Public Law 97-306
97th Congress

An Act

Oct. 14, 1982
[H.R. 6782]

To amend title 38, United States Code, to increase the rates of disability compensation for disabled veterans, to increase the rates of dependency and indemnity compensation for surviving spouses and children, and to modify and improve the educational assistance programs administered by the Veterans' Administration and the veterans' employment programs administered by the Department of Labor; and for other purposes.

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

Veterans' Compensation, Education, and Employment Amendments of 1982.
38 USC 101 note.

SHORT TITLE; REFERENCES TO TITLE 38, UNITED STATES CODE

SECTION 1. (a) This Act may be cited as the "Veterans' Compensation, Education, and Employment Amendments of 1982".

(b) Except as otherwise specifically 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—DISABILITY COMPENSATION AND DEPENDENCY AND INDEMNITY COMPENSATION

PART A—RATE INCREASES

DISABILITY COMPENSATION

95 Stat. 1026.
38 USC 314.

SEC. 101. (a) Section 314 is amended—

(1) by striking out "$58" in subsection (a) and inserting in lieu thereof "$62";

(2) by striking out "$107" in subsection (b) and inserting in lieu thereof "$114";

(3) by striking out "$162" in subsection (c) and inserting in lieu thereof "$173";

(4) by striking out "$232" in subsection (d) and inserting in lieu thereof "$249";

(5) by striking out "$328" in subsection (e) and inserting in lieu thereof "$352";

(6) by striking out "$413" in subsection (f) and inserting in lieu thereof "$443";

(7) by striking out "$521" in subsection (g) and inserting in lieu thereof "$559";

(8) by striking out "$604" in subsection (h) and inserting in lieu thereof "$648";

(9) by striking out "$679" in subsection (i) and inserting in lieu thereof "$729";

(10) by striking out "$1,130" in subsection (j) and inserting in lieu thereof "$1,213";

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(11) by striking out "$1,403" and "$1,966" in subsection (k) and inserting in lieu thereof "$1,506" and "$2,111", respectively;

(12) by striking out "$1,403" in subsection (l) and inserting in lieu thereof "$1,506";

(13) by striking out "$1,547" in subsection (m) and inserting in lieu thereof "$1,661";

(14) by striking out "$1,758" in subsection (n) and inserting in lieu thereof "$1,888";

(15) by striking out "$1,966" each place it appears in subsections (o) and (p) and inserting in lieu thereof "$2,111";

(16) by striking out "$844" and "$1,257" in subsection (r) and inserting in lieu thereof "$906" and "$1,350", respectively;

(17) by striking out "$1,264" in subsection (s) and inserting in lieu thereof "$1,357"; and

(18) by striking out "$244" in subsection (t) and inserting in lieu thereof "$262".

38 USC 314 note.

(b) The Administrator of Veterans' Affairs may adjust administratively, consistent with the increases authorized by this section, the rates of disability compensation payable to persons within the purview of section 10 of Public Law 85-857 who are not in receipt of compensation payable pursuant to chapter 11 of title 38, United States Code. Any such adjustment shall be made in conformance with the methodology used in determining the amounts of the increases under subsection (a) and specifically shall include the rounding down to the nearest dollar of each rate as so adjusted.

38 USC note prec. 101.

38 USC 301 *et seq.*

ADDITIONAL COMPENSATION FOR DEPENDENTS

95 Stat. 1027.
38 USC 315.

SEC. 102. Section 315(1) is amended—

(1) by striking out clauses (A) through (G) and inserting in lieu thereof the following:

"(A) has a spouse but no child, $74;

"(B) has a spouse and one or more children, $124 plus $40 for each child in excess of one;

"(C) has no spouse but one or more children, $50 plus $40 for each child in excess of one;";

(2) by redesignating clauses (H), (I), and (J) as clauses (D), (E), and (F), respectively;

(3) by striking out "$56" in clause (D) (as redesignated by clause (2) of this section) and inserting in lieu thereof "$60";

(4) by striking out "$125" in clause (E) (as redesignated by clause (2) of this section) and inserting in lieu thereof "$134"; and

(5) by striking out "$105" in clause (F) (as redesignated by clause (2) of this section) and inserting in lieu thereof "$112".

CLOTHING ALLOWANCE FOR CERTAIN DISABLED VETERANS

95 Stat. 1027.
38 USC 362.

SEC. 103. Section 362 is amended by striking out "$305" and inserting in lieu thereof "$327".

DEPENDENCY AND INDEMNITY COMPENSATION FOR SURVIVING SPOUSES

95 Stat. 1028.
38 USC 411.

SEC. 104. (a) Subsection (a) of section 411 is amended to read as follows:

"(a) Dependency and indemnity compensation shall be paid to a surviving spouse, based on the pay grade of the person upon whose death entitlement is predicated, at monthly rates set forth in the following table:

"Pay grade	Monthly rate	Pay grade	Monthly rate
E-1	$445	W-4	$639
E-2	459	O-1	563
E-3	470	O-2	582
E-4	500	O-3	622
E-5	514	O-4	658
E-6	526	O-5	726
E-7	552	O-6	817
E-8	582	O-7	884
E-9	[1]608	O-8	969
W-1	563	O-9	1,041
W-2	586	O-10	[2]1,139
W-3	603		

"[1]If the veteran served as sergeant major of the Army, senior enlisted advisor of the Navy, chief master sergeant of the Air Force, sergeant major of the Marine Corps, or master chief petty officer of the Coast Guard, at the applicable time designated by section 402 of this title, the surviving spouse's rate shall be $655.

"[2]If the veteran served as Chairman of the Joint Chiefs of Staff, Chief of Staff of the Army, Chief of Naval Operations, Chief of Staff of the Air Force, or Commandant of the Marine Corps, at the applicable time designated by section 402 of this title, the surviving spouse's rate shall be $1,222."

(b) Subsection (b) of such section is amended by striking out "$48" and inserting in lieu thereof "$51".

(c) Subsection (c) of such section is amended by striking out "$125" and inserting in lieu thereof "$134".

(d) Subsection (d) of such section is amended by striking out "$62" and inserting in lieu thereof "$66".

DEPENDENCY AND INDEMNITY COMPENSATION FOR CHILDREN

SEC. 105. Section 413 is amended— 95 Stat. 1029. 38 USC 413.

