Public Law 104–275
104th Congress

An Act

Oct. 9, 1996
[S. 1711]

To amend title 38, United States Code, to improve the benefits programs administered by the Secretary of Veterans Affairs, to provide for a study of the Federal programs for veterans, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

Veterans' Benefits Improvements Act of 1996.
38 USC 101 note.

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Veterans' Benefits Improvements Act of 1996".

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

Sec. 1. Short title; table of contents.
Sec. 2. References to title 38, United States Code.

TITLE I—EDUCATION BENEFITS

Sec. 101. Employment handicap for which an individual may receive training and rehabilitation assistance.
Sec. 102. Permanent authority for alternative teacher certification programs.
Sec. 103. Period of operation for approval.
Sec. 104. Elimination of distinction between open circuit TV and independent study.
Sec. 105. Cooperative programs.
Sec. 106. Enrollment of certain VEAP participants in Montgomery GI Bill.
Sec. 107. Montgomery GI Bill eligibility for certain active duty members of Army and Air National Guard.

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Sec. 201. Extension of enhanced loan asset sale authority.
Sec. 202. Direct loans to refinance loans under Native American veteran housing loan pilot program.

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Sec. 212. Burial benefits for certain veterans who die in State nursing homes.
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Sec. 505. Expansion of period of Vietnam era for certain veterans.
Sec. 506. Payment of benefit to surviving spouse for month in which veteran dies.
Sec. 507. Increase in period for which accrued benefits payable.
Sec. 508. Appointment of veterans service organizations as claimants' representatives.
Sec. 509. Provision of copies of Board of Veterans' Appeals decisions.
Sec. 510. Limitation on relocation or reduction in staffing of certain elements of the Education Service of the Veterans Benefits Administration.

TITLE VI—OTHER MATTERS

Sec. 601. Extension of certain authorities for services for homeless veterans.
Sec. 602. Repair and long-term maintenance of war memorials.

TITLE VII—COMMISSION ON SERVICEMEMBERS AND VETERANS TRANSITION ASSISTANCE

Sec. 701. Establishment of Commission.
Sec. 702. Duties of Commission.
Sec. 703. Powers of Commission.
Sec. 704. Miscellaneous administrative provisions.
Sec. 705. Commission personnel matters.
Sec. 706. Termination of Commission.
Sec. 707. Definitions.
Sec. 708. Funding.

SEC. 2. REFERENCES TO TITLE 38, UNITED STATES CODE.

Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to or repeal of a section or other provision, the reference shall be considered to be made to a section or other provision of title 38, United States Code.

TITLE I—EDUCATION BENEFITS

SEC. 101. EMPLOYMENT HANDICAP FOR WHICH AN INDIVIDUAL MAY RECEIVE TRAINING AND REHABILITATION ASSISTANCE.

(a) DEFINITIONS.—Section 3101 is amended—

(1) in paragraph (1), by inserting ", resulting in substantial part from a disability described in section 3102(1)(A) of this title," after "impairment";

(2) in paragraph (6), by inserting "authorized under section 3120 of this title" after "assistance"; and

(3) in paragraph (7), by inserting ", resulting in substantial part from a service-connected disability rated at 10 percent or more," after "impairment".

(b) BASIC ENTITLEMENT.—Section 3102 is amended—

(1) in paragraph (1)(A)(i), by striking out "which is" and all that follows through "chapter 11 of this title and" and inserting in lieu thereof "rated at 20 percent or more";

(2) in paragraph (2)(A), by striking out "which is" and all that follows through "chapter 11 of this title and" and inserting in lieu thereof "rated at 10 percent"; and

(3) by amending paragraph (2)(B) to read as follows:

"(B) is determined by the Secretary to be in need of rehabilitation because of a serious employment handicap.".

(c) PERIODS OF ELIGIBILITY.—Section 3103 is amended—

(1) in subsection (b)(3), by striking out "described in section 3102(1)(A)(i) of this title" and inserting in lieu thereof "rated at 10 percent or more";

(2) in subsection (c)—

(A) in the matter preceding paragraph (1), by striking out "particular" and inserting in lieu thereof "current"; and

(B) in paragraph (2), by striking out "veteran's employment" and inserting in lieu thereof "veteran's current employment"; and

(3) in subsection (d), by striking out "under this chapter" and inserting in lieu thereof "in accordance with the provisions of section 3120 of this title".

(d) SCOPE OF SERVICES AND ASSISTANCE.—Section 3104 is amended—

(1) in subsection (a)—

(A) in paragraph (1)—

(i) by striking out "such veteran's disability or disabilities cause" and inserting in lieu thereof "the veteran has an employment handicap or"; and

(ii) by inserting "reasonably" after "goal is";

(B) in paragraph (7)(A)—

(i) by striking out "(i)"; and

(ii) by striking out ", and (ii)" and all that follows through "such Act"; and

(C) in paragraph (12), by striking out "For the most severely disabled veterans requiring" and inserting in lieu thereof "For veterans with the most severe service-connected disabilities who require"; and

(2) by striking out subsection (b) and redesignating subsection (c) as subsection (b).

(e) DURATION OF REHABILITATION PROGRAMS.—Paragraph (1) of section 3105(c) is amended by striking out "veteran's employment" and inserting in lieu thereof "veteran's current employment".

(f) INITIAL AND EXTENDED EVALUATIONS; DETERMINATIONS REGARDING SERIOUS EMPLOYMENT HANDICAP.—(1) Section 3106 is amended—

(A) in subsection (a), by striking out "described in clause (i) or (ii) of section 3102(1)(A) of this title" and inserting in lieu thereof "rated at 10 percent or more";

(B) in subsection (b), by striking out "counseling in accordance with";

(C) in subsection (c), by striking out "with extended" and inserting in lieu thereof "with an extended"; and

(D) by redesignating subsections (d) and (e) as subsections (e) and (f), respectively, and inserting after subsection (c) the following new subsection:

"(d) In any case in which the Secretary has determined that a veteran has a serious employment handicap and also determines, following such initial and any such extended evaluation, that achievement of a vocational goal currently is not reasonably feasible, the Secretary shall determine whether the veteran is capable of participating in a program of independent living services and assistance under section 3120 of this title.".

(2) Chapter 31 is amended—

(A) in section 3107(c)(2), by striking out "3106(e)" and inserting in lieu thereof "3106(f)";

(B) in section 3109, by striking out "3106(d)" and inserting in lieu thereof "3106(e)";

(C) in section 3118(c), by striking out "3106(e)" and inserting in lieu thereof "3106(f)"; and

(D) in section 3120(b), by striking out "3106(d)" and inserting in lieu thereof "3106(d) or (e)".

(g) ALLOWANCES.—Section 3108 is amended—

(1) in subsection (a)(2), by striking out "following the conclusion of such pursuit" and inserting in lieu thereof "while satisfactorily following a program of employment services provided under section 3104(a)(5) of this title"; and

(2) in subsection (f)(1)—

(A) in subparagraph (A)—

(i) by inserting "eligible for and" after "veteran is";

(ii) by striking out "chapter 30 or 34" and inserting in lieu thereof "chapter 30"; and

(iii) by striking out "either chapter 30 or chapter 34" and inserting in lieu thereof "chapter 30"; and

(B) in subparagraph (B), by striking out "chapter 30 or 34" and inserting in lieu thereof "chapter 30".

(h) EMPLOYMENT ASSISTANCE.—Paragraph (1) of section 3117(a) is amended by inserting "rated at 10 percent or more" after "disability".

(i) PROGRAM OF INDEPENDENT LIVING SERVICES AND ASSISTANCE.—Section 3120 is amended—

(1) in subsection (b), by striking out "service-connected disability described in section 3102(1)(A)" and inserting in lieu thereof "serious employment handicap resulting in substantial part from a service-connected disability described in section 3102(1)(A)(i)"; and

(2) in subsection (d), by striking out "and (b)".

(j) EFFECTIVE DATE.—(1) Except as provided in paragraph (2), the amendments made by this section shall take effect on the date of the enactment of this Act. 38 USC 3101 note.

(2) The amendments made by subsection (a) (other than paragraph (2)), subsection (d) (other than subparagraphs (A) and (B) of paragraph (1)), and subsection (i) shall only apply with respect to claims of eligibility or entitlement to services and assistance (including claims for extension of such services and assistance) under chapter 31 of title 38, United States Code, received by the Secretary of Veterans Affairs on or after the date of the enactment of this Act, including those claims based on original applications, and applications seeking to reopen, revise, reconsider, or otherwise

adjudicate or readjudicate on any basis claims for services and assistance under such chapter.

SEC. 102. PERMANENT AUTHORITY FOR ALTERNATIVE TEACHER CERTIFICATION PROGRAMS.

Subsection (c) of section 3452 is amended by striking out "For the period ending on September 30, 1996, such" and inserting in lieu thereof "Such".

