AMENDMENT IN THE NATURE OF A SUBSTITUTE

to H.R. 5620

OFFERED BY MR. TAKANO OF CALIFORNIA

Strike all after the enacting clause and insert the following:

1 SECTION 1. TABLE OF CONTENTS.

The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents.

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Sec. 101. Treatment of whistleblower complaints in Department of Veterans Affairs.

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Sec. 112. Suspension and removal of Department of Veterans Affairs employees for performance or misconduct that is a threat to public health or safety.
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Sec. 241. Disregard of resident slots that include VA training against the Medicare graduate medical education limitations.
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TITLE I—ACCOUNTABILITY

Subtitle A—Whistleblower Protections

SEC. 101. TREATMENT OF WHISTLEBLOWER COMPLAINTS IN DEPARTMENT OF VETERANS AFFAIRS.

(a) IN GENERAL.—Chapter 7 of title 38, United States Code, is amended by adding at the end the following new subchapter:
“SUBCHAPTER II—WHISTLEBLOWER COMPLAINTS

“§ 741. Office of Accountability and Whistleblower Protection

“(a) Establishment.—There is established in the Department an office to be known as the Office of Accountability and Whistleblower Protection (in this section referred to as the ‘Office’).

“(b) Head of Office.—(1) The head of the Office shall be responsible for the functions of the Office and shall be appointed by the President pursuant to section 308(a) of this title.

“(2) The head of the Office shall be known as the ‘Assistant Secretary for Accountability and Whistleblower Protection’.

“(3) The Assistant Secretary shall report directly to the Secretary on all matters relating to the Office.

“(4) Notwithstanding section 308(b) of this title, the Secretary may only assign to the Assistant Secretary responsibilities relating to the functions of the Office set forth in subsection (c).

“(c) Functions.—(1) The functions of the Office are as follows:

“(A) Advising the Secretary on all matters of the Department relating to accountability, including
accountability of employees of the Department, re-
taliation against whistleblowers, and such matters as
the Secretary considers similar and affect public
trust in the Department.

“(B) Issuing reports and providing rec-
ommendations related to the duties described in sub-
paragraph (A).

“(C) Receiving whistleblower disclosures.

“(D) Referring whistleblower disclosures re-
ceived under subparagraph (C) for investigation to
the Office of the Medical Inspector, the Office of In-
spector General, or other investigative entity, as ap-
propriate, if the Assistant Secretary has reason to
believe the whistleblower disclosure is evidence of a
violation of a provision of law, mismanagement,
gross waste of funds, abuse of authority, or a sub-
stantial and specific danger to public health and
safety.

“(E) Receiving and referring disclosures from
the Special Counsel for investigation to the Medical
Inspector of the Department, the Inspector General
of the Department, or such other person with inves-
tigatory authority, as the Assistant Secretary con-
siders appropriate.
“(F) Recording, tracking, reviewing, and confirming implementation of recommendations from audits and investigations carried out by the Inspector General of the Department, the Medical Inspector of the Department, the Special Counsel, and the Comptroller General of the United States, including the imposition of disciplinary actions and other corrective actions contained in such recommendations.

“(G) Analyzing data from the Office and the Office of Inspector General telephone hotlines, other whistleblower disclosures, disaggregated by facility and area of health care if appropriate, and relevant audits and investigations to identify trends and issue reports to the Secretary based on analysis conducted under this subparagraph.

“(H) Receiving, reviewing, and investigating allegations of misconduct, retaliation, or poor performance involving—

“(i) an individual in a senior executive position (as defined in section 713(d) of this title) in the Department;

“(ii) an individual employed in a confidential, policy-making, policy-determining, or policy-advocating position in the Department; or
“(iii) a supervisory employee, if the allegation involves retaliation against an employee for making a whistleblower disclosure.

“(I) Making such recommendations to the Secretary for disciplinary action as the Assistant Secretary considers appropriate after substantiating any allegation of misconduct or poor performance pursuant to an investigation carried out as described in subparagraph (F) or (H).

“(2) In carrying out the functions of the Office, the Assistant Secretary shall ensure that the Office maintains a toll-free telephone number and Internet website to receive anonymous whistleblower disclosures.