(1) by striking out "$210" in clause (1) and inserting in lieu thereof "$225";

(2) by striking out "$301" in clause (2) and inserting in lieu thereof "$323";

(3) by striking out "$389" in clause (3) and inserting in lieu thereof "$417"; and

(4) by striking out "$389" and "$79" in clause (4) and inserting in lieu thereof "$417" and "$84", respectively.

SUPPLEMENTAL DEPENDENCY AND INDEMNITY COMPENSATION FOR CHILDREN

SEC. 106. Section 414 is amended— 95 Stat. 1029. 38 USC 414.

(1) by striking out "$125" in subsection (a) and inserting in lieu thereof "$134";

(2) by striking out "$210" in subsection (b) and inserting in lieu thereof "$225"; and

(3) by striking out "$107" in subsection (c) and inserting in lieu thereof "$114".

REPEAL OF EARLIER RATE ADJUSTMENT

SEC. 107. Section 405 of the Omnibus Budget Reconciliation Act of 1982 (Public Law 97-253) is repealed. Ante, p. 803.

38 USC 314 note.

SEC. 108. The amendments made by this part shall take effect on October 1, 1982.

PART B—PROGRAM IMPROVEMENTS

COMPENSATION RATE INCREASES FOR CERTAIN BLINDED VETERANS

38 USC 314.

SEC. 111. (a) Section 314(n) is amended by inserting "or has suffered blindness without light perception in both eyes," after "anatomical loss of both eyes,".

(b) Section 314(p) is amended by inserting "or service-connected anatomical loss or loss of use of one hand or one foot" after "in one ear".

Effective date.
38 USC 314 note.

(c) The amendments made by subsections (a) and (b) shall take effect on October 1, 1982.

CORRECTION OF TECHNICAL ERROR WITH RESPECT TO ENTITLEMENT TO CERTAIN SURVIVORS' BENEFITS

38 USC 410.

SEC. 112. (a) Section 410(b)(1) is amended by inserting "or entitled to receive" after "was in receipt of".

Effective date.
38 USC 410 note.

(b)(1) The amendment made by subsection (a) shall take effect on October 1, 1982.

(2)(A) As soon as practicable after September 30, 1982, the Administrator of Veterans' Affairs shall pay an amount determined under subparagraph (B) to each person who would have been entitled to a payment under chapter 13 of title 38, United States Code, for any part of the period beginning on October 1, 1978, and ending on September 30, 1982, if the amendment made by subsection (a) had taken effect on October 1, 1978.

38 USC 401 *et seq.*

(B) The amount of any payment to a person under subparagraph (A) is the amount equal to the total of all payments under chapter 13 of title 38, United States Code, that would have been made to that person for the period described in such subparagraph if the amendment made by subsection (a) had taken effect on October 1, 1978.

ELIGIBILITY FOR VETERANS' ADMINISTRATION BENEFITS OF SENIOR RESERVE OFFICERS' TRAINING CORPS PARTICIPANTS DISABLED DURING CERTAIN TRAINING

38 USC 101.

SEC. 113. (a) Section 101(22) is amended—

(1) by striking out "and" at the end of clause (C);

(2) by redesignating clause (D) as clause (E); and

(3) by inserting after clause (C) the following new clause (D):

"(D) duty performed by a member of a Senior Reserve Officers' Training Corps program when ordered to such duty for the purpose of field training or a practice cruise under chapter 103 of title 10; and".

10 USC 2101 *et seq.*

(b)(1) Section 403 is repealed.

Repeal.
38 USC 403.

(2) The table of sections at the beginning of chapter 13 is amended by striking out the item relating to such section.

5 USC 8140 note.
5 USC 8101.

(c) Notwithstanding section 8140 of title 5, United States Code, subchapter I of chapter 81 of such title does not apply in the case of a disability suffered by a member of the Reserve Officers' Training Corps of the Army, Navy, or Air Force that is compensable under

chapter 11 of title 38, United States Code, or a death suffered by such a member for which dependency and indemnity compensation is payable under chapter 13 of such title.

38 USC 301 *et seq.*
38 USC 401 *et seq.*

(d) The amendments made by subsections (a) and (b) and the provisions of subsection (c) shall apply only with respect to deaths and disabilities resulting from diseases or injuries incurred or aggravated after September 30, 1982.

Effective date.
38 USC 101 note.

TITLE II—EDUCATIONAL ASSISTANCE

VETERANS' COUNSELING AND OUTREACH SERVICES

SEC. 201. (a) Section 243 is amended to read as follows:

38 USC 243.

"§ 243. Outstationing of counseling and outreach personnel

"The Administrator may station employees of the Veterans' Administration at locations other than Veterans' Administration offices, including educational institutions, to provide counseling and other assistance regarding benefits under this title to veterans and other persons eligible for benefits under this title and to provide outreach services under this subchapter.".

(b) The item relating to such section in the table of sections at the beginning of chapter 3 is amended to read as follows:

"243. Outstationing of counseling and outreach personnel.".

REPEAL OF 50-PERCENT EMPLOYMENT RULE FOR VOCATIONAL SCHOOLS

SEC. 202. (a) Section 1673(a) is amended—

38 USC 1673.

(1) by striking out "(1)" before "The";

(2) by redesignating clause (A) as clause (1);

(3) by striking out clause (B) and inserting in lieu thereof the following:

"(2) any sales or sales management course which does not provide specialized training within a specific vocational field;";

(4) by redesignating clauses (C) and (D) as clauses (3) and (4), respectively; and

(5) by striking out paragraph (2).

(b) Section 1723(a) is amended—

38 USC 1723.

(1) by striking out "(1)" before "The";

(2) by redesignating clause (A) as clause (1);

(3) by striking out clause (B) and inserting in lieu thereof the following:

"(2) any sales or sales management course which does not provide specialized training within a specific vocational field;";

(4) by redesignating clauses (C) and (D) as clauses (3) and (4), respectively; and

(5) by striking out paragraph (2).

(c) The amendments made by this section shall take effect on October 1, 1982.

Effective date.
38 USC 1673 note.

