Foreign Wars of the United States; Shurhonda Y. Love, the Assistant National Legislative Director for the Disabled American Veterans; and, Sarah S. Dean, the Associate Legislative Director for the Paralyzed Veterans of America.

Statements for the record were submitted by:

The Honorable Lee Zeldin of New York; The American Legion; the National Association of State Veteran Homes; Swords to Plowshares; and, the Wounded Warrior Project.

SUBCOMMITTEE CONSIDERATION

On April 6, 2017, the Subcommittee on Health met in an open markup session, a quorum being present, and ordered H.R. 95 to be reported favorably to the Full Committee by voice vote.

COMMITTEE CONSIDERATION

On July 19, 2017, the Full Committee met in open markup session, a quorum being present, and ordered H.R. 95, as amended, to be reported favorably to the House of Representatives by voice vote. During consideration of the bill, the following amendments were considered and agreed to by voice vote:

An Amendment in the Nature of a Substitute to H.R. 918 offered by Representative Julia Brownley of California, the Ranking Member of the Committee on Veterans' Affairs Subcommittee on Health.

COMMITTEE VOTES

In compliance with clause 3(b) of rule XIII of the Rules of the House of Representatives, there were no recorded votes taken on amendments or in connection with ordering H.R. 918, as amended, reported to the House. A motion by Representative Tim Walz of Minnesota, the Ranking Member of the Committee on Veterans' Affairs, to report H.R. 95, as amended, favorably to the House of Representatives was agreed to by voice vote.

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 to improve access to health care by authorizing VA to provide child care assistance to veterans receiving intensive mental or other health care services through the VA healthcare system.

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. 95 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. 95 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. 95 provided by the Director of the Congressional Budget Office pursuant to section 402 of the Congressional Budget Act of 1974:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, July 24, 2017.

Hon. PHIL ROE, M.D.,
*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. 95, the Veterans' Access to Child Care Act.

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

Sincerely,

MARK P. HADLEY
(For Keith Hall, Director).

Enclosure.

H.R. 95—Veterans' Access to Child Care Act

H.R. 95 would extend the current limitation on pensions for certain veterans using Medicaid and increase the fees charged to veterans who obtain loans guaranteed by the Department of Veterans Affairs (VA). This bill also would require VA to provide assistance for child care (through subsidies, on-site services, or direct payments to service providers) to veterans receiving mental health care at a VA medical facility.

CBO estimates that enacting the bill would decrease direct spending by \$635 million over the 2017–2027 period. CBO also estimates that implementing the bill would cost \$96 million over the 2017–2022 period, assuming appropriation of the necessary amounts.

Because enacting the bill would affect direct spending, pay-as-you-go procedures apply. Enacting the bill would not affect revenues.

CBO estimates that enacting H.R. 95 would not increase net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2028.

H.R. 95 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would not affect the budgets of state, local, or tribal governments.

Estimated cost to the Federal Government: The estimated budgetary effects of H.R. 95 are shown in the following table. The costs of this legislation fall within budget functions 700 (veterans benefits and services) and 550 (health).

	By fiscal year, in millions of dollars—						2017– 2022
	2017	2018	2019	2020	2021	2022	
INCREASES IN SPENDING SUBJECT TO APPROPRIATION							
Estimated Authorization Level	0	15	21	21	22	23	102
Estimated Outlays	0	13	20	20	21	22	96

Note: In addition to the budgetary effects shown above, enacting H.R. 95 would decrease direct spending by \$635 million over the 2017–2027 period.

Basis of estimate: For this estimate, CBO assumes that the bill will be enacted near the beginning of 2018, that the estimated amounts will be appropriated each year, and that outlays will follow historical spending patterns for the affected programs.

Spending subject to appropriation

Section 2 would require VA to provide child care assistance to veterans receiving mental health care at VA medical facilities. Under the bill VA could provide a stipend to veterans for child care based on the amounts provided to its employees, offer child care at its on-site facilities or at other federal departments, or directly pay child care agencies in the community.

On the basis of information from the Census Bureau and VA, CBO estimates that VA would need to process about 665,000 claims for reimbursement of child care benefits each year. Based on an average appointment time (including travel) of about three hours and an average hourly cost for child care services of \$10, CBO estimates that the cost to process an average claim would be \$30. In total, CBO estimates that implementing this bill would cost \$96 million over the 2017–2022 period.