SEC. 103. PERIOD OF OPERATION FOR APPROVAL.

(a) IN GENERAL.—(1) Chapter 36 is amended—

(A) by striking out section 3689; and

(B) by striking out the item relating to section 3689 in the table of sections at the beginning of such chapter.

(2) Subparagraph (C) of section 3680A(d)(2) is amended by striking out "3689(b)(6) of this title" and inserting in lieu thereof "subsection (g)".

(b) DISAPPROVAL OF ENROLLMENT IN CERTAIN COURSES.—Section 3680A is amended by adding after subsection (d) the following new subsections:

"(e) The Secretary may not approve the enrollment of an eligible veteran in a course not leading to a standard college degree offered by a proprietary profit or proprietary nonprofit educational institution if—

"(1) the educational institution has been operating for less than two years;

"(2) the course is offered at a branch of the educational institution and the branch has been operating for less than two years; or

"(3) following either a change in ownership or a complete move outside its original general locality, the educational institution does not retain substantially the same faculty, student body, and courses as before the change in ownership or the move outside the general locality (as determined in accordance with regulations the Secretary shall prescribe) unless the educational institution following such change or move has been in operation for at least two years.

"(f) The Secretary may not approve the enrollment of an eligible veteran in a course as a part of a program of education offered by an educational institution if the course is provided under contract by another educational institution or entity and—

"(1) the Secretary would be barred under subsection (e) from approving the enrollment of an eligible veteran in the course of the educational institution or entity providing the course under contract; or

"(2) the educational institution or entity providing the course under contract has not obtained approval for the course under this chapter.

"(g) Notwithstanding subsections (e) and (f), the Secretary may approve the enrollment of an eligible veteran in a course approved under this chapter if the course is offered by an educational institution under contract with the Department of Defense or the Department of Transportation and is given on or immediately adjacent to a military base, Coast Guard station, National Guard facility, or facility of the Selected Reserve.".

(c) APPROVAL OF ACCREDITED COURSES.—Subsection (b) of section 3675 is amended to read as follows:

"(b) As a condition of approval under this section, the State approving agency must find the following:

"(1) The educational institution keeps adequate records, as prescribed by the State approving agency, to show the progress and grades of the eligible person or veteran and to show that satisfactory standards relating to progress and conduct are enforced.

"(2) The educational institution maintains a written record of the previous education and training of the eligible person or veteran that clearly indicates that appropriate credit has been given by the educational institution for previous education and training, with the training period shortened proportionately.

"(3) The educational institution and its approved courses meet the criteria of paragraphs (1), (2), and (3) of section 3676(c) of this title.".

SEC. 104. ELIMINATION OF DISTINCTION BETWEEN OPEN CIRCUIT TV AND INDEPENDENT STUDY.

(a) VETERANS' EDUCATIONAL ASSISTANCE PROGRAM.—Subsection (f) of section 3482 is amended by striking out "in part".

(b) SURVIVORS' AND DEPENDENTS' EDUCATIONAL ASSISTANCE.—Section 3523 is amended—

(1) in subsection (a)(4), by inserting "(including open circuit television)" after "independent study program" the second place it appears; and

(2) in subsection (c), by striking out "radio" and all that follows through the end and inserting in lieu thereof "radio.".

(c) ADMINISTRATION OF EDUCATIONAL BENEFITS.—Subsection (c) of section 3680A is amended by striking out "radio" and all that follows through the end and inserting in lieu thereof "radio.".

SEC. 105. COOPERATIVE PROGRAMS.

(a) CHAPTER 30.—Section 3032 is amended by striking out subsection (d) and redesignating subsections (e) and (f) as subsections (d) and (e), respectively.

(b) CHAPTER 32.—Section 3231 is amended by striking out subsection (d) and redesignating subsections (e) and (f) as subsections (d) and (e), respectively.

(c) CHAPTER 35.—Subsection (b) of section 3532 is amended by striking out "$327" and inserting in lieu thereof "$404".

(d) CHAPTER 1606.—Section 16131 of title 10, United States Code, is amended—

(1) by striking out subsection (e) and redesignating subsections (f), (g), (h), (i), and (j) as subsections (e), (f), (g), (h), and (i), respectively; and

(2) in subsection (b)(1), by striking out "(g)" and inserting in lieu thereof "(f)".

SEC. 106. ENROLLMENT OF CERTAIN VEAP PARTICIPANTS IN MONTGOMERY GI BILL.

(a) IN GENERAL.—Subchapter II of chapter 30 is amended by inserting after section 3018B the following new section:

"§ 3018C. Opportunity for certain VEAP participants to enroll

"(a) Notwithstanding any other provision of law, an individual who—

"(1) is a participant on the date of the enactment of the Veterans' Benefits Improvements Act of 1996 in the educational benefits program provided by chapter 32 of this title;

"(2) is serving on active duty (excluding the periods referred to in section 3202(1)(C) of this title) on such date;

"(3) before applying for benefits under this section, has completed the requirements of a secondary school diploma (or equivalency certificate) or has successfully completed the equivalent of 12 semester hours in a program of education leading to a standard college degree;

"(4) if discharged or released from active duty during the one-year period specified in paragraph (5), is discharged or released therefrom with an honorable discharge; and

"(5) during the one-year period beginning on the date of the enactment of the Veterans' Benefits Improvements Act of 1996, makes an irrevocable election to receive benefits under this section in lieu of benefits under chapter 32 of this title, pursuant to procedures which the Secretary of each military department shall provide in accordance with regulations prescribed by the Secretary of Defense for the purpose of carrying out this section or which the Secretary of Transportation shall provide for such purpose with respect to the Coast Guard when it is not operating as a service in the Navy;

may elect to become entitled to basic educational assistance under this chapter.

"(b) With respect to an individual who makes an election under subsection (a) to become entitled to basic education assistance under this chapter—

"(1) the basic pay of the individual shall be reduced (in a manner determined by the Secretary of Defense) until the total amount by which such basic pay is reduced is $1,200; or

"(2) to the extent that basic pay is not so reduced before the individual's discharge or release from active duty as specified in subsection (a)(4), the Secretary shall collect from the individual an amount equal to the difference between $1,200 and the total amount of reductions under paragraph (1), which shall be paid into the Treasury of the United States as miscellaneous receipts.

"(c)(1) Except as provided in paragraph (3), an individual who is enrolled in the educational benefits program provided by chapter 32 of this title and who makes the election described in subsection (a)(5) shall be disenrolled from such chapter 32 program as of the date of such election.

"(2) For each individual who is disenrolled from such program, the Secretary shall refund—

"(A) to the individual, as provided in section 3223(b) of this title and subject to subsection (b)(2) of this section, the unused contributions made by the individual to the Post-Vietnam Era Veterans Education Account established pursuant to section 3222(a) of this title; and

"(B) to the Secretary of Defense the unused contributions (other than contributions made under section 3222(c) of this title) made by such Secretary to the Account on behalf of such individual.

"(3) Any contribution made by the Secretary of Defense to the Post-Vietnam Era Veterans Education Account pursuant to

subsection (c) of section 3222 of this title on behalf of any individual referred to in paragraph (1) shall remain in such account to make payments of benefits to such individual under section 3015(f) of this title.

"(d) The procedures provided in regulations referred to in subsection (a) shall provide for notice of the requirements of subparagraphs (B), (C), and (D) of section 3011(a)(3) and of subparagraph (A) of section 3012(a)(3) of this title. Receipt of such notice shall be acknowledged in writing.".

(b) CONFORMING AMENDMENTS.—(1) The table of sections at the beginning of chapter 30 is amended by inserting after the item relating to section 3018B the following new item:

"3018C. Opportunity for certain VEAP participants to enroll.".

(2) Subsection (d) of section 3013 is amended by striking out "or 3018B" and inserting in lieu thereof ", 3018B, or 3018C".

(3) Subsection (f) of section 3015 is amended by inserting ", 3018B, or 3018C" after "section 3018A".

(c) TRANSFER OF EDUCATIONAL ASSISTANCE FUNDS.—(1) Subparagraph (B) of section 3232(b)(2) is amended—

(A) by striking out ", for the purposes of section 1322(a) of title 31,"; and

(B) by striking out "as provided in such section" and inserting in lieu thereof "to the Secretary for payments for entitlement earned under subchapter II of chapter 30".

(2) Paragraph (1) of section 3035(b) is amended by inserting before the period at the end the following: "and from transfers from the Post-Vietnam Era Veterans Education Account pursuant to section 3232(b)(2)(B) of this title".

SEC. 107. MONTGOMERY GI BILL ELIGIBILITY FOR CERTAIN ACTIVE DUTY MEMBERS OF ARMY AND AIR NATIONAL GUARD.