TECHNICAL AMENDMENT RELATING TO 85-15 RULE

SEC. 203. (a) Section 1673(d) is amended—

38 USC 1673.

(1) by striking out "The Administrator" in the first sentence and inserting in lieu thereof "(1) Except as provided in paragraph (2) of this subsection, the Administrator";

(2) by striking out "(other than" and all that follows through "of this title)"; and

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

"(2) Paragraph (1) of this subsection—

"(A) does not (except as provided in section 1691(c) of this title) apply with respect to the enrollment of a veteran in a course offered pursuant to subchapter V of this chapter;

"(B) does not apply with respect to the enrollment of a veteran in a farm cooperative training course; and

"(C) does not apply with respect to the enrollment of a veteran in a course described in section 1789(b)(6) of this title.".

38 USC 1691.

(b) Section 1691(c) is amended by striking out "section 1673(d)" and inserting in lieu thereof "section 1673(d)(1)".

CHARGE TO ENTITLEMENT FOR PURSUIT OF INDEPENDENT STUDY PROGRAMS

38 USC 1682.

SEC. 204. Section 1682 is amended—

(1) by striking out "or (c)" in subsection (a)(1) and inserting in lieu thereof "(c), or (g)"; and

(2) by striking out "entitlement shall be charged at one-half of the full-time institutional rate" in subsection (e) and inserting in lieu thereof "the amount of such veteran's entitlement to educational assistance under this chapter shall be charged in accordance with the rate at which the veteran is pursuing the independent study program but at not more than the rate at which such entitlement is charged for pursuit of such program on less than a half-time basis".

MODIFICATION OF RESTRICTION ON ALLOWANCES FOR INCARCERATED PERSONS

38 USC 1508.

SEC. 205. (a) Section 1508(g)(2) is amended—

(1) by inserting "not" after "shall"; and

(2) by striking out all after "felony" and inserting in lieu thereof a period.

38 USC 1682.

(b) Section 1682(g) is amended—

(1) by adding at the end of paragraph (1) the following new sentence: "The amount of the educational assistance allowance payable to a veteran while so incarcerated shall be reduced to the extent that the tuition and fees of the veteran for any course are paid under any Federal program (other than a program administered by the Administrator) or under any State or local program."; and

(2) in paragraph (2)—

(A) by inserting "not" after "shall"; and

(B) by striking out all after "felony" and inserting in lieu thereof a period.

38 USC 1780.

(c) Section 1780(a) is amended—

(1) by striking out "section 1504" and inserting in lieu thereof "section 1508";

(2) by inserting "or" at the end of clause (4);

(3) by striking out the semicolon and "or" at the end of clause (5) and inserting in lieu thereof a period; and

(4) by striking out clause (6).

CLARIFICATION OF TARGETED DELIMITING DATE EXTENSION AUTHORITY

SEC. 206. (a) Section 1662(a)(3) is amended— 95 Stat. 1054. 38 USC 1662.

(1) in the first sentence of subparagraph (C)(i)—

(A) by striking out "may" and inserting in lieu thereof "shall"; and

(B) by striking out "only if" and all that follows in such sentence and inserting in lieu thereof "unless the Administrator determines, based on an examination of the veteran's employment and training history, that the veteran is not in need of such a program or course in order to obtain a reasonably stable employment situation consistent with the veteran's abilities and aptitudes."; and

(2) by striking out "December 31, 1983" in subparagraph (D) and inserting in lieu thereof "December 31, 1984".

(b)(1) Not later than 30 days after the date of the enactment of this Act, the Administrator of Veterans' Affairs shall publish in the Federal Register, for public review and comment for a period not to exceed 30 days, proposed regulations under section 1662(a)(3)(C)(i) of title 38, United States Code, as amended by subsection (a). Publication in Federal Register. 38 USC 1662 note.

(2) Not later than 90 days after the date of the enactment of this Act, the Administrator shall publish in the Federal Register final regulations under such section 1662(a)(3)(C)(i). Publication in Federal Register.

(c) The amendments made by subsection (a) shall take effect as of January 1, 1982. Effective date. 38 USC 1662 note.

AUTHORITY TO SUSPEND EDUCATIONAL ASSISTANCE IN CERTAIN CASES

SEC. 207. Section 1790(b) is amended— 38 USC 1790.

(1) by striking out "Any" in paragraph (2) and inserting in lieu thereof "Except as provided in paragraph (3) of this subsection, any"; and

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

"(3)(A) The Administrator may suspend educational assistance to eligible veterans and eligible persons already enrolled, and may disapprove the enrollment or reenrollment of any eligible veteran or eligible person, in any course as to which the Administrator has evidence showing a substantial pattern of eligible veterans or eligible persons, or both, who are receiving such assistance by virtue of their enrollment in such course but who are not entitled to such assistance because (i) the course approval requirements of this chapter are not being met, or (ii) the educational institution offering such course has violated one or more of the recordkeeping or reporting requirements of this chapter or chapter 32, 34, or 35 of this title. 38 USC 1601 *et seq.*, 1651 *et seq.*, 1700 *et seq.*

"(B)(i) Action may be taken under subparagraph (A) of this paragraph only after—

"(I) the Administrator provides to the State approving agency concerned and the educational institution concerned written notice of any such failure to meet such approval requirements and any such violation of such recordkeeping or reporting requirements;

"(II) such institution refuses to take corrective action or does not within 60 days after such notice (or within such longer period as the Administrator determines is reasonable and appropriate) take corrective action; and

"(III) the Administrator, not less than 30 days before taking action under such subparagraph, provides to each eligible veteran and eligible person already enrolled in such course written notice of the Administrator's intent to take such action (and the reasons therefor) unless such corrective action is taken within such 60 days (or within such longer period as the Administrator has determined is reasonable and appropriate), and of the date on which the Administrator intends to take action under such subparagraph.".

MODIFICATION OF REPORTING REQUIREMENT ON DEFAULT RATES UNDER EDUCATIONAL LOAN PROGRAM

38 USC 1798.

SEC. 208. The second sentence of section 1798(e)(3) is amended—

(1) by striking out "in maximum feasible detail";

(2) by inserting "and" at the end of clause (A); and

(3) by striking out clauses (B) and (C) and inserting in lieu thereof the following:

"(B) data regarding the default experience and default rate with respect to (i) loans made under this section in connection with accelerated payments under section 1682A of this title, and (ii) other loans made under this section.".