Direct spending

CBO estimates that enacting H.R. 95 would decrease direct spending by \$635 billion over the 2017–2027 period.

Pensions for Veterans in Medicaid-Approved Nursing Homes. Section 3 would extend for two years (from September 30, 2024, to September 30, 2026) the expiration date of a provision that sets a \$90 per month limit on pensions paid to any veteran who has no spouse or child and who is receiving Medicaid benefits in a Medicaid-approved nursing home; that provision also applies to any surviving spouse of a veteran who is receiving such coverage. Using data from VA, CBO estimates that about 13,000 veterans and 24,000 surviving spouses would be affected by this provision; the average monthly savings to VA would be about \$1,900 per veteran and \$1,200 per survivor. (Those estimates account for the effects of inflation, mortality rates, and growth of the affected population.) On that basis, CBO estimates that enacting the provision would reduce VA spending by \$1.4 billion over the 2025–2026 period.

Because of the reduced pensions, Medicaid would need to make some payments to nursing homes that would otherwise be paid by the veterans and surviving spouses. Those higher Medicaid payments would offset some of the savings from the reduced pensions. CBO estimates that those Medicaid costs would total about \$846 million over the two years, resulting in a net reduction in direct spending of \$552 million over the 2025–2026 period, as shown in the pay-as-you-go table below.

Loan Guarantee Fees. Under its Home Loan program, VA guarantees mortgages made to veterans; those guarantees enable veterans to get better loan terms, such as lower interest rates or smaller down payments. The loan guarantee provides a lender a payment of up to 25 percent of the outstanding loan balances (subject to some limitations on the original loan amounts) in the event that a veteran defaults on a guaranteed loan. Section 3 would increase some of the fees that VA charges veterans for providing those guarantees. Those fees lower the subsidy cost of the guarantees by partially offsetting the costs of subsequent defaults.¹

Under current law, the up-front fee varies on the basis of the size of the down payment and whether the veteran has previously used the loan-guarantee benefit. Borrowers who are members of the reserve component pay an additional fee of 0.25 percent of the loan amount. Veterans who receive compensation for service-connected disabilities are exempt from paying the fee. The current fees that would be affected by section 5 are:

- 2.15 percent of the loan amount for loans with no down payment,
- 1.50 percent of the loan amount for loans with a 5 percent down payment, and
- 0.75 percent of the loan amount for loans with a 10 percent down payment.

Those fees are scheduled to decline on October 1, 2024, to 1.40 percent, 0.75 percent, and 0.50 percent, respectively.

Under section 5, that scheduled fee reduction would be delayed by three months, until December 31, 2024. Continuing the fees at their current level would increase collections by VA, thereby lowering the subsidy cost of the loan guarantees. Based on data from VA, CBO estimates that enacting section 5 would reduce direct spending by \$83 million in 2025.

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.

¹ 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.

CBO ESTIMATE OF PAY-AS-YOU-GO EFFECTS FOR H.R. 95, THE VETERANS' ACCESS TO CHILD CARE ACT, AS ORDERED REPORTED BY THE HOUSE COMMITTEE ON VETERANS' AFFAIRS ON JULY 19, 2017

	By fiscal year, in millions of dollars—												
	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2017–2022	2017–2027
NET INCREASE OR DECREASE (–) IN THE DEFICIT													
Statutory Pay-As-You-Go Impact	0	0	0	0	0	0	0	0	–355	–280	0	0	–635

Increase in long-term direct spending and deficits: CBO estimates that enacting the legislation would not increase net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2028.

Intergovernmental and private-sector impact: H.R. 95 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 estimate: On July 24, 2017, CBO transmitted a cost estimate for H.R. 1058, the VA Provider Equity Act, as ordered reported by the House Committee on Veterans' Affairs on July 19, 2017. The language in H.R. 1058 that affects pensions is similar to language in H.R. 95 and the estimated savings are the same.