(a) IN GENERAL.—Paragraph (7) of section 3002 is amended by striking out "November 29, 1989" and inserting in lieu thereof "June 30, 1985".

(b) APPLICATION.—(1) An individual may only become eligible for benefits under chapter 30 of title 38, United States Code, as a result of the amendment made by subsection (a) by making an election to become entitled to basic educational assistance under such chapter. The election may only be made during the nine-month period beginning on the date of the enactment of this Act and in the manner required by the Secretary of Defense. 38 USC 3002 note.

(2) In the case of any individual making an election under paragraph (1)—

(A) the basic pay of an individual who, while a member of the Armed Forces, makes an election under paragraph (1) shall be reduced (in a manner determined by the Secretary of Defense) until the total amount by which such basic pay is reduced is $1,200; or

(B) to the extent that basic pay is not so reduced before the individual's discharge or release from active duty, the Secretary of Veterans Affairs shall collect from an individual who makes such an election an amount equal to the difference between $1,200 and the total amount of reductions under subparagraph (A), which amount shall be paid into the Treasury as miscellaneous receipts.

(3) In the case of any individual making an election under paragraph (1), the 10-year period referred to in section 3031 of such title shall begin on the later of—

(A) the date determined under such section 3031; or

(B) the date on which the election under paragraph (1) becomes effective.

TITLE II—HOUSING AND MEMORIAL AFFAIRS

Subtitle A—Housing

SEC. 201. EXTENSION OF ENHANCED LOAN ASSET SALE AUTHORITY.

Paragraph (2) of section 3720(h) is amended by striking out "December 31, 1996" and inserting in lieu thereof "December 31, 1997".

SEC. 202. DIRECT LOANS TO REFINANCE LOANS UNDER NATIVE AMERICAN VETERAN HOUSING LOAN PILOT PROGRAM.

(a) AUTHORITY.—Section 3762 is amended—

(1) by redesignating subsection (h) as subsection (i); and

(2) by inserting after subsection (g) the following new subsection (h):

"(h)(1) The Secretary may make direct loans to Native American veterans in order to enable such veterans to refinance existing loans made under this section.

"(2)(A) The Secretary may not make a loan under this subsection unless the loan meets the requirements set forth in subparagraphs (B), (C), and (E) of paragraph (1) of section 3710(e) of this title.

"(B) The Secretary may not make a loan under this subsection unless the loan will bear an interest rate at least one percentage point less than the interest rate borne by the loan being refinanced.

"(C) Paragraphs (2) and (3) of such section 3710(e) shall apply to any loan made under this subsection, except that for the purposes of this subsection the reference to subsection (a)(8) of section 3710 of this title in such paragraphs (2) and (3) shall be deemed to be a reference to this subsection.".

(b) LOAN FEE.—Section 3729(a)(2)(E) is amended by striking out "or 3712(a)(1)(F)" and inserting in lieu thereof "3712(a)(1)(F), or 3762(h)".

Subtitle B—Memorial Affairs

SEC. 211. CLARIFICATION OF ELIGIBILITY OF MINORS FOR BURIAL IN NATIONAL CEMETERIES.

Section 2402(5) is amended by inserting after "minor child" the following: "(which for purposes of this chapter includes a child under 21 years of age, or under 23 years of age if pursuing a course of instruction at an approved educational institution)".

SEC. 212. BURIAL BENEFITS FOR CERTAIN VETERANS WHO DIE IN STATE NURSING HOMES.

Subsection (a) of section 2303 is amended to read as follows:

"(a)(1) When a veteran dies in a facility described in paragraph (2), the Secretary shall—

"(A) pay the actual cost (not to exceed $300) of the burial and funeral or, within such limits, may make contracts for such services without regard to the laws requiring advertisement for proposals for supplies and services for the Department; and

"(B) when such a death occurs in a State, transport the body to the place of burial in the same or any other State.

"(2) A facility described in this paragraph is—

"(A) a Department facility (as defined in section 1701(4) of this title) to which the deceased was properly admitted for hospital, nursing home, or domiciliary care under section 1710 or 1711(a) of this title; or

"(B) an institution at which the deceased veteran was, at the time of death, receiving—

"(i) hospital care in accordance with section 1703 of this title;

"(ii) nursing home care under section 1720 of this title; or

"(iii) nursing home care for which payments are made under section 1741 of this title.".

SEC. 213. OUTER BURIAL RECEPTACLES.

(a) IN GENERAL.—Subsection (d) of section 2306 is amended—

(1) in paragraph (1), by striking out "a grave liner" each place it appears and inserting in lieu thereof "an outer burial receptacle";

(2) in paragraph (2)—

(A) by striking out "grave liners" and inserting in lieu thereof "outer burial receptacles"; and

(B) by striking out "specifications and procedures" and inserting in lieu thereof "regulations or procedures"; and

(3) by adding at the end the following:

"(3) Regulations or procedures under paragraph (2) may specify that—

"(A) an outer burial receptacle other than a grave liner be provided in lieu of a grave liner at the election of the survivors of the interred veteran; and

"(B) if an outer burial receptacle other than a grave liner is provided in lieu of a grave liner upon an election of such survivors, such survivors be required—

"(i) to pay the amount by which the cost of the outer burial receptacle exceeds the cost of the grave liner that would otherwise have been provided in the absence of the election; and

"(ii) to pay the amount of the administrative costs incurred by the Secretary (or, with respect to Arlington National Cemetery, the Secretary of the Army) in providing the outer burial receptacle in lieu of such grave liner.

"(4) Regulations or procedures under paragraph (2) may provide for the use of a voucher system, or other system of reimbursement approved by the Secretary (or, with respect to Arlington National Cemetery, the Secretary of the Army), for payment for outer burial receptacles other than grave liners provided under such regulations or procedures.".

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(b) CONFORMING AMENDMENTS.—(1) The heading of such section is amended to read as follows:

"§ 2306. Headstones, markers, and burial receptacles".

(2) The table of sections at the beginning of chapter 23 is amended by striking out the item relating to section 2306 and inserting in lieu thereof the following new item:

"2306. Headstones, markers, and burial receptacles.".

TITLE III—EMPLOYMENT AND TRAINING

Subtitle A—Veterans' Employment and Training

SEC. 301. REGIONAL ADMINISTRATOR.

Paragraph (1) of section 4102A(e) is amended by adding at the end the following: "Each Regional Administrator appointed after the date of the enactment of the Veterans' Benefits Improvements Act of 1996 shall be a veteran.".

SEC. 302. SUPPORT PERSONNEL FOR DIRECTORS OF VETERANS' EMPLOYMENT AND TRAINING.

Subsection (a) of section 4103 is amended—

(1) in the first sentence, by striking out "full-time Federal clerical support" and inserting in lieu thereof "full-time Federal clerical or other support personnel"; and

(2) in the third sentence, by striking out "Full-time Federal clerical support personnel" and inserting in lieu thereof "Full-time Federal clerical or other support personnel".

38 USC 4104 note.

SEC. 303. PILOT PROGRAM TO INTEGRATE AND STREAMLINE FUNCTIONS OF LOCAL VETERANS' EMPLOYMENT REPRESENTATIVES.

(a) AUTHORITY TO CONDUCT PILOT PROGRAM.—In order to assess the effects on the timeliness and quality of services to veterans resulting from re-focusing the staff resources of local veterans' employment representatives, the Secretary of Labor may conduct a pilot program under which the primary responsibilities of local veterans' employment representatives will be case management and the provision and facilitation of direct employment and training services to veterans.

(b) AUTHORITIES UNDER CHAPTER 41.—To implement the pilot program, the Secretary of Labor may suspend or limit application of those provisions of chapter 41 of title 38, United States Code (other than sections 4104(b)(1) and (c)) that pertain to the Local Veterans' Employment Representative Program in States designated by the Secretary under subsection (d), except that the Secretary may use the authority of such chapter, as the Secretary may determine, in conjunction with the authority of this section, to carry out the pilot program. The Secretary may collect such data as the Secretary considers necessary for assessment of the pilot program. The Secretary shall measure and evaluate on a continuing basis the effectiveness of the pilot program in achieving its stated goals in general, and in achieving such goals in relation

to their cost, their effect on related programs, and their structure and mechanisms for delivery of services.

(c) TARGETED VETERANS.—Within the pilot program, eligible veterans who are among groups most in need of intensive services, including disabled veterans, economically disadvantaged veterans, and veterans separated within the previous four years from active military, naval, or air service shall be given priority for service by local veterans' employment representatives. Priority for the provision of service shall be given first to disabled veterans and then to the other categories of veterans most in need of intensive services in accordance with priorities determined by the Secretary of Labor in consultation with appropriate State labor authorities.

(d) STATES DESIGNATED.—The pilot program shall be limited to not more than five States to be designated by the Secretary of Labor.