ADMINISTRATIVE IMPLEMENTATION OF CERTAIN DEPARTMENT OF DEFENSE EDUCATIONAL ASSISTANCE PROGRAMS

38 USC 1622.

SEC. 209. Section 1622 is amended by adding at the end the following new subsection:

"(e) Any amount transferred to the Administrator from the Secretary of a military department under an interagency agreement for the administration by the Veterans' Administration of an educational assistance program established by the Secretary under chapter 107 of title 10 may be deposited into and disbursed from the fund for the purposes of such program.".

10 USC 2141 *et seq.*

ADJUSTMENT OF COMPUTATION OF BENEFIT PAYMENT RATE FOR PARTICIPANTS MAKING LUMP-SUM CONTRIBUTIONS UNDER CHAPTER 32 PROGRAM

SEC. 210. Section 1622(d) is amended by striking out "$75" and inserting in lieu thereof "$100".

TITLE III—EMPLOYMENT ASSISTANCE

CONGRESSIONAL FINDINGS

SEC. 301. (a) Chapter 41 is amended by inserting after the table of sections the following new section:

38 USC 2000.

"§ 2000. Findings

"The Congress makes the following findings:

"(1) As long as unemployment and underemployment continue as serious problems among disabled veterans and Vietnam-era veterans, alleviating unemployment and underemployment among such veterans is a national responsibility.

"(2) Because of the special nature of employment and training needs of such veterans and the national responsibility to meet

those needs, policies and programs to increase opportunities for such veterans to obtain employment, job training, counseling, and job placement services and assistance in securing advancement in employment should be effectively and vigorously implemented by the Secretary of Labor and such implementation should be accomplished through the Assistant Secretary of Labor for Veterans' Employment.".

(b)(1) The table of sections at the beginning of such chapter is amended by inserting before the item relating to section 2001 the following new item:

"2000. Findings.".

(2) The item relating to chapter 41 in the table of chapters preceding part I and in the table of chapters at the beginning of part III is amended by striking out "2001" and inserting in lieu thereof "2000".

PURPOSE OF JOBS TRAINING PROGRAMS

SEC. 302. Section 2002 is amended— 38 USC 2002.

(1) by inserting "and regulations" after "to this end policies"; and

(2) by inserting a comma and "with priority given to the needs of disabled veterans and veterans of the Vietnam era" after "opportunities".

JURISDICTION OF ASSISTANT SECRETARY OF LABOR FOR VETERANS' EMPLOYMENT

SEC. 303. Section 2002A is amended by adding at the end the following new sentence: "The employees of the Department of Labor administering chapter 43 of this title shall be administratively and functionally responsible to the Assistant Secretary of Labor for Veterans' Employment.". 38 USC 2002A. 38 USC 2021 *et seq.*

STATE AND ASSISTANT STATE DIRECTORS FOR VETERANS' EMPLOYMENT

SEC. 304. (a)(1) Section 2003 is amended by striking out the section heading and all of the matter preceding clause (1) and inserting in lieu thereof the following: 38 USC 2003.

"§ 2003. State and Assistant State Directors for Veterans' Employment

"(a) The Secretary of Labor shall assign to each State a representative of the Veterans' Employment Service to serve as the State Director for Veterans' Employment, and shall assign full-time Federal clerical support to each such Director. The Secretary shall also assign to each State one Assistant State Director for Veterans' Employment per each 250,000 veterans and eligible persons of the State veterans population and such additional Assistant State Directors for Veterans' Employment as the Secretary shall determine, based on the data collected pursuant to section 2007 of this title, to be necessary to assist the State Director for Veterans' Employment to carry out effectively in that State the purposes of this chapter. Full-time Federal clerical support personnel assigned to State Directors for Veterans' Employment shall be appointed in accordance with the provisions of title 5 governing appointments in the competi-

tive service and shall be paid in accordance with the provisions of chapter 51 and subchapter III of chapter 53 of title 5.

5 USC 5101 *et seq.*, 5331.

"(b)(1) Each State Director for Veterans' Employment and Assistant State Director for Veterans' Employment (A) shall be an eligible veteran who at the time of appointment has been a bona fide resident of the State for at least two years, and (B) shall be appointed in accordance with the provisions of title 5 governing appointments in the competitive service and shall be paid in accordance with the provisions of chapter 51 and subchapter III of chapter 53 of title 5.

"(2) Each State Director for Veterans' Employment and Assistant State Director for Veterans' Employment shall be attached to the public employment service system of the State to which they are assigned. They shall be administratively responsible to the Secretary of Labor for the execution of the veterans' and eligible persons' counseling and placement policies of the Secretary through the public employment service system and in cooperation with other employment and training programs administered by the Secretary, by grantees of Federal or federally funded employment and training programs in the State, or directly by the State.

"(c) In cooperation with the staff of the public employment service system and the staffs of each such other program in the State, the State Director for Veterans' Employment and Assistant State Directors for Veterans' Employment shall—".

(2) The item relating to such section in the table of sections at the beginning of chapter 41 is amended to read as follows:

"2003. State and Assistant State Directors for Veterans' Employment.".

(b) Clause (6) of such section is amended to read as follows:

"(6) promote and facilitate the participation of veterans in Federal and federally funded employment and training programs and directly monitor the implementation and operation of such programs to ensure that eligible veterans, veterans of the Vietnam era, disabled veterans, and eligible persons receive such priority or other special consideration in the provision of services as is required by law or regulation;".

(c) Such section is further amended by striking out the period at the end of clause (7) and inserting in lieu thereof a semicolon and by adding at the end the following new clauses:

"(8) supervise the listing of jobs and subsequent referrals of qualified veterans as required by section 2012 of this title;

"(9) be responsible for ensuring that complaints of discrimination filed under such section are resolved in a timely fashion;

"(10) working closely with appropriate Veterans' Administration personnel engaged in providing counseling or rehabilitation services under chapter 31 of this title, cooperate with employers to identify disabled veterans who have completed or are participating in a vocational rehabilitation training program under such chapter and who are in need of employment;

38 USC 1500 *et seq.*

"(11) cooperate with the staff of programs operated under section 612A of this title in identifying and assisting veterans who have readjustment problems and who may need employment placement assistance or vocational training assistance; and

"(12) when requested by a Federal or State agency or a private employer, assist such agency or employer in identifying

and acquiring prosthetic and sensory aids and devices which tend to enhance the employability of disabled veterans.".