On July 24, 2017, CBO transmitted a cost estimate for H.R. 3262, the Grow Our Own Directive: Physician Assistant Employment and Education Act of 2017, as ordered reported by the House Committee on Veterans' Affairs on July 19, 2017. The language in H.R. 3262 that affects loan guarantee fees is similar to language in H.R. 95 and the estimated savings are the same.

Estimate prepared by: Federal Costs: Child Care Assistance—Ann E. Futrell, Pensions—Dwayne M. Wright, Loan Guarantee Fees—David Newman; Impact on State, Local, and Tribal Governments: Jon Sperl; Impact on the Private Sector: Paige Piper/Bach.

Estimate approved by: H. Samuel Papenfuss, Deputy Assistant Director for Budget Analysis.

FEDERAL MANDATES STATEMENT

The Committee adopts as its own the estimate of Federal mandates regarding H.R. 95 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. 95.

STATEMENT OF CONSTITUTIONAL AUTHORITY

Pursuant to Article I, section 8 of the United States Constitution, H.R. 95 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 H.R. 95 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.

STATEMENT ON DUPLICATION OF FEDERAL PROGRAMS

Pursuant to section 3(g) of H. Res. 5, 115th Cong. (2017), the Committee finds that no provision of H.R. 95 establishes or reauthorizes a program of the Federal Government known to be duplicative of another Federal program, a program that was included in any report from the Government Accountability Office to Congress pursuant to section 21 of Public Law 111–139, or a program related to a program identified in the most recent Catalog of Federal Domestic Assistance.

DISCLOSURE OF DIRECTED RULEMAKING

Pursuant to section 3(i) of H. Res. 5, 115th Cong. (2017), the Committee estimates that H.R. 95 contains no directed rulemaking that would require the Secretary to prescribe regulations.

SECTION-BY-SECTION ANALYSIS OF THE LEGISLATION

Section 1. Short title

Section 1 of the bill would provide a short title of H.R. 95, as amended, as the “Veterans’ Access to Child Care Act.”

Section 2. Child care assistance for veterans receiving mental health care and other intensive health care services provided by the Department of Veterans Affairs

Section 2(a) of the bill would amend subchapter III of chapter 17 of title 38, U.S.C., by adding the new section “§ 1730B. Child care assistance for veterans receiving mental health care and other intensive health care services.”

The new subsection 1730B(a) would require the Secretary to provide child care assistance to an eligible veteran for any period that the veteran: (1) receives covered health care services at a VA facility; and, (2) is required to travel to and return from such facility for the receipt of such health care services.

The new subsection 1730B(b) would stipulate that child care assistance provided under this section may include: a stipend for the payment of child care offered by a licensed child care center, either directly or through a voucher program, modeled after the Department of Veterans Affairs Child Care Subsidy Program established pursuant to section 590 of title 40; direct provision of child care at an on-site VA facility; a payment made directly to a private child care agency; a collaboration with a facility or program of another Federal department or agency; or, such other form of assistance the Secretary considers appropriate. This subsection would also require that in the case that child care assistance under this section is provided as a stipend under paragraph (1)(A), such stipend cover the full cost of such child care.

The new subsection 1730B(c) would define the term “eligible veteran” to mean a veteran who is the primary caregiver of a child

or children, and is receiving covered health care services from VA or is in need of covered health care services and would receive such services but for lack of child care. This section would define the term “covered health care services” to mean regular mental health care services, intensive mental health care services, or such other intensive health that the Secretary determines that provision of assistance to the veteran to obtain child care would improve access to such health care services by the veteran.

Section 3. Extension of reduction in amount of pension furnished by department of veterans affairs for certain veterans covered by medicaid plans for services furnished by nursing facilities

Section 3 of the bill would amend section 5503(d)(7) of title 38 U.S.C. by striking “September 30, 2014” and inserting “September 30, 2026”.

Section 3. Extension of requirement for collection of fees for housing loans guaranteed by secretary of veterans affairs

Section 3 of the bill would amend section 3729(b)(2) of title 38, U.S.C. clause (iii) in subparagraph (A) by striking “September 30, 2024” and inserting “September 30, 2025;” clause (iv) in subparagraph (A) by striking “September 30, 2024” and inserting “September 30, 2025;” clause (i) in subparagraph (B) by striking “September 30, 2024” and inserting “September 30, 2025;” clause (ii) in subparagraph (B) by striking “September 30, 2024” and inserting “September 30, 2025;” clause (i) in subparagraph (C) by striking “September 30, 2024” and inserting “September 30, 2025;” clause (ii) in subparagraph (C) by striking “September 30, 2024” and inserting “September 30, 2025;” clause (i) in subparagraph (D) by striking “September 30, 2024” and inserting “September 30, 2025;” and, clause (ii) in subparagraph (D) by striking “September 30, 2024” and inserting “September 30, 2025.”