(e) REPORTS TO CONGRESS.—(1) Not later than one year after the date of the enactment of this Act, the Secretary of Labor shall submit to the Committees on Veterans' Affairs of the Senate and the House of Representatives an interim report describing in detail the development and implementation of the pilot program on a State by State basis.

(2) Not later than 120 days after the expiration of this section under subsection (h), the Secretary of Labor shall submit to the Committees on Veterans' Affairs of the Senate and the House of Representatives a final report evaluating the results of the pilot program and make recommendations based on the evaluation, which may include legislative recommendations.

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

(1) The term "veteran" has the meaning given such term by section 101(2) of title 38, United States Code.

(2) The term "disabled veteran" has the meaning given such term by section 4211(3) of such title.

(3) The term "active military, naval, or air service" has the meaning given such term by section 101(24) of such title.

(g) ALLOCATION OF FUNDS.—Any amount otherwise available for fiscal year 1997, 1998, or 1999 to carry out section 4102A(b)(5) of title 38, United States Code, with respect to a State designated by the Secretary of Labor pursuant to subsection (d) shall be available to carry out the pilot program during that fiscal year with respect to that State.

(h) EXPIRATION DATE.—The authority to carry out the pilot program under this section shall expire on October 1, 1999.

Subtitle B—Technical Amendments Relating to the Uniformed Services Employment and Reemployment Rights Act of 1994

SEC. 311. AMENDMENTS TO CHAPTER 43 OF TITLE 38, UNITED STATES CODE.

Chapter 43 is amended as follows:

(1) Section 4301(a)(2) is amended by striking out "under honorable conditions".

(2) Section 4303(16) is amended by inserting "national" before "emergency".

(3) Section 4311 is amended by striking out subsections (b) and (c) and inserting in lieu thereof the following:

"(b) An employer may not discriminate in employment against or take any adverse employment action against any person because such person (1) has taken an action to enforce a protection afforded any person under this chapter, (2) has testified or otherwise made a statement in or in connection with any proceeding under this chapter, (3) has assisted or otherwise participated in an investigation under this chapter, or (4) has exercised a right provided for in this chapter. The prohibition in this subsection shall apply with respect to a person regardless of whether that person has performed service in the uniformed services.

"(c) An employer shall be considered to have engaged in actions prohibited—

"(1) under subsection (a), if the person's membership, application for membership, service, application for service, or obligation for service in the uniformed services is a motivating factor in the employer's action, unless the employer can prove that the action would have been taken in the absence of such membership, application for membership, service, application for service, or obligation for service; or

"(2) under subsection (b), if the person's (A) action to enforce a protection afforded any person under this chapter, (B) testimony or making of a statement in or in connection with any proceeding under this chapter, (C) assistance or other participation in an investigation under this chapter, or (D) exercise of a right provided for in this chapter, is a motivating factor in the employer's action, unless the employer can prove that the action would have been taken in the absence of such person's enforcement action, testimony, statement, assistance, participation, or exercise of a right.

"(d) The prohibitions in subsections (a) and (b) shall apply to any position of employment, including a position that is described in section 4312(d)(1)(C) of this title.".

(4) Section 4312 is amended—

(A) in subsection (a), by striking out "who is absent from a position of employment" and inserting in lieu thereof "whose absence from a position of employment is necessitated";

(B) in subsection (c)—

(i) by striking out "section 270" in paragraph (3) and inserting in lieu thereof "section 10147"; and

(ii) in paragraph (4)—

(I) by striking out "section 672(a), 672(g), 673, 673b, 673c, or 688" in subparagraph (A) and inserting in lieu thereof "section 688, 12301(a), 12301(g), 12302, 12304, or 12305";

(II) by amending subparagraph (B) to read as follows:

"(B) ordered to or retained on active duty (other than for training) under any provision of law because of a war or national emergency declared by the President or the Congress, as determined by the Secretary concerned;";

(III) by striking out "section 673b" in subparagraph (C) and inserting in lieu thereof "section 12304"; and

(IV) by striking out "section 3500 or 8500" in subparagraph (E) and inserting in lieu thereof "section 12406"; and

(C) in subsection (d)(2)(C), by striking out "is brief or for a nonrecurrent period and without a reasonable expectation" and inserting in lieu thereof "is for a brief, nonrecurrent period and there is no reasonable expectation".

(5) Section 4313(a)(4) is amended—

(A) by striking out "uniform services" in subparagraph (A)(ii) and inserting in lieu thereof "uniformed services"; and

(B) by striking out "of lesser status and pay which" and inserting in lieu thereof "which is the nearest approximation to a position referred to first in clause (A)(i) and then in clause (A)(ii) which".

(6) Section 4316(d) is amended by adding at the end the following new sentence: "No employer may require any such person to use vacation, annual, or similar leave during such period of service.".

(7) Section 4317(a) is amended—

(A) by striking out "(a)(1)(A) Subject to paragraphs (2) and (3), in" and inserting in lieu thereof "(a)(1) In";

(B) by redesignating clauses (i) and (ii) of paragraph (1) (as amended by subparagraph (A) of this paragraph) as subparagraphs (A) and (B), respectively;

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

(D) by redesignating subparagraph (C) as paragraph (3), and in that paragraph by redesignating clauses (i) and (ii) as subparagraphs (A) and (B), respectively, and by redesignating subclauses (I) and (II) as clauses (i) and (ii), respectively.

(8) The last sentence of section 4318(b)(2) is amended by striking out "services," and inserting in lieu thereof "services, such payment period".

(9) Section 4322 is amended—

(A) in the second sentence of subsection (d) by inserting "attempt to" before "resolve"; and

(B) in subsection (e)—

(i) in the matter preceding paragraph (1), by striking out "with respect to a complaint under subsection (d) are unsuccessful," and inserting in lieu thereof "with respect to any complaint filed under subsection (a) do not resolve the complaint,"; and

(ii) in paragraph (2), by inserting "or the Office of Personnel Management" after "Federal executive agency".

(10) Section 4323(a) is amended—

(A) in paragraph (1), by striking out "of an unsuccessful effort to resolve a complaint"; and

(B) in paragraph (2)(A), by striking out "regarding the complaint under section 4322(c)" and inserting in lieu thereof "under section 4322(a)".

(11) Section 4324 is amended—

(A) in subsection (a)(1), by striking out "of an unsuccessful effort to resolve a complaint relating to a Federal executive agency";

(B) in subsection (b)—

(i) in the matter preceding paragraph (1), by inserting "or the Office of Personnel Management" after "Federal executive agency"; and

(ii) in paragraph (1), by striking out "regarding a complaint under section 4322(c)" and inserting in lieu thereof "under section 4322(a)"; and

(C) in subsection (c)(2)—

(i) by inserting "or the Office of Personnel Management" after "Federal executive agency"; and

(ii) by striking out "employee" and inserting in lieu thereof "Office".

(12) Section 4325(d)(1) is amended—

(A) by striking out ", alternative employment in the Federal Government under this chapter,"; and

(B) by striking out "employee" the last place it appears and inserting in lieu thereof "employees".

(13) Section 4326(a) is amended by inserting "have reasonable access to and the right to interview persons with information relevant to the investigation and shall" after "at all reasonable times,".

SEC. 312. AMENDMENTS TO TRANSITION RULES AND EFFECTIVE DATES.

(a) REEMPLOYMENT.—Section 8(a) of the Uniformed Services Employment and Reemployment Rights Act of 1994 (Public Law 103–353; 108 Stat. 3175; 38 U.S.C. 4301 note) is amended—

(1) in paragraph (3), by adding at the end thereof the following: "Any service begun up to 60 days after the date of the enactment of this Act, which is served up to 60 days after the date of the enactment of this Act pursuant to orders issued under section 502(f) of title 32, United States Code, shall be considered under chapter 43 of title 38, United States Code, as in effect on the day before such date of enactment. Any service pursuant to orders issued under such section 502(f) served after 60 days after the date of the enactment of this Act, regardless of when begun, shall be considered under the amendments made by this Act."; and

(2) in paragraph (4), by striking out "such period" and inserting in lieu thereof "such 60-day period".

(b) INSURANCE.—Section 8(c)(2) of such Act is amended by striking out "person on active duty" and inserting in lieu thereof "person serving a period of service in the uniformed services".

38 USC 4301 note.

SEC. 313. EFFECTIVE DATES.

(a) IN GENERAL.—Except as provided in subsection (b), the amendments made by this subtitle shall take effect as of October 13, 1994.

(b) REORGANIZED TITLE 10 REFERENCES.—The amendments made by clause (i), and subclauses (I), (III), and (IV) of clause (ii), of section 311(4)(B) shall take effect as of December 1, 1994.

TITLE IV—VETERANS LIFE INSURANCE PROGRAMS

Veterans' Insurance Reform Act of 1996.

SEC. 401. SHORT TITLE.