“(3) In any case in which the Assistant Secretary receives a whistleblower disclosure from an employee of the Department under paragraph (1)(C), the Assistant Secretary may not disclose the identity of the employee without the consent of the employee, except in accordance with the provisions of section 552a of title 5, or as required by any other applicable provision of Federal law.

“(d) STAFF AND RESOURCES.—The Secretary shall ensure that the Assistant Secretary has such staff, resources, and access to information as may be necessary to carry out the functions of the Office.
“(e) Relation to Office of General Counsel.—The Office shall not be established as an element of the Office of the General Counsel and the Assistant Secretary may not report to the General Counsel.

“(f) Reports.—(1)(A) Not later than June 30 of each calendar year, beginning with June 30, 2017, the Assistant Secretary shall submit to the Committee on Veterans’ Affairs of the Senate and the Committee on Veterans’ Affairs of the House of Representatives a report on the activities of the Office during the calendar year in which the report is submitted.

“(B) Each report submitted under subparagraph (A) shall include, for the period covered by the report, the following:

“(i) A full and substantive analysis of the activities of the Office, including such statistical information as the Assistant Secretary considers appropriate.

“(ii) Identification of any issues reported to the Secretary under subsection (c)(1)(G), including such data as the Assistant Secretary considers relevant to such issues and any trends the Assistant Secretary may have identified with respect to such issues.

“(iii) Identification of such concerns as the Assistant Secretary may have regarding the size, staff-
ing, and resources of the Office and such recom-
mendations as the Assistant Secretary may have for legislative or administrative action to address such concerns.

“(iv) Such recommendations as the Assistant Secretary may have for legislative or administrative action to improve—

“(I) the process by which concerns are reported to the Office; and

“(II) the protection of whistleblowers within the Department.

“(v) Such other matters as the Assistant Secretary considers appropriate regarding the functions of the Office or other matters relating to the Office.

“(2) If the Secretary receives a recommendation for disciplinary action under subsection (c)(1)(I) and does not take or initiate the recommended disciplinary action before the date that is 60 days after the date on which the Secretary received the recommendation, the Secretary shall submit to the Committee on Veterans’ Affairs of the Senate and the Committee on Veterans’ Affairs of the House of Representatives a detailed justification for not taking or initiating such disciplinary action.

“(g) DEFINITIONS.—In this section:
“(1) The term ‘supervisory employee’ means an employee of the Department who is a supervisor as defined in section 7103(a) of title 5.

“(2) The term ‘whistleblower’ means one who makes a whistleblower disclosure.

“(3) The term ‘whistleblower disclosure’ means any disclosure of information by an employee of the Department or individual applying to become an employee of the Department which the employee or individual reasonably believes evidences—

“(A) a violation of a provision of law; or

“(B) gross mismanagement, a gross waste of funds, an abuse of authority, or a substantial and specific danger to public health or safety.

“§ 742. Protection of whistleblowers as criteria in evaluation of supervisors

“(a) Development and use of criteria required.—The Secretary, in consultation with the Assistant Secretary of Accountability and Whistleblower Protection, shall develop criteria that—

“(1) the Secretary shall use as a critical element in any evaluation of the performance of a supervisory employee; and

“(2) promotes the protection of whistleblowers.
“(b) **Principles for Protection of Whistleblowers.**—The criteria required by subsection (a) shall include principles for the protection of whistleblowers, such as the degree to which supervisory employees respond constructively when employees of the Department report concerns, take responsible action to resolve such concerns, and foster an environment in which employees of the Department feel comfortable reporting concerns to supervisory employees or to the appropriate authorities.

“(c) **Supervisory Employee and Whistleblower Defined.**—In this section, the terms ‘supervisory employee’ and ‘whistleblower’ have the meanings given such terms in section 323 of this title.