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):

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, and existing law in which no change is proposed is shown in roman):

TITLE 38, UNITED STATES CODE

* * * * *

PART II—GENERAL BENEFITS

* * * * *

**CHAPTER 17—HOSPITAL, NURSING HOME,
DOMICILIARY, AND MEDICAL CARE**

SUBCHAPTER I—GENERAL

Sec.
1701. Definitions.

* * * * *

SUBCHAPTER III—MISCELLANEOUS PROVISIONS RELATING TO HOSPITAL
AND NURSING HOME CARE AND MEDICAL TREATMENT OF VETERANS

* * * * *

1730B. *Child care assistance for veterans receiving mental health care and other intensive health care services.*

* * * * *

SUBCHAPTER III—MISCELLANEOUS PROVISIONS RELATING
TO HOSPITAL AND NURSING HOME CARE AND MEDICAL
TREATMENT OF VETERANS

* * * * *

§ 1730B. *Child care assistance for veterans receiving mental health care and other intensive health care services*

(a) *IN GENERAL.*—The Secretary shall provide child care assistance to an eligible veteran for any period that the veteran—

(1) receives covered health care services at a facility of the Department; and

(2) is required travel to and return from such facility for the receipt of such health care services.

(b) *CHILD CARE ASSISTANCE.*—(1) Child care assistance provided under this section may include any of the following:

(A) A stipend for the payment of child care offered by a licensed child care center (either directly or through a voucher program) which shall be, to the extent practicable, modeled after the Department of Veterans Affairs Child Care Subsidy Program established pursuant to section 590 of title 40.

(B) Direct provision of child care at an on-site facility of the Department.

(C) A payment made directly to a private child care agency.

(D) A collaboration with a facility or program of another Federal department or agency.

(E) Such other form of assistance as the Secretary considers appropriate.

(2) In the case that child care assistance under this section is provided as a stipend under paragraph (1)(A), such stipend shall cover the full cost of such child care.

(c) *DEFINITIONS.*—In this section:

(1) The term “eligible veteran” means a veteran who—

(A) is the primary caretaker of a child or children; and

(B) is—

(i) receiving covered health care services from the Department; or

- (ii) *in need of covered health care services, and but for lack of child care services, would receive such covered health care services from the Department.*
- (2) *The term “covered health care services” means—*
 - (A) *regular mental health care services;*
 - (B) *intensive mental health care services; or*
 - (C) *such other intensive health care services that the Secretary determines that provision of assistance to the veteran to obtain child care would improve access to such health care services by the veteran.*

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PART III—READJUSTMENT AND RELATED BENEFITS

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CHAPTER 37—HOUSING AND SMALL BUSINESS LOANS

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§ 3729. Loan fee

(a) REQUIREMENT OF FEE.—(1) Except as provided in subsection (c), a fee shall be collected from each person obtaining a housing loan guaranteed, insured, or made under this chapter, and each person assuming a loan to which section 3714 of this title applies. No such loan may be guaranteed, insured, made, or assumed until the fee payable under this section has been remitted to the Secretary.

(2) The fee may be included in the loan and paid from the proceeds thereof.

(b) DETERMINATION OF FEE.—(1) The amount of the fee shall be determined from the loan fee table in paragraph (2). The fee is expressed as a percentage of the total amount of the loan guaranteed, insured, or made, or, in the case of a loan assumption, the unpaid principal balance of the loan on the date of the transfer of the property.