DISABLED VETERANS' OUTREACH PROGRAM

SEC. 305. (a) Subsection (a) of section 2003A is amended— 38 USC 2003A.

(1) by inserting a comma and "acting through the Assistant Secretary for Veterans' Employment," in paragraph (1) after "Secretary of Labor";

(2) by inserting a comma and "acting through the Assistant Secretary of Labor for Veterans' Employment," in paragraph (3) after "Secretary";

(3) by striking out "available to" in paragraphs (1) and (3) and inserting in lieu thereof "available for use in";

(4) by striking out "provided to" in paragraph (2) and inserting in lieu thereof "provided for use in"; and

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

"(5) The distribution and use of funds provided for use in States under this section shall be subject to the continuing supervision and monitoring of the Assistant Secretary for Veterans' Employment and shall not be governed by the provisions of any other law, or any regulations prescribed thereunder, that are inconsistent with this section.".

(b) Subsection (b)(2) of such section is amended—

(1) by inserting after the first sentence the following new sentence: "The Secretary, after consulting the Administrator and the State Director for Veterans' Employment assigned to a State under section 2003 of this title, may waive the limitation in the preceding sentence for that State so long as the percentage of all disabled veterans' outreach program specialists that are stationed at local employment service offices in all States does not exceed 80 percent."; and Waiver. *Ante*, p. 1437.

(2) by striking out "section 621A" and inserting in lieu thereof "section 612A".

(c) Subsection (c) of such section is amended—

(1) by striking out "prime sponsors under the Comprehensive Employment and Training Act" in clause (4) and inserting in lieu thereof "appropriate grantees under other Federal and federally funded employment and training programs"; and

(2) by adding at the end the following new clause:

"(8) Development of outreach programs in cooperation with appropriate Veterans' Administration personnel engaged in providing counseling or rehabilitation services under chapter 31 of this title, with educational institutions, and with employers in order to ensure maximum assistance to disabled veterans who have completed or are participating in a vocational rehabilitation program under such chapter.". 38 USC 1500 *et seq.*

(d) Section 2003A is further amended—

(1) by striking out subsection (d); and

(2) by redesignating subsection (e) as subsection (d) and adding at the end the following new sentence: "The Secretary shall monitor the appointment of disabled veterans' outreach program specialists to ensure compliance with the provisions of subsection (a)(2) of this section with respect to the employment of such specialists.".

ESTIMATES OF FUNDS FOR ADMINISTRATION

38 USC 2006.

SEC. 306. (a) Subsection (a) of section 2006 is amended—

(1) by inserting "and chapters 42 and 43 of this title" after "of this chapter" in the first sentence; and

(2) by adding at the end the following new sentences: "Funds estimated pursuant to the first sentence of this subsection shall include amounts necessary to fund the disabled veterans' outreach program under section 2003A of this title and shall be approved by the Secretary of Labor only if the level of funding proposed is in compliance with such section. Each budget submission with respect to such funds shall include a separate listing of the proposed number, by State, for disabled veterans outreach program specialists appointed under such section. The Secretary shall carry out this subsection through the Assistant Secretary for Veterans' Employment.".

(b) Subsection (d) of such section is amended by inserting a comma and "upon the recommendation of the Assistant Secretary of Labor for Veterans' Employment," after "Secretary of Labor".

ANNUAL REPORT TO CONGRESS

38 USC 2007.

SEC. 307. Section 2007(c) is amended by adding at the end the following new sentence: "The report shall also include a report on activities carried out under section 2003A of this title.".

NATIONAL EMPLOYMENT AND TRAINING PROGRAMS FOR VETERANS

SEC. 308. (a) Chapter 41 is amended by adding at the end the following new sections:

38 USC 2009.

"§ 2009. National veterans' employment and training programs

"(a) The Secretary of Labor shall—

"(1) administer through the Assistant Secretary of Labor for Veterans' Employment all national programs under the jurisdiction of the Secretary for the provision of employment and training services designed to meet the needs of disabled veterans and veterans of the Vietnam era;

"(2) in order to make maximum use of available resources, encourage all such national programs and all grantees under such programs to enter into cooperative arrangements with private industry and business concerns (including small business concerns), educational institutions, trade associations, and labor unions;

"(3) ensure that maximum effectiveness and efficiency are achieved in providing services and assistance to such veterans under all such national programs by coordinating and consulting with the Administrator with respect to programs conducted under other provisions of this title, with particular emphasis on coordination of such national programs with readjustment counseling activities carried out under section 612A of this title, apprenticeship or other on-job training programs carried out under section 1787 of this title, and rehabilitation and training activities carried out under chapter 31 of this title; and

38 USC 1500 *et seq.*

"(4) ensure that job placement activities are carried out in coordination and cooperation with appropriate State public employment service officials.

"(b) Not later than February 1 of each year, the Secretary of Labor shall submit to the Committees on Veterans' Affairs of the House of Representatives and the Senate a report on the operation during the preceding fiscal year of national programs for the provision of employment and training services designed to meet the needs of veterans described in subsection (a) of this section. Each such report shall include an evaluation of the effectiveness of such programs during such fiscal year in meeting the goals established in such subsection, the efficiency with which services were provided under such programs during such year, and such recommendation for further legislative action relating to veterans' employment as the Secretary considers appropriate.

Report to congressional committees.

"§ 2010. Secretary of Labor's Committee on Veterans' Employment

38 USC 2010.

"(a) There is established within the Department of Labor an advisory committee to be known as the 'Secretary's Committee on Veterans' Employment'. The committee shall meet at least quarterly for the purpose of bringing to the attention of the Secretary problems and issues relating to veterans' employment.

Establishment.

"(b) The committee shall be chaired by the Secretary of Labor. The Assistant Secretary of Labor for Veterans' Employment shall serve as vice chairman of the committee. The committee shall include—

Chairman.

Membership.

"(1) representatives of—

"(A) the Administrator;

"(B) the Secretary of Defense;

"(C) the Secretary of Health and Human Services;

"(D) the Director of the Office of Personnel Management;

"(E) the Chairman of the Equal Employment Opportunity Commission; and

"(F) the Administrator of the Small Business Administration; and

"(2) a representative of each of the chartered veterans' organizations having a national employment program.