“§ 743. Training regarding whistleblower disclosures

“(a) **Training.**—Not less frequently than once every two years, the Secretary, in coordination with the Whistleblower Protection Ombudsman designated under section 3(d)(1)(C) of the Inspector General Act of 1978 (5 U.S.C. App.), shall provide to each employee of the Department training regarding whistleblower disclosures, including—

“(1) an explanation of each method established by law in which an employee may file a whistleblower disclosure;
“(2) the right of the employee to petition Congress regarding a whistleblower disclosure in accordance with section 7211 of title 5;

“(3) an explanation that the employee may not be prosecuted or reprised against for disclosing information to Congress, the Inspector General, or another investigatory agency in instances where such disclosure is permitted by law, including under sections 5701, 5705, and 7732 of this title, under section 552a of title 5 (commonly referred to as the Privacy Act), under chapter 93 of title 18, and pursuant to regulations promulgated under section 264(e) of the Health Insurance Portability and Accountability Act of 1996 (Public Law 104–191);

“(4) an explanation of the language that is required to be included in all nondisclosure policies, forms, and agreements pursuant to section 115(a)(1) of the Whistleblower Protection Enhancement Act of 2012 (5 U.S.C. 2302 note); and

“(5) the right of contractors to be protected from reprisal for the disclosure of certain information under section 4705 or 4712 of title 41.

“(b) MANNER TRAINING IS PROVIDED.—The Secretary shall ensure, to the maximum extent practicable,
that training provided under subsection (a) is provided in
person.

“(c) CERTIFICATION.—Not less frequently than once
every two years, the Secretary shall provide training on
merit system protection in a manner that the Special
Counsel certifies as being satisfactory.

“(d) PUBLICATION.—The Secretary shall publish on
the Internet website of the Department, and display
prominently at each facility of the Department, the rights
of an employee to make a whistleblower disclosure, includ-
ing the information described in paragraphs (1) through
(5) of subsection (a).

“(e) WHISTLEBLOWER DISCLOSURE DEFINED.—In
this section, the term ‘whistleblower disclosure’ has the
meaning given such term in section 323 of this title.

“§ 744. Congressional testimony by employees: treat-
ment as official duty

“(a) CONGRESSIONAL TESTIMONY.—An employee of
the Department is performing official duty during the pe-
riod with respect to which the employee is testifying in
an official capacity in front of either chamber of Congress,
a committee of either chamber of Congress, or a joint or
select committee of Congress.

“(b) TRAVEL EXPENSES.—The Secretary shall pro-
vide travel expenses, including per diem in lieu of subsist-
ence, in accordance with applicable provisions under sub-
chapter I of chapter 57 of title 5, to any employee of the
Department of Veterans Affairs performing official duty
described under subsection (a).”.

(b) CONFORMING AND CLERICAL AMENDMENTS.—

(1) CONFORMING AMENDMENT.—Such chapter
is further amended by inserting before section 701
the following:
“SUBCHAPTER I—GENERAL EMPLOYEE
MATTERS”.

(2) CLERICAL AMENDMENTS.—The table of sec-
tions at the beginning of such chapter is amended—

(A) by inserting before the item relating to
section 701 the following new item:
“SUBCHAPTER I—GENERAL EMPLOYEE MATTERS”;

and

(B) by adding at the end the following new
items:
“SUBCHAPTER II—WHISTLEBLOWER COMPLAINTS

741. Office of Accountability and Whistleblower Protection.
742. Protection of whistleblowers as criteria in evaluation of supervisors.
743. Training regarding whistleblower disclosures.
744. Congressional testimony by employees; treatment as official duty”.

(c) REPORT ON METHODS USED TO INVESTIGATE
EMPLOYEES OF DEPARTMENT OF VETERANS AFFAIRS.—

(1) REPORT REQUIRED.—Not later than 540
days after the date of the enactment of this Act, the
Assistant Secretary of Veterans Affairs for Account-
ability and Whistleblower Protection under section 741 of title 38, United States Code, as added by subsection (a), shall submit to the Secretary of Veterans Affairs, the Committee on Veterans’ Affairs of the Senate, and the Committee on Veterans’ Affairs of the House of Representatives a report on methods used to investigate employees of the Department of Veterans Affairs and whether such methods are used to retaliate against whistleblowers.

(2) CONTENTS.—The report required by subsection (a) shall include the following:

(A) An assessment of the use of administrative investigation boards, peer review, searches of medical records, and other methods for investigating employees of the Department.

(B) A determination of whether and to what degree the methods described in paragraph (1) are being used to retaliate against whistleblowers.