38 USC 101 note.

This title may be cited as the "Veterans' Insurance Reform Act of 1996".

SEC. 402. MERGER OF RETIRED RESERVE SERVICEMEMBERS' GROUP LIFE INSURANCE AND VETERANS' GROUP LIFE INSURANCE AND EXTENSION OF VETERANS' GROUP LIFE INSURANCE TO MEMBERS OF THE READY RESERVE.

(a) DEFINITIONS.—Section 1965(5) is amended—

(1) by adding "and" at the end of subparagraph (B);

(2) by striking out subparagraphs (C) and (D); and

(3) by redesignating subparagraph (E) as subparagraph (C).

(b) PERSONS INSURED.—Section 1967 is amended—

(1) in subsection (a)—

(A) by inserting "and" at the end of paragraph (1);

(B) by striking out paragraphs (3) and (4); and

(C) in the matter following paragraph (2), by striking out "or the first day a member of the Reserves, whether or not assigned to the Retired Reserve of a uniformed service, meets the qualifications of section 1965(5)(C) of this title, or the first day a member of the Reserves meets the qualifications of section 1965(5)(D) of this title,"; and

(2) by striking out subsection (d).

(c) DURATION AND TERMINATION OF COVERAGE.—Section 1968 is amended—

(1) in subsection (a)—

(A) by striking out "subparagraph (B), (C), or (D) of section 1965(5)" in the matter preceding paragraph (1) and inserting in lieu thereof "section 1965(5)(B)";

(B) by striking out the period at the end of paragraphs (1) and (2) and inserting in lieu thereof a semicolon;

(C) by striking out the period at the end of paragraph (3) and inserting in lieu thereof "; and";

(D) in paragraph (4)—

(i) by striking out "one hundred and twenty days after" in the matter preceding subparagraph (A) and all that follows through "(A) unless on" and inserting in lieu thereof "120 days after separation or release from such assignment, unless on";

(ii) by striking out "prior to the expiration of one hundred and twenty days" and inserting in lieu thereof "before the end of 120 days";

(iii) by striking out the semicolon after "such assignment" and inserting in lieu thereof a period; and

(iv) by striking out subparagraphs (B) and (C); and

(E) by striking out paragraphs (5) and (6); and

(2) in subsection (b), by striking out the last two sentences.

(d) DEDUCTIONS.—Section 1969 is amended—

(1) in subsection (a)(2), by striking out "is assigned to the Reserve (other than the Retired Reserve)" and all that follows through "section 1965(5)(D) of this title,";

(2) by striking out subsection (e); and

(3) by redesignating subsections (f) and (g) as subsections (e) and (f), respectively.

38 USC 1968 note.

(e) CONVERSION OF SGLI TO VGLI.—The Servicemembers' Group Life Insurance of any member of the Retired Reserve of a uniformed service shall be converted to Veterans' Group Life Insurance effective 90 days after the date of the enactment of this Act.

SEC. 403. CONVERSION OF SGLI AND VGLI TO COMMERCIAL LIFE INSURANCE POLICY.

(a) OPTION TO CONVERT SGLI.—Subsection (b) of section 1968, as amended by section 402(c)(2), is amended—

(1) by inserting "(1)" after "(b)" at the beginning of the subsection;

(2) by striking out "would cease," in the first sentence and all that follows through the period at the end of the sentence and inserting in lieu thereof "would cease—

"(A) shall be automatically converted to Veterans' Group Life Insurance, subject to (i) the timely payment of the initial premium under terms prescribed by the Secretary, and (ii) the terms and conditions set forth in section 1977 of this title; or

"(B) at the election of the member, shall be converted to an individual policy of insurance as described in section 1977(e) of this title upon written application for conversion made to the participating company selected by the member and payment of the required premiums."; and

(3) by designating the second sentence as paragraph (2) and in that sentence striking out "Such automatic conversion" and inserting in lieu thereof "Automatic conversion to Veterans' Group Life Insurance under paragraph (1)".

(b) VGLI CONVERSION.—Section 1977 is amended—

(1) in subsection (a)—

(A) by inserting "(1)" after "(a)";

(B) by striking out the last two sentences; and

(C) by adding at the end the following:

"(2) If any person insured under Veterans' Group Life Insurance again becomes insured under Servicemembers' Group Life Insurance but dies before terminating or converting such person's Veterans' Group Insurance, Veterans' Group Life Insurance shall be payable only if such person is insured for less than $200,000 under Servicemembers' Group Life Insurance, and then only in an amount which, when added to the amount of Servicemembers' Group Life Insurance payable, does not exceed $200,000."; and

(2) in subsection (e)—

(A) in the first sentence, by inserting "at any time" after "shall have the right"; and

(B) by striking out the third sentence and inserting in lieu thereof the following: "The Veterans' Group Life Insurance policy converted to an individual policy under this subsection shall terminate on the day before the date on which the individual policy becomes effective.".

SEC. 404. INFORMATION TO BE PROVIDED MEMBERS CONCERNING AUTOMATIC MAXIMUM COVERAGE OF $200,000 UNDER SERVICEMEN'S GROUP LIFE INSURANCE.

Section 1967, as amended by section 402(b), is further amended by inserting after subsection (c) the following new subsection (d):

"(d) Whenever a member has the opportunity to make an election under subsection (a) not to be insured under this subchapter, or to be insured under this subchapter in an amount less than the maximum amount of $200,000, and at such other times periodically thereafter as the Secretary concerned considers appropriate, the Secretary concerned shall furnish to the member general information concerning life insurance. Such information shall include—

"(1) the purpose and role of life insurance in financial planning;

"(2) the difference between term life insurance and whole life insurance;

"(3) the availability of commercial life insurance; and

"(4) the relationship between Servicemembers' Group Life Insurance and Veterans' Group Life Insurance.".

SEC. 405. RENAMING OF SERVICEMEN'S GROUP LIFE INSURANCE PROGRAM.

(a) IN GENERAL.—The program of insurance operated by the Secretary of Veterans Affairs under subchapter III of chapter 19 of title 38, United States Code, is hereby redesignated as the Servicemembers' Group Life Insurance program. 38 USC 1965 note.

(b) AMENDMENTS TO CHAPTER 19.— Chapter 19 is amended as follows:

(1) The following provisions are amended by striking out "Servicemen's Group Life Insurance" each place it appears and inserting in lieu thereof "Servicemembers' Group Life Insurance":

(A) Subsections (a), (c), and (e) of section 1967.
(B) Section 1968(b).
(C) Subsections (a) through (d) of section 1969.
(D) Subsections (a), (f), and (g) of section 1970.
(E) Section 1971(b).
(F) Section 1973.
(G) The first sentence of section 1974(a).
(H) Subsections (a), (d), and (g) of section 1977.

(2)(A) The heading of subchapter III is amended to read as follows:

"SUBCHAPTER III—SERVICEMEMBERS' GROUP LIFE INSURANCE".

(B) The heading of section 1974 is amended to read as follows:

"§ 1974. Advisory Council on Servicemembers' Group Life Insurance".

(3) The table of sections at the beginning of the chapter is amended—

(A) by striking out the item relating to subchapter III and inserting in lieu thereof the following:

"SUBCHAPTER III—SERVICEMEMBERS' GROUP LIFE INSURANCE";

and

(B) by striking out the item relating to section 1974 and inserting in lieu thereof the following:

"1974. Advisory Council on Servicemembers' Group Life Insurance.".

(c) OTHER CONFORMING AMENDMENTS.—(1) Section 1315(f)(1)(F) is amended by striking out "servicemen's" the first place it appears and inserting in lieu thereof "servicemembers'".

(2) Sections 3017(a)(2)(A)(i) and 3224(1) are amended by striking out "Servicemen's" each place it appears and inserting in lieu thereof "Servicemembers'".

38 USC 1965 note.

(d) REFERENCES.—Any reference to Servicemen's Group Life Insurance or to the Advisory Council on Servicemen's Group Life Insurance in any Federal law, Executive order, regulation, delegation of authority, or other document of the Federal Government shall be deemed to refer to Servicemembers' Group Life Insurance or the Advisory Council on Servicemembers' Group Life Insurance, respectively.

SEC. 406. TECHNICAL AMENDMENT.

Section 1977(a) is amended by striking out "and (e)" in the first and second sentences.

TITLE V—DEPARTMENT OF VETERANS AFFAIRS ADMINISTRATIVE MATTERS

SEC. 501. REVISION OF AUTHORITY RELATING TO CENTERS FOR MINORITY VETERANS AND WOMEN VETERANS.

(a) SES STATUS OF DIRECTORS.—Sections 317(b) and 318(b) are each amended by inserting "career or" before "noncareer".