(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

LOAN FEE TABLE—Continued

Type of loan	Active duty veteran	Reservist	Other obligor
(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 September 30, 2024 December 31, 2024)	2.15	2.40	NA
(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 September 30, 2024 December 31, 2024)	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 September 30, 2024 December 31, 2024)	3.30	3.30	NA
(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 September 30, 2024 December 31, 2024)	1.25	1.25	NA
(C)(i) Loan described in section 3710(a) to purchase or construct a dwelling with 5-down (closed before September 30, 2024 December 31, 2024)	1.50	1.75	NA

LOAN FEE TABLE—Continued

Type of loan	Active duty veteran	Reservist	Other obligor
(C)(ii) Loan described in section 3710(a) to purchase or construct a dwelling with 5-down (closed on or after September 30, 2024) December 31, 2024)	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 September 30, 2024) December 31, 2024)	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 September 30, 2024) December 31, 2024)	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

(3) Any reference to a section in the “Type of loan” column in the loan fee table in paragraph (2) refers to a section of this title.

(4) For the purposes of paragraph (2):

(A) The term “active duty veteran” means any veteran eligible for the benefits of this chapter other than a Reservist.

(B) The term “Reservist” means a veteran described in section 3701 (b)(5)(A) of this title who is eligible under section 3702(a)(2)(E) of this title.

(C) The term “other obligor” means a person who is not a veteran, as defined in section 101 of this title or other provision of this chapter.

(D) The term “initial loan” means a loan to a veteran guaranteed under section 3710 or made under section 3711 of this title if the veteran has never obtained a loan guaranteed under section 3710 or made under section 3711 of this title.

(E) The term “subsequent loan” means a loan to a veteran, other than an interest rate reduction refinancing loan, guaranteed under section 3710 or made under section 3711 of this title if the veteran has previously obtained a loan guaranteed under section 3710 or made under section 3711 of this title.

(F) The term “interest rate reduction refinancing loan” means a loan described in section 3710(a)(8), 3710(a)(9)(B)(i), 3710(a)(11), 3712(a)(1)(F), or 3762(h) of this title.

(G) The term “0-down” means a downpayment, if any, of less than 5 percent of the total purchase price or construction cost of the dwelling.

(H) The term “5-down” means a downpayment of at least 5 percent or more, but less than 10 percent, of the total purchase price or construction cost of the dwelling.

(I) The term “10-down” means a downpayment of 10 percent or more of the total purchase price or construction cost of the dwelling.

(c) WAIVER OF FEE.—(1) A fee may not be collected under this section from a veteran who is receiving compensation (or who, but for the receipt of retirement pay or active service pay, would be entitled to receive compensation) or from a surviving spouse of any veteran (including a person who died in the active military, naval, or air service) who died from a service-connected disability.

(2)(A) A veteran described in subparagraph (B) shall be treated as receiving compensation for purposes of this subsection as of the date of the rating described in such subparagraph without regard to whether an effective date of the award of compensation is established as of that date.

(B) A veteran described in this subparagraph is a veteran who is rated eligible to receive compensation—

(i) as the result of a pre-discharge disability examination and rating; or

(ii) based on a pre-discharge review of existing medical evidence (including service medical and treatment records) that results in the issuance of a memorandum rating.

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PART IV—GENERAL ADMINISTRATIVE PROVISIONS

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CHAPTER 55—MINORS, INCOMPETENTS, AND OTHER WARDS

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§ 5503. Hospitalized veterans and estates of incompetent institutionalized veterans

(a)(1)(A) Where any veteran having neither spouse nor child is being furnished domiciliary care by the Department, no pension in excess of \$90 per month shall be paid to or for the veteran for any period after the end of the third full calendar month following the month of admission for such care.

(B) Except as provided in subparagraph (D) of this paragraph, where any veteran having neither spouse nor child is being furnished nursing home care by the Department, no pension in excess of \$90 per month shall be paid to or for the veteran for any period after the end of the third full calendar month following the month of admission for

such care. Any amount in excess of \$90 per month to which the veteran would be entitled but for the application of the preceding sentence shall be deposited in a revolving fund at the Department medical facility which furnished the veteran nursing care, and such amount shall be available for obligation without fiscal year limitation to help defray operating expenses of that facility.

(C) No pension in excess of \$90 per month shall be paid to or for a veteran having neither spouse nor child for any period after the month in which such veteran is readmitted for care described in subparagraph (A) or (B) of this paragraph and furnished by the Department if such veteran is readmitted within six months of a period of care in connection with which pension was reduced pursuant to subparagraph (A) or (B) of this paragraph.