(C) Recommendations for legislative or administrative action to implement safeguards to prevent the retaliation described in paragraph (2).

(3) WHISTLEBLOWER DEFINED.—In this section, the term “whistleblower” has the meaning
given such term in section 741 of title 38, United States Code, as added by subsection (a).

Subtitle B—Employees

SEC. 111. REMOVAL OF EMPLOYEES OF DEPARTMENT OF VETERANS AFFAIRS BASED ON PERFORMANCE OR MISCONDUCT.

(a) In general.—Chapter 7 of title 38, United States Code, is further amended by inserting after section 713 the following new section:

§ 715. Employees: removal based on performance or misconduct

“(a) In general.—(1) The Secretary may remove a covered individual who is an employee of the Department if the Secretary determines that—

“(A) the performance or misconduct of the covered individual warrants such removal; and

“(B) in the case of removal for performance, a portion of such performance occurred during the two-year period ending on the date of the determination.

“(2) If the Secretary removes a covered individual under paragraph (1), the Secretary may remove the covered individual from the civil service (as defined in section 2101 of title 5).
“(3) Nothing in this section may be construed to au-
thsorize a finalized performance appraisal of an employee
to be retroactively amended.

“(b) NOTICE TO CONGRESS.—Not later than 30 days
after removing a covered individual under subsection (a),
the Secretary shall submit to the Committees on Veterans’
Affairs of the Senate and House of Representatives notice
in writing of such removal and the reason for such re-
moval.

“(c) PROCEDURE.—(1) An employee removed under
subsection (a) is entitled, before removal, to—

“(A) at least 10 business days written notice
(which, in the case of removal for performance, shall
identify specific instances as described in clause (i)
of section 4303(b)(1)(A) of title 5 and critical ele-
ments as described in clause (ii) of such section),
unless there is reasonable cause to believe that the
employee committed a crime for which a sentence of
imprisonment can be imposed—

“(i) stating the specific reasons for the
proposed action; and

“(ii) including a file containing all evidence
in support of the proposed action;

“(B) 10 business days to answer the charges
orally and in writing and to furnish affidavits and
other documentary evidence in support of the answer;

“(C) be represented by an attorney or other representative;

“(D) a review of the case by the Secretary before a decision adverse to the employee is made final;

“(E) as soon as practicable, a decision of the Secretary with respect to the charges of the employee; and

“(F) a written statement of the decision of the Secretary that—

“(i) includes the specific reasons of the decision; and

“(ii) in the case of a removal based on performance, complies with section 4303(b)(1)(D) of title 5.

“(2)(A) Subject to subparagraph (B) and subsection (e), any final decision of the Secretary regarding removal under subsection (a) may be appealed to the Merit Systems Protection Board.

“(B) An appeal under subparagraph (A) of a removal may only be made if such appeal is made not later than 10 business days after the date of such removal.
“(C)(i) Subject to clause (ii), the decision of the Secretary shall be sustained under subparagraph (A) only if the Secretary’s decision—

“(I) in the case of an action based on performance, is supported by substantial evidence; or

“(II) in any other case, is supported by a preponderance of the evidence.

“(ii) Notwithstanding clause (i), the Secretary’s decision may not be sustained under subparagraph (A) if the covered individual—

“(I) shows harmful error in the application of the Secretary’s procedures in arriving at such decision;

“(II) shows that the decision was based on any prohibited personnel practice described in section 2302(b) of title 5; or

“(III) shows that the decision was not in accordance with law.

“(3) The procedures under section 7513(b) of title 5 and chapter 43 of such title shall not apply to a removal under this section.

“(d) EXPEDITED REVIEW.—(1) The Merit Systems Protection Board shall promulgate such rules as the Board considers appropriate to expedite appeals under subsection (e)(2).
“(2) The Board shall ensure that a final decision on an appeal described in paragraph (1) is issued not later than 90 days after the appeal is made.

“(3) During the period beginning on the date on which a covered individual appeals a removal from the civil service under subsection (c)(2) and ending on the date that the Board issues a final decision on such appeal, such covered individual may not receive any pay, awards, bonuses, incentives, allowances, differentials, student loan repayments, special payments, or benefits.