"(c) Members of the committee shall serve without compensation or other reimbursement for their service on the committee.".

Compensation.

(b) The table of sections at the beginning of such chapter is amended by adding at the end the following new items:

"2009. National veterans' employment and training programs.
"2010. Secretary of Labor's Committee on Veterans' Employment.".

PERSONS ELIGIBLE FOR CHAPTER 42 EMPLOYMENT AND TRAINING PROGRAMS

SEC. 309. Section 2011 is amended—

38 USC 2011.

(1) by inserting "(or who but for the receipt of military retired pay would be entitled to compensation)" in clauses (1) and (3) after "compensation"; and

(2) by striking out the period at the end of clause (5) and inserting in lieu thereof "and the United States Postal Service and the Postal Rate Commission, and the term 'department, agency, or instrumentality in the executive branch' includes the United States Postal Service and the Postal Rate Commission.".

Definition.

REPORTS ON VETERANS' EMPLOYMENT EMPHASIS UNDER FEDERAL CONTRACTS

38 USC 2012.

SEC. 310. (a) Section 2012 is amended by adding at the end the following new subsection:

"(d)(1) Each contractor to whom subsection (a) of this section applies shall, in accordance with regulations which the Secretary shall prescribe, report at least annually to the Secretary on—

"(A) the number of employees in the work force of such contractor, by job category and hiring location, who are veterans of the Vietnam era or special disabled veterans; and

"(B) the total number of new employees hired by the contractor during the period covered by the report and the number of such employees who are veterans of the Vietnam era or special disabled veterans.

"(2) The Secretary shall ensure that the administration of the reporting requirement under paragraph (1) of this subsection is coordinated with respect to any requirement for the contractor to make any other report to the Secretary.".

Regulations. 38 USC 2012 note.

(b) Within 90 days after the date of the enactment of this Act, the Secretary of Labor shall prescribe regulations under subsection (d) of section 2012 of title 38, United States Code, as added by the amendment made by subsection (a).

REPEAL OF EXEMPLARY REHABILITATION CERTIFICATES PROGRAM

SEC. 311. Section 6 of Public Law 90-83, approved September 11, 1967 (29 U.S.C. 601-607), is repealed.

TITLE IV—MISCELLANEOUS PROVISIONS

REMOVAL OF TIME RESTRICTION FOR FILING AN INSURANCE CLAIM; PROHIBITION OF INSURANCE PROCEEDS ESCHEATING TO A STATE

38 USC 770.

SEC. 401. (a) Section 770 is amended—

(1) by striking out the second sentence of subsection (c); and

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

"(h) Insurance payable under this subchapter may not be paid in any amount to the extent that such amount would escheat to a State. Payment of insurance under this subchapter may not be made to the estate of the insured or the estate of any beneficiary of the insured unless it is affirmatively shown that any amount to be paid will not escheat to a State. Any amount to be paid under this subchapter shall be reduced to the extent necessary to comply with this subsection.".

Effective date. 38 USC 770 note.

(b) The amendments made by subsection (a) shall take effect on October 1, 1982.

BURIAL FLAGS

38 USC 901.

SEC. 402. (a) Section 901 is amended by adding at the end the following new subsection:

"(e) The Administrator shall furnish a flag to drape the casket of each deceased person who is buried in a national cemetery by virtue of eligibility for burial in such cemetery under section 1002(6) of this title. After the burial, the flag shall be given to the next of kin or to such other person as the Administrator considers appropriate.".

(b) The amendment made by subsection (a) shall apply with respect to burials after September 30, 1982.

Effective date. 38 USC 901 note.

BURIAL BENEFITS FOR CERTAIN INDIGENT VETERANS WHOSE REMAINS ARE UNCLAIMED

SEC. 403. Section 902(a) is amended by striking out "When a veteran" and all that follows through "the Administrator," and inserting in lieu thereof the following: "In the case of a deceased veteran—

38 USC 902.

"(1) who at the time of death was in receipt of compensation (or but for the receipt of retirement pay would have been entitled to compensation) or was in receipt of pension, or

"(2) who was a veteran of any war or was discharged or released from the active military, naval, or air service for a disability incurred or aggravated in line of duty, whose body is held by a State (or a political subdivision of a State), and with respect to whom the Administrator determines—

"(A) that there is no next of kin or other person claiming the body of the deceased veteran, and

"(B) that there are not available sufficient resources to cover burial and funeral expenses,

the Administrator,".

(b) The amendment made by subsection (a) shall apply with respect to burial and funeral expenses incurred after September 30, 1982.

Effective date. 38 USC 902 note.

CLARIFICATION OF ELIGIBILITY FOR BURIAL BENEFITS FOR CERTAIN VETERANS WHO DIE IN CONTRACT NURSING HOME FACILITIES

SEC. 404. (a) Section 903(a) is amended—

38 USC 903.

(1) by striking out "Where death occurs in a Veterans' Administration facility" and inserting in lieu thereof "When a veteran dies in a Veterans' Administration facility (as defined in section 601(4) of this title)"; and

(2) by inserting "or in an institution at which the deceased veteran was receiving nursing home care under section 620 of this title at the expense of the United States at the time of death" after "of this title".

(b) The amendments made by subsection (a) shall apply with respect to deaths occurring after September 30, 1982.

Effective date. 38 USC 903 note.

SUPERINTENDENTS OF NATIONAL CEMETERIES UNDER THE JURISDICTION OF THE SECRETARY OF THE ARMY

SEC. 405. Notwithstanding section 7(b)(2) of the National Cemeteries Act of 1973 (87 Stat. 88), the provisions of the Act entitled "An Act to provide for selection of superintendents of national cemeteries from meritorious and trustworthy members of the Armed Forces who have been disabled in the line of duty for active field service", approved March 24, 1948, as in effect on the day before the effective date of section 7 of the National Cemeteries Act of 1973, shall not apply with respect to the appointment of the superintendent of a national cemetery under the jurisdiction of the Secretary of the Army.