(b) ADDITIONAL FUNCTIONS OF CENTER FOR MINORITY VETERANS.—Section 317(d) is amended—

(1) by redesignating paragraph (10) as paragraph (12); and

(2) by inserting after paragraph (9) the following new paragraphs (10) and (11):

"(10) Advise the Secretary and other appropriate officials on the effectiveness of the Department's efforts to accomplish the goals of section 492B of the Public Health Service Act (42 U.S.C. 289a–2) with respect to the inclusion of minorities in clinical research and on particular health conditions affecting the health of members of minority groups which should be studied as part of the Department's medical research program and promote cooperation between the Department and other sponsors of medical research of potential benefit to veterans who are minorities.

"(11) Provide support and administrative services to the Advisory Committee on Minority Veterans provided for under section 544 of this title.".

(c) DEFINITION OF MINORITY VETERANS.—Section 317 is amended by adding at the end the following:

"(g) In this section—

"(1) The term 'veterans who are minorities' means veterans who are minority group members.

"(2) The term 'minority group member' has the meaning given such term in section 544(d) of this title.".

(d) CLARIFICATION OF FUNCTIONS OF CENTER FOR WOMEN VETERANS.—Section 318(d)(10) is amended by striking out "(relating to" and all that follows through "and of" and inserting in lieu thereof "(42 U.S.C. 289a–2) with respect to the inclusion of women in clinical research and on".

(e) ADDITIONAL FUNCTIONS OF ADVISORY COMMITTEES.—(1) Section 542(b) is amended by inserting ", including the Center for Women Veterans" before the period at the end.

(2) Section 544(b) is amended by inserting ", including the Center for Minority Veterans" before the period at the end.

(f) TERMINATION DATE OF ADVISORY COMMITTEE ON MINORITY VETERANS.—Section 544(e) is amended by striking out "December 31, 1997" and inserting in lieu thereof "December 31, 1999".

SEC. 502. LIMITATION ON CLOTHING ALLOWANCE FOR INCARCERATED VETERANS.

(a) PRO RATA REDUCTION.—Chapter 53 is amended by inserting after section 5313 the following new section:

"§ 5313A. Limitation on payment of clothing allowance to incarcerated veterans

"In the case of a veteran who is incarcerated in a Federal, State, or local penal institution for a period in excess of 60 days and who is furnished clothing without charge by the institution, the amount of any annual clothing allowance payable to the veteran under section 1162 of this title shall be reduced by an amount equal to 1/365 of the amount of the allowance otherwise payable under that section for each day on which the veteran was so incarcerated during the 12-month period preceding the date on which payment of the allowance would be due. This section shall be carried out under regulations prescribed by the Secretary.". Regulations.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 5313 the following new item:

"5313A. Limitation on payment of clothing allowance to incarcerated veterans.".

SEC. 503. EXTENSION OF VETERANS' CLAIMS ADJUDICATION COMMISSION.

(a) EXTENSION OF TIME FOR SUBMISSION OF FINAL REPORT.—Section 402(e)(2) of the Veterans' Benefits Improvements Act of 1994 (Public Law 103–446; 108 Stat. 4661) is amended by striking out "Not later than 18 months after such date" and inserting in lieu thereof "Not later than December 31, 1996". 38 USC 5101 note.

(b) FUNDING.—From amounts appropriated to the Department of Veterans Affairs for each of fiscal years 1996 and 1997 for the payment of compensation and pension, the amount of $75,000 is hereby made available for the activities of the Veterans' Claims Adjudication Commission under title IV of the Veterans' Benefits Improvements Act of 1994 (Public Law 103–446; 108 Stat. 4659; 38 U.S.C. 5101 note).

SEC. 504. PILOT PROGRAM FOR USE OF CONTRACT PHYSICIANS FOR DISABILITY EXAMINATIONS. 38 USC 5101 note.

(a) AUTHORITY.—The Secretary of Veterans Affairs, acting through the Under Secretary for Benefits, may conduct a pilot program under this section under which examinations with respect

to medical disability of applicants for benefits under laws administered by the Secretary that are carried out through the Under Secretary for Benefits may be made by persons other than employees of the Department of Veterans Affairs. Any such examination shall be performed pursuant to contracts entered into by the Under Secretary for Benefits with those persons.

(b) LIMITATION.—The Secretary may carry out the pilot program under this section through not more than 10 regional offices of the Department of Veterans Affairs.

(c) SOURCE OF FUNDS.—Payments for contracts under the pilot program under this section shall be made from amounts available to the Secretary of Veterans Affairs for payment of compensation and pensions.

(d) REPORT TO CONGRESS.—Not later than three years after the date of the enactment of this Act, the Secretary shall submit to the Congress a report on the effect of the use of the authority provided by subsection (a) on the cost, timeliness, and thoroughness of medical disability examinations.

SEC. 505. EXPANSION OF PERIOD OF VIETNAM ERA FOR CERTAIN VETERANS.

(a) IN GENERAL.—Paragraph (29) of section 101 is amended to read as follows:

"(29) The term 'Vietnam era' means the following:

"(A) The period beginning on February 28, 1961, and ending on May 7, 1975, in the case of a veteran who served in the Republic of Vietnam during that period.

"(B) The period beginning on August 5, 1964, and ending on May 7, 1975, in all other cases.".

(b) LIMITED EXPANSION FOR SPECIFIC COMPENSATION PURPOSES.—(1) Paragraphs (1)(B) and (3) of section 1116(a) are each amended by striking out "during the Vietnam era" and inserting in lieu thereof "during the period beginning on January 9, 1962, and ending on May 7, 1975,".

(2) Paragraphs (1)(A), (2)(C), (2)(E), (2)(F), and (4) of such section are amended by striking out "during the Vietnam era" and inserting in lieu thereof "during the period beginning on January 9, 1962, and ending on May 7, 1975".

(c) LIMITED EXPANSION FOR SPECIFIC HEALTH CARE PURPOSES.—(1) The provision stipulated in paragraph (2) is amended—

(A) in clause (i), by striking out "during the Vietnam era," and inserting in lieu thereof "during the period beginning on January 9, 1962, and ending on May 7, 1975,"; and

(B) in clause (ii), by striking out "such era" and inserting in lieu thereof "such period".

(2) The provision referred to in paragraph (1)—

(A) if the Veterans' Health Care Eligibility Reform Act of 1996 is enacted as a measure of the One Hundred Fourth Congress, is paragraph (4)(A) of section 1710(e) of title 38, United States Code, as added by section 102 of such Act; and

(B) if such Act is not enacted as a measure of the One Hundred Fourth Congress, is paragraph (1)(A) of section 1710(e) of such title.

38 USC 101 note.

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect on January 1, 1997. No benefit may be paid

or provided by reason of such amendments for any period before such date.

SEC. 506. PAYMENT OF BENEFIT TO SURVIVING SPOUSE FOR MONTH IN WHICH VETERAN DIES.

(a) BENEFIT FOR MONTH OF DEATH.—Section 5310 is amended—

(1) by inserting "(a)" before "If, in accordance with"; and

(2) by adding at the end the following:

"(b)(1) If the surviving spouse of a veteran who was in receipt of compensation or pension at the time of death is not entitled to death benefits under chapter 11, 13, or 15 of this title for the month in which the veteran's death occurs, that surviving spouse shall be entitled to a benefit for that month in the amount of benefits the veteran would have received under chapter 11 or 15 of this title for that month but for the death of the veteran.

"(2) If (notwithstanding section 5112(b)(1) of this title) a check or other payment is issued to, and in the name of, the deceased veteran as a benefit payment under chapter 11 or 15 of this title for the month in which death occurs, that check or other payment (A) shall be treated for all purposes as being payable to the surviving spouse, and (B) if that check or other payment is negotiated or deposited, shall be considered to be the benefit to which the surviving spouse is entitled under this paragraph. However, if such check or other payment is in an amount less than the amount of the benefit under paragraph (1), the unpaid amount shall be treated in the same manner as an accrued benefit under section 5121 of this title.".

(b) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to the death of compensation and pension recipients occurring after December 31, 1996.

38 USC 5310 note.

SEC. 507. INCREASE IN PERIOD FOR WHICH ACCRUED BENEFITS PAYABLE.

Subsection (a) of section 5121 is amended by striking out "one year" in the matter preceding paragraph (1) and inserting in lieu thereof "two years".

SEC. 508. APPOINTMENT OF VETERANS SERVICE ORGANIZATIONS AS CLAIMANTS' REPRESENTATIVES.

(a) POWER OF ATTORNEY NAMING A VETERANS SERVICE ORGANIZATION.—Section 5902 is amended—

(1) by redesignating subsection (c) as subsection (d); and

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

"(c)(1) Unless a claimant specifically indicates in a power of attorney filed with the Department a desire to appoint only a recognized representative of an organization listed in or approved under subsection (a), the Secretary may, for any purpose, treat the power of attorney naming such an organization, a specific office of such an organization, or a recognized representative of such an organization as the claimant's representative as an appointment of the entire organization as the claimant's representative.