“(4) To the maximum extent practicable, the Secretary shall provide to the Merit Systems Protection Board such information and assistance as may be necessary to ensure an appeal under subsection (c)(2) is expedited.

“(e) RELATION TO TITLE 5.—The authority provided by this section is in addition to the authority provided by subchapter V of chapter 75 of title 5 and chapter 43 of such title.

“(f) DEFINITIONS.—In this section:

“(1) The term ‘covered individual’ means an individual occupying a position at the Department but does not include—

“(A) an individual, as that term is defined in section 713(d); or
“(B) a political appointee.

“(2) The term ‘misconduct’ includes a violation of paragraph (8) or (9) of section 2302(b) of title 5, neglect of duty, malfeasance, or failure to accept a directed reassignment or to accompany a position in a transfer of function.

“(3) The term ‘political appointee’ means an individual who is—

“(A) employed in a position described under sections 5312 through 5316 of title 5 (relating to the Executive Schedule);

“(B) a limited term appointee, limited emergency appointee, or noncareer appointee in the Senior Executive Service, as defined under paragraphs (5), (6), and (7), respectively, of section 3132(a) of title 5; or

“(C) employed in a position of a confidential or policy-determining character under schedule C of subpart C of part 213 of title 5 of the Code of Federal Regulations.”.

(b) CLERICAL AND CONFORMING AMENDMENTS.—

(1) CLERICAL.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 713 the following new item:

“715. Employees: removal based on performance or misconduct.”.
(2) CONFORMING.—

(A) TITLE 5.—Section 4303(f) of title 5, United States Code, is amended—

(i) in paragraph (2), by striking “or” at the end;

(ii) in paragraph (3), by striking the period at the end and inserting “, or”; and

(iii) by adding at the end the following:

“(4) any removal under section 715 of title 38.”.

(B) TITLE 38.—Subchapter V of chapter 74 of title 38, United States Code, is amended—

(i) in section 7461(b)(1), by striking “If the” and inserting “Except as provided in section 715 of this title, if the”; and

(ii) in section 7462—

(I) in subsection (a)(1), by striking “Disciplinary” and inserting “Except as provided in section 715 of this title, the Disciplinary”; and

(II) in subsection (b)(1), by striking “In any case” and inserting
Except as provided in section 715 of this title, in any case”.

SEC. 112. SUSPENSION AND REMOVAL OF DEPARTMENT OF VETERANS AFFAIRS EMPLOYEES FOR PERFORMANCE OR MISCONDUCT THAT IS A THREAT TO PUBLIC HEALTH OR SAFETY.

(a) In General.—Chapter 7 of title 38, United States Code, is amended by adding after section 713 the following new section:

“§ 715. Employees: suspension and removal for performance or misconduct that is a threat to public health or safety

“(a) Suspension and Removal.—Subject to subsections (b) and (c), the Secretary may—

“(1) suspend without pay an employee of the Department of Veterans Affairs if the Secretary determines the performance or misconduct of the employee is a threat to public health or safety, including the health and safety of veterans; and

“(2) remove an employee suspended under paragraph (1) when, after such investigation and review as the Secretary considers necessary, the Secretary determines that removal is necessary in the interests of public health or safety.
“(b) Procedure.—An employee suspended under subsection (a)(1) is entitled, after suspension and before removal, to—

“(1) within 30 days after suspension, a written statement of the specific charges against the employee, which may be amended within 30 days thereafter;

“(2) an opportunity within 30 days thereafter, plus an additional 30 days if the charges are amended, to answer the charges and submit affidavits;

“(3) a hearing, at the request of the employee, by a Department authority duly constituted for this purpose;

“(4) a review of the case by the Secretary, before a decision adverse to the employee is made final; and

“(5) written statement of the decision of the Secretary.

“(c) Relation to other disciplinary rules.—The authority provided under this section shall be in addition to the authority provided under section 713 and title 5 with respect to disciplinary actions for performance or misconduct.

“(d) Back pay for whistleblowers.—If any employee of the Department of Veterans Affairs is subject
to a suspension or removal under this section and such suspension or removal is determined by an appropriate authority under applicable law, rule, regulation, or collective bargaining agreement to be a prohibited personnel practice described under section 2302(b)(8) or (9) of title 5, such employee shall receive back pay equal to the total amount of basic pay that such employee would have received during the period that the suspension and removal (as the case may be) was in effect, less any amounts earned by the employee through other employment during that period.