24 USC 271-276 note.

GUARANTEED LOANS TO REFINANCE LIENS ON MANUFACTURED HOMES AND TO PURCHASE MANUFACTURED-HOME LOTS; CHANGE IN NOMENCLATURE

38 USC 1819.

SEC. 406. (a) Section 1819(a) is amended—

(1) in paragraph (1), by adding at the end the following new clause:

"(G) To refinance in accordance with paragraph (5) of this subsection an existing loan that was made for the purchase of, and that is secured by, a manufactured home and to purchase a lot on which such manufactured home is or will be placed.";

(2) in paragraph (2), by inserting "(other than the refinancing under clause (F) of such paragraph of an existing loan)" after "subsection";

(3) in paragraph (3), by striking out "(C) or (E)" and inserting in lieu thereof "(C), (E), or (G)"; and

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

"(5)(A) For a loan to be guaranteed for the purpose specified in paragraph (1)(G) of this subsection—

"(i) the loan must be secured by the same manufactured home as was the loan being refinanced and such manufactured home must be owned and occupied by the veteran as such veteran's home; and

"(ii) the amount of the loan may not exceed an amount equal to the sum of—

"(I) the purchase price of the lot,

"(II) the amount (if any) determined by the Administrator to be appropriate under paragraph (2) of this subsection to cover the cost of necessary preparation of such lot,

"(III) the balance of the loan being refinanced, and

"(IV) such closing costs (including any discount permitted pursuant to section 1803(c)(3)(E) of this title) as may be authorized by the Administrator, under regulations which the Administrator shall prescribe, to be included in such loan.

Infra.

"(B) When a loan is made to a veteran for the purpose specified in paragraph (1)(G) of this subsection, and the loan being refinanced was guaranteed, insured, or made under this section, the portion of the loan made for the purpose of refinancing such loan may be guaranteed by the Veterans' Administration under this chapter without regard to the amount of outstanding guaranty entitlement available for use by such veteran, and the amount of such veteran's guaranty entitlement shall not be charged as a result of any guaranty provided for such portion of such loan. For the purposes of section 1802(b) of this title, such portion of such loan shall be deemed to have been obtained with the guaranty entitlement used to obtain the loan being refinanced.".

38 USC 1803.

(b) Section 1803(c)(3) is amended—

(1) by striking out "used:" in the matter preceding clause (1) and inserting in lieu thereof "used—";

(2) by striking out "or" at the end of clause (C);

(3) by striking out the period at the end of clause (D) and inserting in lieu thereof a semicolon and "or"; and

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

"(E) to refinance indebtedness and purchase a manufactured-home lot pursuant to section 1819(a)(1)(G) of this title, but only

Supra.

with respect to that portion of the loan used to refinance such indebtedness.".

(c)(1) Section 1811 is amended by striking out "mobile home" in subsections (c)(1) and (d)(1) and inserting in lieu thereof "manufactured home". 38 USC 1811.

(2) Section 1819 is further amended— 38 USC 1819.

(A) by striking out "mobile" each place it appears and inserting in lieu thereof "manufactured";

(B) by striking out "mobile-home" both places it appears in subsection (a)(4)(A)(ii) and inserting in lieu thereof "manufactured-home"; and

(C) by amending the section heading to read as follows:

"§ 1819. Loans to purchase manufactured homes and lots".

(3) The item relating to such section in the table of sections at the beginning of chapter 37 is amended to read as follows:

"1819. Loans to purchase manufactured homes and lots.".

PERIOD FOR REQUEST OF WAIVER OF OVERPAYMENT

SEC. 407. (a) Section 3102(a) is amended— 38 USC 3102.

(1) by striking out "two years" and inserting in lieu thereof "180 days"; and

(2) by inserting a comma and "or within such longer period as the Administrator determines is reasonable in a case in which the payee demonstrates to the satisfaction of the Administrator that such notification was not actually received by such payee within a reasonable period after such date" after "payee".

(b) The amendments made by subsection (a) shall apply only with respect to notifications of indebtedness that are made by the Administrator of Veterans' Affairs after March 31, 1983. Effective date. 38 USC 3102 note.

MINIMUM ACTIVE-DUTY SERVICE REQUIREMENT

SEC. 408. (a) Section 3103A is amended— 95 Stat. 1035. 38 USC 3103A.

(1) by striking out "on or after the date of the enactment of the Veterans' Disability Compensation, Housing, and Memorial Benefits Amendments of 1981" in subsection (b)(2)(B) and inserting in lieu thereof "after October 16, 1981,";

(2) by redesignating subsection (d) as subsection (e) and inserting after subsection (c) the following new subsection (d):

"(d)(1) Notwithstanding any other provision of law and except as provided in paragraph (3) of this subsection, a person described in paragraph (2) of this subsection who is discharged or released from a period of active duty before completing the shorter of—

"(A) 24 months of continuous active duty, or

"(B) the full period for which such person was called or ordered to active duty,

is not eligible by reason of such period of active duty for any benefit under Federal law (other than this title or any other law administered by the Veterans' Administration), and no dependent or survivor of such person shall be eligible for any such benefit by reason of such period of active duty of such person.

"(2) Paragraph (1) of this subsection applies—

"(A) to any person who originally enlists in a regular component of the Armed Forces after September 7, 1980; and

"(B) to any other person who enters on active duty on or after the date of the enactment of this subsection and has not previously completed a continuous period of active duty of at least 24 months or been discharged or released from active duty under section 1171 of title 10.

10 USC 1171.

"(3) Paragraph (1) of this subsection does not apply—

"(A) to any person described in clause (A), (B), or (C) of subsection (b)(3) of this section; or

42 USC 1305.

"(B) with respect to a benefit under (i) the Social Security Act other than additional wages deemed to have been paid, under section 229(a) of the Social Security Act (42 U.S.C. 429(a)), for any calendar quarter beginning on or after the date of the enactment of this subsection, or (ii) title 5 other than a benefit based on meeting the definition of preference eligible in section 2108(3) of such title."; and

5 USC 2108.

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

"(f) Nothing in this section shall be construed to deprive any person of any procedural rights, including any rights to assistance in applying for or claiming a benefit.".

38 USC 3103A note.

(b)(1) Subsection (d) of section 3103A of title 38, United States Code, as added by subsection (a)(2), shall not apply with respect to the receipt by any person of any benefit provided by or pursuant to law before the date of the enactment of this Act.

(2) For the purposes of paragraph (1) of this subsection, additional wages deemed to have been paid under section 229(a) of the Social Security Act (42 U.S.C. 429(a)) shall be considered to be a benefit that was received by a person on the date that such person was discharged or released from active duty (as defined in section 101(21) of title 38, United States Code).