(D) In the case of a veteran being furnished nursing home care by the Department and with respect to whom subparagraph (B) of this paragraph requires a reduction in pension, such reduction shall not be made for a period of up to three additional calendar months after the last day of the third month referred to in such subparagraph if the Secretary determines that the primary purpose for the furnishing of such care during such additional period is for the Department to provide such veteran with a prescribed program of rehabilitation services, under chapter 17 of this title, designed to restore such veteran's ability to function within such veteran's family and community. If the Secretary determines that it is necessary, after such period, for the veteran to continue such program of rehabilitation services in order to achieve the purposes of such program and that the primary purpose of furnishing nursing home care to the veteran continues to be the provision of such program to the veteran, the reduction in pension required by subparagraph (B) of this paragraph shall not be made for the number of calendar months that the Secretary determines is necessary for the veteran to achieve the purposes of such program.

(2) The provisions of paragraph (1) shall also apply to a veteran being furnished such care who has a spouse but whose pension is payable under section 1521(b) of this title. In such a case, the Secretary may apportion and pay to the spouse, upon an affirmative showing of hardship, all or any part of the amounts in excess of the amount payable to the veteran while being furnished such care which would be payable to the veteran if pension were payable under section 1521(c) of this title.

(b) Notwithstanding any other provision of this section or any other provision of law, no reduction shall be made in the pension of any veteran for any part of the period during which the veteran is furnished hospital treatment, or institutional or domiciliary care, for Hansen's disease, by the United States or any political subdivision thereof.

(c) Where any veteran in receipt of an aid and attendance allowance described in subsection (r) or (t) of section 1114 of this title is hospitalized at Government expense, such allowance shall be discontinued from the first day of the second calendar month which

begins after the date of the veteran's admission for such hospitalization for so long as such hospitalization continues. Any discontinuance required by administrative regulation, during hospitalization of a veteran by the Department, of increased pension based on need of regular aid and attendance or additional compensation based on need of regular aid and attendance as described in subsection (l) or (m) of section 1114 of this title, shall not be effective earlier than the first day of the second calendar month which begins after the date of the veteran's admission for hospitalization. In case a veteran affected by this subsection leaves a hospital against medical advice and is thereafter admitted to hospitalization within six months from the date of such departure, such allowance, increased pension, or additional compensation, as the case may be, shall be discontinued from the date of such readmission for so long as such hospitalization continues.

(d)(1) For the purposes of this subsection—

(A) the term “Medicaid plan” means a State plan for medical assistance referred to in section 1902(a) of the Social Security Act (42 U.S.C. 1396a(a)); and

(B) the term “nursing facility” means a nursing facility described in section 1919 of such Act (42 U.S.C. 1396r), other than a facility that is a State home with respect to which the Secretary makes per diem payments for nursing home care pursuant to section 1741(a) of this title.

(2) If a veteran having neither spouse nor child is covered by a Medicaid plan for services furnished such veteran by a nursing facility, no pension in excess of \$90 per month shall be paid to or for the veteran for any period after the month of admission to such nursing facility.

(3) Notwithstanding any provision of title XIX of the Social Security Act, the amount of the payment paid a nursing facility pursuant to a Medicaid plan for services furnished a veteran may not be reduced by any amount of pension permitted to be paid such veteran under paragraph (2) of this subsection.

(4) A veteran is not liable to the United States for any payment of pension in excess of the amount permitted under this subsection that is paid to or for the veteran by reason of the inability or failure of the Secretary to reduce the veteran's pension under this subsection unless such inability or failure is the result of a willful concealment by the veteran of information necessary to make a reduction in pension under this subsection.

(5)(A) The provisions of this subsection shall apply with respect to a surviving spouse having no child in the same manner as they apply to a veteran having neither spouse nor child.

(B) The provisions of this subsection shall apply with respect to a child entitled to pension under section 1542 of this title in the same manner as they apply to a veteran having neither spouse nor child.

(6) The costs of administering this subsection shall be paid for from amounts available to the Department of Veterans Affairs for the payment of compensation and pension.

(7) This subsection expires on **September 30, 2024** *September 30, 2026*.

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