“(e) DEFINITIONS.—In this section, the term ‘employee’ means any individual occupying a position within the Department of Veterans Affairs under a permanent or indefinite appointment and who is not serving a probationary or trial period.”.

(b) CLERICAL AND CONFORMING AMENDMENTS.—

(1) CLERICAL.—The table of sections at the beginning of such chapter is amended by adding after the item relating to section 713 the following new item:

“715. Employees: suspension and removal for performance or misconduct that is a threat to public health or safety.”.

(2) CONFORMING.—Section 4303(f) of title 5, United States Code, is amended—
(A) by striking “or” at the end of paragraph (2);

(B) by striking the period at the end of paragraph (3) and inserting “, or”; and

(C) by adding at the end the following:

“(4) any suspension or removal under section 715 of title 38.”.

(c) REPORT ON SUSPENSIONS AND REMOVALS.—Not later than one year after the date of the enactment of this Act, the Inspector General of the Department of Veterans Affairs shall submit to the Committees on Veterans’ Affairs of the House of Representatives and the Senate a report on suspensions and removals of employees of the Department made under section 715 of title 38, United States Code, as added by subsection (a). Such report shall include, with respect to the period covered by the report, the following:

(1) The number of employees who were suspended under such section.

(2) The number of employees who were removed under such section.

(3) A description of the threats to public health or safety that caused such suspensions and removals.
(4) The number of such suspensions or removals, or proposed suspensions or removals, that were of employees who filed a complaint regarding—

   (A) an alleged prohibited personnel practice committed by an officer or employee of the Department and described in section 2302(b)(8) or 2302(b)(9)(A)(i), (B), (C), or (D) of title 5, United States Code; or

   (B) the safety of a patient at a medical facility of the Department.

(5) Of the number of suspensions and removals listed under paragraph (4), the number that the Inspector General considers to be retaliation for whistleblowing.

(6) The number of such suspensions or removals that were of an employee who was the subject of a complaint made to the Department regarding the health or safety of a patient at a medical facility of the Department.

(7) Any recommendations by the Inspector General, based on the information described in paragraphs (1) through (6), to improve the authority to make such suspensions and removals.
SEC. 113. AUTHORITY TO RECOUP BONUSES OR AWARDS PAID TO EMPLOYEES OF DEPARTMENT OF VETERANS AFFAIRS.

(a) IN GENERAL.—Such chapter is further amended by inserting after section 715, as added by section 111, the following new section:

“§ 717. Recoupment of bonuses or awards paid to employees of Department

“(a) RECOUPMENT.—Notwithstanding any other provision of law, the Secretary may issue an order directing an employee of the Department to repay the amount, or a portion of the amount, of any award or bonus paid to the employee under title 5, including under chapters 45 or 53 of such title, or this title if—

“(1) the Secretary determines—

“(A) the employee has committed an act of fraud, waste, or malfeasance;

“(B) but for such act, the award or bonus would have been paid at a lower amount or would not have occurred; and

“(C) such repayment is appropriate pursuant to regulations prescribed under subsection (e); and

“(2) before such repayment, the employee is afforded notice and an opportunity for a hearing con-
ducted by another department or agency of the Federal Government.

“(b) REVIEW.—(1) Upon the issuance of an order by the Secretary under subsection (a), the employee shall be afforded—

“(A) notice of the order and an opportunity to respond to the order; and

“(B) consistent with paragraph (2), an opportunity to appeal the order to another department or agency of the Federal Government.

“(2) If a final decision on an appeal made under paragraph (1)(B) is not made by the applicable department or agency of the Federal Government within 30 days after receiving such appeal, the order of the Secretary under subsection (a) shall be final and not subject to further appeal.

“(c) REGULATIONS.—The Secretary shall prescribe regulations to carry out this section.”.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter, as amended by section 111, is further amended by inserting after the item relating to section 715 the following new item:

“717. Recoupment of bonuses or awards paid to employees of Department.”.