Repeal.

(c)(1) Section 977 of title 10, United States Code, is repealed.

(2) The table of sections at the beginning of chapter 49 of such title is amended by striking out the item relating to section 977.

38 USC 3103A note.

(d) Section 3103A of title 38, United States Code, as amended by subsection (a), is the law with respect to the matters stated in such section and applies, in accordance with its terms, with respect to benefits under Federal law, regardless of the particular title of the United States Code or other law under which any such benefit is provided or the department, agency, or instrumentality which administers any such benefit.

LIMITATIONS ON CONTRACTING OUT ACTIVITIES AT VETERANS' ADMINISTRATION HEALTH-CARE FACILITIES

38 USC 5010 note.

SEC. 409. (a) It is the policy of the United States that the Veterans' Administration—

(1) shall maintain a comprehensive, nationwide health-care system for the direct provision of quality health-care services to eligible veterans; and

(2) shall operate such system through cost-effective means that are consistent with carrying out fully the functions of the Department of Medicine and Surgery of the Veterans' Administration under title 38, United States Code.

38 USC 5010.

(b) Section 5010 is amended by adding at the end the following new subsection:

"(c)(1) Notwithstanding any other provision of law but except as provided in paragraph (3) of this subsection—

"(A) a contract may not be entered into as a result of which an activity at a health-care facility over which the Administrator has direct jurisdiction (hereinafter in this subsection referred to as a 'Veterans' Administration health-care facility') would be converted from an activity performed by Federal employees to an activity performed by employees of a contractor of the Government unless the Chief Medical Director has determined that such activity is not a direct patient care activity or an activity incident to direct patient care; and Limitation.

"(B) in the case of an activity determined by the Chief Medical Director under clause (A) of this paragraph to be neither such activity, the Administrator, after considering the advice of the Chief Medical Director and the results of a study described in paragraph (4) of this subsection, may, in the exercise of the Administrator's sole discretion but subject to paragraph (2) of this subsection, enter into a contract as a result of which the activity would be converted from an activity performed by Federal employees to an activity performed by employees of a contractor of the Government.

"(2) The Administrator may enter into a contract under the circumstances described in paragraph (1)(B) of this subsection only if the Administrator determines—

"(A) based on the study described in paragraph (4) of this subsection with respect to the activity involved, that the cost to the Government of the performance of such activity under such a contract over the first five years of such performance (including the cost to the Government of conducting the study) would be lower by 15 percent or more than the cost of performance of such activity by Federal employees; and

"(B) that the quantity or quality of health-care services provided to eligible veterans by the Veterans' Administration at the facility at which the activity is carried out would be maintained or enhanced as a result of such a contract.

"(3) The provisions of paragraph (1) of this subsection do not apply—

"(A) to a contract or agreement under chapter 17 or section 5011, 5011A, or 5053 of this title or under section 1535 of title 31; or 38 USC 601 *et seq.* 38 USC 5011, *ante*, p. 74, 5053; 31 USC 1535.

"(B) to a contract under section 213 or 4117 of this title if the Chief Medical Director determines that such contract is necessary in order to provide services to eligible veterans at a Veterans' Administration health-care facility that could not otherwise be provided at such facility.

"(4) A study referred to in paragraph (1)(B) of this subsection is a study that— Study.

"(A) compares the cost of performing an activity at a Veterans' Administration health-care facility through Federal employees with the cost of performing such activity through a contractor of the Government;

"(B) is based on an estimate of the most efficient and cost-effective organization for the effective performance of the activity by Federal employees;

"(C) with respect to the costs of performance of such activity through Federal employees, is based (to the maximum extent feasible) on actual cost factors of the Veterans' Administration for pay and retirement and other fringe benefits for the Federal employees who perform the activity; and

"(D) takes into account (i) the costs to the Government (including severance pay) that would result from the separation of employees whose Federal employment may be terminated as a result of the Administrator entering into a contract described in paragraph (1)(B) of this subsection, and (ii) all costs to the Government associated with the contracting process.

Notice, submittal to congressional committees.

"(5) Prior to conducting a study described in paragraph (4) of this subsection, the Administrator shall (in a timely manner) submit to the appropriate committees of the Congress written notice of a decision to study the activity involved for possible performance by a contractor.

Report.

"(6) If, after completion of a study described in paragraph (4) of this subsection, a decision is made to convert performance of the activity involved to contractor performance, the Administrator shall promptly submit to the appropriate committees of the Congress written notice of such decision and a report with respect to such conversion. Each such report shall include—

"(A) a summary of the study described in paragraph (4) of this subsection with respect to such contract;

"(B) a certification that the study itself is available to such committees and that the results of the study meet the requirements of paragraph (2)(A) of this subsection;

"(C) a certification that the requirements of paragraph (2)(B) of this subsection would be met with respect to such contract and a summary of the information that supports such certification;

"(D) if more than 25 jobs are affected, information showing the potential economic impact on the Federal employees affected and the potential economic impact on the local community and the Government of contracting for performance of such activity; and

"(E) information showing the amount of the bid accepted for a contract for the performance of the activity and the cost of performance of such activity by Federal employees, together with the total estimated costs which the Government will incur because of the contract.

"(7) Not later than February 1, 1984, and February 1 of each of the five succeeding years, the Administrator shall submit a written report to Congress describing the extent to which activities at Veterans' Administration health-care facilities were performed by contractors during the preceding fiscal year and the actual cost savings resulting from such contracts.". Report to Congress.

Approved October 14, 1982.

LEGISLATIVE HISTORY—H.R. 6782 (S. 2913):

HOUSE REPORT No. 97-660 (Comm. on Veterans' Affairs).
SENATE REPORT No. 97-550 accompanying S. 2913 (Comm. on Veterans' Affairs).
CONGRESSIONAL RECORD, Vol. 128 (1982):
July 27, considered and passed House.
Sept. 24, considered and passed Senate, amended.
Sept. 28, House concurred in Senate amendments with amendments.
Sept. 29, Senate concurred in House amendments.
WEEKLY COMPILATION OF PRESIDENTIAL DOCUMENTS, Vol. 18, No. 41 (1982):
Oct. 14, Presidential statement.