"(2) Whenever the Secretary is required or permitted to notify a claimant's representative, and the claimant has named in a power of attorney an organization listed in or approved under subsection (a), a specific office of such an organization, or a recognized representative of such an organization without specifically indicating a desire to appoint only a recognized representative of the organiza-

tion, the Secretary shall notify the organization at the address designated by the organization for the purpose of receiving the notification concerned.".

38 USC 5902 note.

(b) APPLICABILITY.—The amendments made by this section apply to any power of attorney filed with the Department of Veterans Affairs, regardless of the date of its execution.

SEC. 509. PROVISION OF COPIES OF BOARD OF VETERANS' APPEALS DECISIONS.

Subsection (e) of section 7104 is amended to read as follows:

"(e)(1) After reaching a decision on a case, the Board shall promptly mail a copy of its written decision to the claimant at the last known address of the claimant.

"(2) If the claimant has an authorized representative, the Board shall—

"(A) mail a copy of its written decision to the authorized representative at the last known address of the authorized representative; or

"(B) send a copy of its written decision to the authorized representative by any means reasonably likely to provide the authorized representative with a copy of the decision within the same time a copy would be expected to reach the authorized representative if sent by first-class mail.".

SEC. 510. LIMITATION ON RELOCATION OR REDUCTION IN STAFFING OF CERTAIN ELEMENTS OF THE EDUCATION SERVICE OF THE VETERANS BENEFITS ADMINISTRATION.

No funds available to the Department of Veterans Affairs may be obligated or expended before January 1, 1998, to relocate any function of, or to reduce the number of personnel assigned to, any of the following elements of the Veterans Benefits Administration of the Department of Veterans Affairs:

(1) The Office of Education Procedures Systems.

(2) The Office of Education Operations.

(3) The Office of Education Policy and Program Administration.

TITLE VI—OTHER MATTERS

SEC. 601. EXTENSION OF CERTAIN AUTHORITIES FOR SERVICES FOR HOMELESS VETERANS.

(a) AUTHORITY FOR COMMUNITY-BASED RESIDENTIAL CARE FOR HOMELESS CHRONICALLY MENTALLY ILL VETERANS AND OTHER VETERANS.—Section 115(d) of the Veterans' Benefits and Services Act of 1988 (38 U.S.C. 1712 note) is amended by striking out "December 31, 1997" and inserting in lieu thereof "December 31, 1998".

(b) AUTHORIZATIONS OF APPROPRIATIONS FOR HOMELESS VETERANS REINTEGRATION PROJECTS.—Section 738(e)(1) of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11448(e)(1)) is amended by adding at the end the following:

"(E) $10,000,000 for fiscal year 1997.

"(F) $10,000,000 for fiscal year 1998.".

SEC. 602. REPAIR AND LONG-TERM MAINTENANCE OF WAR MEMORIALS.

(a) REPAIR AND LONG-TERM MAINTENANCE OF WAR MEMORIALS.—Section 5(b)(2) of the Act entitled "An Act for the creation

of an American Battle Monuments Commission to erect suitable memorials commemorating the services of the American soldier in Europe, and for other purposes", approved March 4, 1923 (36 U.S.C. 125(b)(2)), is amended—

(1) by inserting "(A)" after "(2)"; and

(2) by adding at the end the following:

"(B) In assuming responsibility for a war memorial under paragraph (1), the Commission may enter into arrangements with the sponsors of the memorial to provide for the repair or long-term maintenance of the memorial. Any funds transferred to the Commission for the purpose of this subparagraph shall, in lieu of subparagraph (A), be deposited by the Commission in the fund established by paragraph (3).

"(3)(A) There is established in the Treasury a fund which shall be available to the Commission for expenses for the maintenance and repair of memorials with respect to which the Commission enters into arrangements under paragraph (2)(B). The fund shall consist of (i) amounts deposited, and interest and proceeds credited, under subparagraph (B), and (ii) obligations obtained under subparagraph (C).

"(B) The Commission shall deposit in the fund such amounts from private contributions as may be accepted under paragraph (2)(B). The Secretary of the Treasury shall credit to the fund the interest on, and the proceeds from sale or redemption of, obligations held in the fund.

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

"(D) The Commission shall separately account for all moneys deposited in and expended from the fund with respect to each war memorial for which an arrangement for the repair or long-term maintenance of the memorial is entered to under paragraph (2)(B).".

(b) ACCOUNTING PROCEDURES RELATING TO RECEIPT AND EXPENDITURE OF CONTRIBUTIONS.—Such Act is further amended by adding at the end the following new section:

"SEC. 14. (a) The Commission shall have a system of financial controls to enable the Commission to comply with the requirements of subsection (b) and section 5(b)(3)(D). 36 USC 138d.

"(b) The Commission shall—

"(1) by March 1 of each year (beginning with 1998)—

"(A) prepare a financial statement which covers all accounts and associated activities of the Commission for the preceding fiscal year and is consistent with the requirements of section 3515 of title 31, United States Code; and

"(B) submit the financial statement, together with a narrative summary, to the Committees on Veterans' Affairs of the Senate and House of Representatives; and

"(2) obtain an audit by the Comptroller General of the United States of each financial statement prepared under paragraph (1)(A), which shall be conducted in accordance with

applicable generally accepted government auditing standards and shall be in lieu of any audit otherwise required by law.

"(c) The Commission may not obligate, withdraw, or expend funds received as contributions before March 1, 1998.".

38 USC 545 note.

TITLE VII—COMMISSION ON SERVICEMEMBERS AND VETERANS TRANSITION ASSISTANCE

SEC. 701. ESTABLISHMENT OF COMMISSION.

(a) ESTABLISHMENT.—There is established a commission to be known as the Commission on Servicemembers and Veterans Transition Assistance (hereafter in this title referred to as the "Commission").

(b) MEMBERSHIP.—(1) The Commission shall be composed of 12 members appointed from among private United States citizens with appropriate and diverse experiences, expertise, and historical perspectives on veterans, military, organizational, and management matters. The members shall be appointed as follows:

(A) Four shall be appointed jointly by the chairman and ranking minority member of the Committee on Veterans' Affairs of the House of Representatives.

(B) Four shall be appointed jointly by the chairman and ranking minority member of the Committee on Veterans' Affairs of the Senate.

(C) Two shall be appointed jointly by the chairman and ranking minority member of the Committee on National Security of the House of Representatives.

(D) Two shall be appointed jointly by the chairman and ranking minority member of the Committee on Armed Services of the Senate.

(2)(A) One member of the Commission appointed under each of subparagraphs (A) and (B) of paragraph (1) shall be a representative of a veterans service organization.

(B) To the maximum extent practicable, the individuals appointed under paragraph (1) as members of the Commission shall be veterans.

(C) Not more than seven of the members of the Commission may be members of the same political party.

(3) In addition to the members appointed under paragraph (1), the following shall be nonvoting members of the Commission:

(A) The Under Secretary for Benefits of the Department of Veterans Affairs.

(B) The Assistant Secretary of Defense for Force Management and Personnel.

(C) The Assistant Secretary of Labor for Veterans' Employment and Training.

(4) The appointments of members of the Commission shall, to the maximum extent practicable, be made after consultation with representatives of veterans service organizations.

(5) The appointments of the members of the Commission shall be made not later than 45 days after the date of the enactment of this Act.

(c) PERIOD OF APPOINTMENT; VACANCIES.—Members shall be appointed for the life of the Commission. Any vacancy in the

Commission shall not affect its powers, but shall be filled in the same manner as the original appointment.

(d) INITIAL MEETING.—Not later than 30 days after the date on which all members of the Commission have been appointed under subsection (b)(1), the Commission shall hold its first meeting.

(e) QUORUM.—A majority of the members of the Commission shall constitute a quorum, but a lesser number may hold hearings.

(f) CHAIRMAN AND VICE CHAIRMAN.—The Commission shall select a chairman and vice chairman from among its members.

(g) MEETINGS.—The Commission shall meet at the call of the chairman of the Commission.

(h) PANELS.—The Commission may establish panels composed of less than the full membership of the Commission for the purpose of carrying out the Commission's duties. The actions of such panels shall be subject to the review and control of the Commission. Any findings and determinations made by such a panel shall not be considered the findings and determinations of the Commission unless approved by the Commission.

(i) AUTHORITY OF INDIVIDUALS TO ACT FOR COMMISSION.—Any member or agent of the Commission may, if authorized by the Commission, take any action which the Commission is authorized to take under this title.

SEC. 702. DUTIES OF COMMISSION.