(e) EFFECTIVE DATE.—Section 717 of title 38, United States Code, as added by subsection (a), shall apply with respect to acts of fraud, waste, or malfeasance
occurring on or after the date of the enactment of this Act.

(d) CONSTRUCTION.—Nothing in this title or the amendments made by this title may be construed to modify the certification issued by the Office of Personnel Management and the Office of Management and Budget regarding the performance appraisal system of the Senior Executive Service of the Department of Veterans Affairs.

SEC. 114. AUTHORITY TO RECOUP RELOCATION EXPENSES PAID TO OR ON BEHALF OF EMPLOYEES OF DEPARTMENT OF VETERANS AFFAIRS.

(a) IN GENERAL.—Such chapter is further amended by adding at the end the following new section:

"§ 719. Recoupment of relocation expenses paid on behalf of employees of Department

"(a) RECOUPMENT.—(1) Notwithstanding any other provision of law, the Secretary may direct an employee of the Department to repay the amount, or a portion of the amount, paid to or on behalf of the employee under title 5 for relocation expenses, including any expenses under section 5724 or 5724a of such title, or this title if—

"(A) the Secretary determines that—

"(i) the employee has committed an act of fraud, waste, or malfeasance;
“(ii) but for such act, the expenses would have been paid at a lower amount or would not have occurred; and

“(iii) such repayment is appropriate pursuant to regulations prescribed under subsection (c); and

“(B) before such repayment is ordered, the individual is afforded—

“(i) notice of the determination of the Secretary and an opportunity to respond to the determination; and

“(ii) consistent with paragraph (2), an opportunity to appeal the determination to another department or agency of the Federal Government.

“(2) If a final decision on an appeal made under paragraph (1)(B)(ii) is not made by the applicable department or agency of the Federal Government within 30 days after receiving such appeal, the order of the Secretary under paragraph (1) shall be final and not subject to further appeal.

“(b) REVIEW.—A decision regarding a repayment by an employee pursuant to subsection (a)(1)(B)(ii) is final and may not be reviewed by any department, agency, or court.
“(c) REGULATIONS.—The Secretary shall prescribe regulations to carry out this section.”.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is further amended by adding at the end the following new item:

“719. Recoupment of relocation expenses paid to or on behalf of employees of Department.”.

(c) EFFECTIVE DATE.—Section 719 of title 38, United States Code, as added by subsection (a), shall apply with respect to acts of fraud, waste, or malfeasance occurring on or after the date of the enactment of this Act.

(d) CONSTRUCTION.—Nothing in this section or the amendments made by this section may be construed to modify the certification issued by the Office of Personnel Management and the Office of Management and Budget regarding the performance appraisal system of the Senior Executive Service of the Department of Veterans Affairs.

Subtitle C—Supervisors and Senior Executives

SEC. 121. REDUCTION OF BENEFITS FOR MEMBERS OF THE SENIOR EXECUTIVE SERVICE WITHIN THE DEPARTMENT OF VETERANS AFFAIRS CONVICTED OF CERTAIN CRIMES.

(a) REDUCTION OF BENEFITS.—
(1) IN GENERAL.—Chapter 7 of title 38, United States Code, is further amended by inserting after section 719, as added by section 113, the following new section:

“§ 721. Senior executives: reduction of benefits of individuals convicted of certain crimes

“(a) REDUCTION OF ANNUITY FOR REMOVED EMPLOYEE.—(1) The Secretary shall order that the covered service of an individual removed from a senior executive position for performance or misconduct under section 713 of this title, chapter 43 or subchapter V of chapter 75 of title 5, or any other provision of law shall not be taken into account for purposes of calculating an annuity with respect to such individual under chapter 83 or chapter 84 of title 5, if—

“(A) such performance or misconduct included offenses committed by the individual for which the individual is convicted of a felony (and the conviction is final), as determined by the Director of the Office of Personnel Management; and

“(B) before such order is made, the individual is afforded—

“(i) notice of the order and an opportunity to respond to the order; and
“(ii) consistent with paragraph (2), an opportunity to appeal the order to another department or agency of the Federal Government.

“(2) If a final decision on an appeal made under paragraph (1)(B)(ii) is not made by the applicable department or agency of the Federal Government within 30 days after receiving such appeal, the order of the Secretary under paragraph (1) shall be final and not subject to further appeal.

