AMENDMENT TO RULES COMMITTEE PRINT 117–13

OFFERED BY MR. CORREA OF CALIFORNIA

Add at the end of title LX the following new section:

SEC. 60. COLLECTION OF OVERPAYMENTS OF SPECIALLY ADAPTED HOUSING ASSISTANCE.

Section 2102 of title 38, United States Code, is amended by adding at the end the following new subsection:

“(f)(1) Whenever the Secretary finds that an overpayment has been made to, or on behalf of, a person described in paragraph (2), the Secretary shall determine—

“(A) the amounts to recover, if any; and

“(B) who is liable to the United States for such overpayment.

“(2) A person described in this paragraph is any of the following:

“(A) An individual who—

“(i) applied for assistance under this chapter; or

“(ii) under chapter 31 of this title who is pursuing a rehabilitation program under such chapter in acquiring adaptations to a residence.
“(B) An owner or seller of real estate related
to assistance under this chapter.

“(C) A builder, contractor, supplier,
tradesperson, corporation, trust, partnership, or
other person, related to assistance under this chap-
ter.

“(D) An attorney, escrow agent, or financial in-
stitution, that receives, or holds in escrow, funds re-
lating to assistance under this chapter.

“(E) A surviving spouse, heir, assignee, or suc-
cessor in interest of or to, any person described in
this paragraph.

“(3) Any overpayment referred to in this subsection
may be recovered in the same manner as any other debt
due the United States. In recovering the overpayment, the
Secretary may charge administrative costs, fees, and inter-
est, as appropriate, in a manner similar to the authority
under section 5315 of this title.

“(4) The recovery of any overpayment referred to in
this subsection may be waived by the Secretary. Waiver
of any such overpayment as to a person described in para-
graph (2) shall in no way release any other person de-
scribed in such paragraph from liability.

“(5) The Secretary shall waive recovery under this
subsection of any overpayment—
“(A) to a person described in paragraph (2)(A), or a dependent or survivor of such person; and
“(B) that arises from administrative error described in paragraph (7)(A).
“(6) Nothing in this section shall be construed as precluding the imposition of any civil or criminal liability under this title or any other law.
“(7) The Secretary shall prescribe in regulations what constitutes an overpayment for the purposes of this subsection, which, at a minimum, shall include—
“(A) administrative error that results in an individual receiving assistance to which that individual is not entitled;
“(B) the failure of any person described in paragraph (2) to—
“(i) perform or allow to be performed any act relating to assistance under this chapter; or
“(ii) compensate any party performing services or supplying goods relating to assistance under this chapter; and
“(C) any disbursement of funds relating to assistance under this chapter, that, in the sole discretion of the Secretary, constitutes a misuse of such assistance.
“(8) Prior to collecting an overpayment under this subsection, the Secretary shall provide to the person whom the Secretary has determined liable for such overpayment—

“(A) notice of the finding by the Secretary of such overpayment;

“(B) a reasonable opportunity for such person to remedy the circumstances that effectuated the overpayment; and

“(C) a reasonable opportunity for such person to present evidence to the Secretary that an overpayment was not made.

“(9) For the purposes of section 511 of this title, a decision to collect an overpayment from a person other than a person described in paragraph (2)(A), or a dependent or survivor of such person, may not be treated as a decision that affects the provision of benefits.”.