(a) IN GENERAL.—The Commission shall—

(1) review the adequacy and effectiveness of veterans transition assistance and benefits programs in providing assistance to members of the Armed Forces in making the transition and adjustment to civilian life;

(2) review the allocation under law of responsibility for the administration of veterans transition assistance and benefits programs among the various departments and agencies of the Government and determine the feasibility and desirability of consolidating such administration;

(3) evaluate proposals for improving such programs, including proposals for alternative means of providing services delivered by such programs; and

(4) make recommendations to Congress regarding the need for improvements in such programs.

(b) REVIEW OF PROGRAMS TO ASSIST MEMBERS OF THE ARMED FORCES AT SEPARATION.—(1) While carrying out the general duties specified in subsection (a), the members of the Commission appointed under subparagraphs (C) and (D) of section 701(b)(1) and the member specified in subparagraph (B) of section 701(b)(3) shall review primarily the programs intended to assist members of the Armed Forces at the time of their separation from service in the Armed Forces, including programs designed to assist families of such members.

(2) In carrying out the review, those members of the Commission shall determine the following:

(A) The adequacy of the programs referred to in paragraph (1) for their purposes.

(B) The adequacy of the support of the Armed Forces for such programs.

(C) The adequacy of funding levels for such programs.

(D) The effect, if any, of the existence of such programs on military readiness.

(E) The extent to which such programs provide members of the Armed Forces with job-search skills.

(F) The extent to which such programs prepare such members for employment in the private sector and in the public sector.

(G) The effectiveness of such programs in assisting such members in finding employment in the public sector upon their separation from service.

(H) The ways in which such programs could be improved.

(3) In carrying out the review, the Commission shall make use of previous studies which have been made of such programs.

(c) REVIEW OF PROGRAMS TO ASSIST VETERANS.—(1) While carrying out the general duties specified in subsection (a), the members of the Commission appointed under subparagraphs (A) and (B) of section 701(b)(1) and the members specified in subparagraphs (A) and (C) of section 701(b)(3) shall review the following programs:

(A) Educational assistance programs.

(B) Job counseling, job training, and job placement services programs.

(C) Rehabilitation and training programs.

(D) Housing loan programs.

(E) Small business loan and small business assistance programs.

(F) Employment and employment training programs for employment in the public sector and the private sector, including employer training programs and union apprenticeship programs.

(G) Government personnel policies (including veterans' preference policies) and the enforcement of such policies.

(H) Programs that prepare the families of members of the Armed Forces for their transition from military life to civilian life and facilitate that transition.

(2) In carrying out the review, such members of the Commission shall determine the following:

(A) The adequacy of the programs referred to in paragraph (1) for their purposes.

(B) The adequacy of the support of the Department of Veterans Affairs for such programs.

(C) The adequacy of funding levels for such programs.

(D) The extent to which such programs provide veterans with job-search skills.

(E) The extent to which such programs prepare veterans for employment in the private sector and in the public sector.

(F) The effectiveness of such programs in assisting veterans in finding employment in the public sector upon their separation from service.

(G) The ways in which such programs could be improved.

(d) REPORTS.—(1) Not later than 90 days after the date on which all members of the Commission have been appointed under section 701(b)(1), the Commission shall submit to the Committees on Veterans' Affairs and Armed Services of the Senate and the Committees on Veterans' Affairs and National Security of the House of Representatives a report setting forth a plan for the work of the Commission. The Commission shall develop the plan in consultation with the Secretary of Defense, the Secretary of Veterans

Affairs, the Secretary of Labor, and the heads of other appropriate departments and agencies of the Government.

(2)(A) Not later than 18 months after the date of the first meeting of the Commission, the Commission shall submit to the committees referred to in paragraph (1), and to the Secretary of Defense, the Secretary of Veterans Affairs, and the Secretary of Labor, a report setting forth the activities, findings, and recommendations of the Commission, including any recommendations for legislative action and administrative action as the Commission considers appropriate.

(B) Not later than 90 days after receiving the report referred to in subparagraph (A), the Secretary of Defense, the Secretary of Veterans Affairs, and the Secretary of Labor shall jointly transmit the report to Congress, together with the Secretaries' comments on the report.

SEC. 703. POWERS OF COMMISSION.

(a) HEARINGS.—The Commission may hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence as the Commission considers advisable to carry out the purposes of this title.

(b) INFORMATION FROM FEDERAL AGENCIES.—The Commission may secure directly from the Department of Defense, the Department of Veterans Affairs, and any other department or agency of the Government such information as the Commission considers necessary to carry out its duties under this title. Upon request of the chairman of the Commission, the head of such department or agency shall furnish such information expeditiously to the Commission.

SEC. 704. MISCELLANEOUS ADMINISTRATIVE PROVISIONS.

(a) POSTAL SERVICES.—The Commission may use the United States mails in the same manner and under the same conditions as other departments and agencies of the Government.

(b) GIFTS.—The Commission may accept, use, and dispose of gifts or donations of services or property.

(c) MISCELLANEOUS ADMINISTRATIVE SUPPORT.—The Secretary of Defense, the Secretary of Veterans Affairs, and the Secretary of Labor shall, upon the request of the chairman of the Commission, furnish the Commission, on a reimbursable basis, any administrative and support services as the Commission may require.

SEC. 705. COMMISSION PERSONNEL MATTERS.

(a) COMPENSATION OF MEMBERS.—Each member of the Commission may be compensated at a rate equal to the daily equivalent of the annual rate of basic pay prescribed for level IV of the Executive Schedule under section 5315 of title 5, United States Code, for each day (including travel time) during which such member is engaged in performing the duties of the Commission.

(b) TRAVEL AND TRAVEL EXPENSES.—(1) Members and personnel of the Commission may travel on military aircraft, military vehicles, or other military conveyances when travel is necessary in the performance of a duty of the Commission except when the cost of commercial transportation is less expensive.

(2) The members of the Commission may be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, while away from their homes or

regular places of business in the performance of services for the Commission.

(c) STAFF.—(1) The chairman of the Commission may, without regard to civil service laws and regulations, appoint and terminate an executive director and up to five additional staff members as may be necessary to enable the Commission to perform its duties. In appointing an individual as executive director, the chairman shall, to the maximum extent practicable, attempt to appoint an individual who is a veteran. The employment of an executive director shall be subject to confirmation by the Commission.

(2) The chairman of the Commission may fix the compensation of the executive director and other personnel without regard to the provisions of chapter 51 and subchapter III of chapter 53 of title 5, United States Code, relating to classification of positions and General Schedule pay rates, except that the rate of pay for the executive director and other staff members may not exceed the rate payable for level V of the Executive Schedule under section 5316 of such title.

(d) DETAIL OF GOVERNMENT EMPLOYEES.—Upon request of the chairman of the Commission, the head of any department or agency of the Government may detail, on a nonreimbursable basis, any personnel of the department or agency to the Commission to assist the Commission in carrying out its duties.

(e) PROCUREMENT OF TEMPORARY AND INTERMITTENT SERVICES.—The chairman of the Commission may procure temporary and intermittent services under section 3109(b) of title 5, United States Code, at rates for individuals which do not exceed the daily equivalent of the annual rate of basic pay prescribed for level IV of the Executive Schedule under section 5316 of such title.

SEC. 706. TERMINATION OF COMMISSION.

The Commission shall terminate 90 days after the date on which it submits its report under section 702(d)(2).

SEC. 707. DEFINITIONS.

For the purposes of this title:

(1) The term "veterans transition assistance and benefits program" means any program of the Government the purpose of which is—

(A) to assist, by rehabilitation or other means, members of the Armed Forces in readjusting or otherwise making the transition to civilian life upon their separation from service in the Armed Forces; or

(B) to assist veterans in making the transition to civilian life.

(2) The term "Armed Forces" has the meaning given such term in section 101(10) of title 38, United States Code.

(3) The term "veteran" has the meaning given such term in section 101(2) of title 38, United States Code.

(4) The term "veterans service organization" means any organization covered by section 5902(a) of title 38, United States Code.

SEC. 708. FUNDING.

(a) IN GENERAL.—The Secretary of Defense shall, upon the request of the chairman of the Commission, make available to the Commission such amounts as the Commission may require to carry out its duties under this title. The Secretary shall make

such amounts available from amounts appropriated for the Department of Defense, except that such amounts may not be from amounts appropriated for the transition assistance program (TAP), the Army career alumni program (ACAP), or any similar program.

(b) AVAILABILITY.—Any sums made available to the Commission under subsection (a) shall remain available, without fiscal year limitation, until the termination of the Commission.

Approved October 9, 1996.

LEGISLATIVE HISTORY—S. 1711:

SENATE REPORTS: No. 104–371 (Comm. on Veterans' Affairs).
CONGRESSIONAL RECORD, Vol. 142 (1996):
Sept. 28, considered and passed Senate and House.
WEEKLY COMPILATION OF PRESIDENTIAL DOCUMENTS, Vol. 32 (1996):
Oct. 9, Presidential statement.