“(b) REDUCTION OF ANNUITY FOR RETIRED EMPLOYEE.—(1) The Secretary may order that the covered service of an individual who is subject to a removal or transfer action for performance or misconduct under section 713 of this title, chapter 43 or subchapter V of chapter 75 of title 5, or any other provision of law but who leaves employment at the Department prior to the issuance of a final decision with respect to such action shall not be taken into account for purposes of calculating an annuity with respect to such individual under chapter 83 or chapter 84 of title 5, if—

“(A) the individual is convicted of a felony that influenced the individual’s performance while employed in the senior executive position; and

“(B) before such order is made, the individual is afforded notice and an opportunity for a hearing
conducted by another department or agency of the Federal Government.

“(2) The Secretary shall make such an order not later than seven days after the date of the conclusion of a hearing referred to in paragraph (1)(B) that determines that such order is lawful.

“(c) Administrative Requirements.—(1) Not later than 30 days after the Secretary issues an order under subsection (a) or (b), the Director of the Office of Personnel Management shall recalculate the annuity of the individual.

“(2) A decision regarding whether the covered service of an individual shall be taken into account for purposes of calculating an annuity under subsection (a) or (b) is final and may not be reviewed by any department or agency or any court.

“(d) Lump-Sum Annuity Credit.—Any individual with respect to whom an annuity is reduced under subsection (a) or (b) shall be entitled to be paid so much of such individual’s lump-sum credit as is attributable to the period of covered service.

“(e) Spouse or Children Exception.—The Secretary, in consultation with the Director of the Office of Personnel Management, shall prescribe regulations that may provide for the payment to the spouse or children
of any individual referred to in subsection (a) or (b) of
any amounts which (but for this subsection) would other-
wise have been nonpayable by reason of such subsections.
Any such regulations shall be consistent with the require-
ments of section 8332(o)(5) and 8411(l)(5) of title 5, as
the case may be.

“(f) DEFINITIONS.—In this section:

“(1) The term ‘covered service’ means, with re-
spect to an individual subject to a removal or trans-
fer for performance or misconduct under section 713
of this title, chapter 43 or subchapter V of chapter
75 of title 5, or any other provision of law, the pe-
riod of service beginning on the date that the Sec-
retary determines under such applicable provision
that the individual engaged in activity that gave rise
to such action and ending on the date that the indi-
vidual is removed or transferred from the senior ex-
cutive position or leaves employment at the Depart-
ment prior to the issuance of a final decision with
respect to such action, as the case may be.

“(2) The term ‘lump-sum credit’ has the mean-
ing given such term in section 8331(8) or section
8401(19) of title 5, as the case may be.
“(3) The term ‘senior executive position’ has the meaning given such term in section 713(g)(3) of this title.

“(4) The term ‘service’ has the meaning given such term in section 8331(12) or section 8401(26) of title 5, as the case may be.”.

(2) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 7 of such title is amended by inserting after the item relating to section 719, as added by section 113, the following new item:

“721. Senior executives: reduction of benefits of individuals convicted of certain crimes.”.

(b) APPLICATION.—Section 721 of title 38, United States Code, as added by subsection (a)(1), shall apply to any action of removal or transfer under section 713 of title 38, United States Code, relating to performance or misconduct occurring on or after the date of the enactment of this Act.

SEC. 122. IMPROVED AUTHORITIES OF SECRETARY OF VETERANS AFFAIRS TO IMPROVE ACCOUNTABILITY OF SENIOR EXECUTIVES.

(a) ACCOUNTABILITY OF SENIOR EXECUTIVES.—

(1) IN GENERAL.—Section 713 of title 38, United States Code, is amended to read as follows:
§ 713. Accountability of senior executives

“(a) Authority.—(1) The Secretary may, as provided in this section, reprimand or suspend, involuntarily reassign, demote, or remove a covered individual from a senior executive position at the Department if the Secretary determines that the misconduct or performance of the covered individual warrants such action.

“(2) If the Secretary so removes such an individual, the Secretary may remove the individual from the civil service (as defined in section 2101 of title 5).

“(b) Rights and Procedures.—(1) A covered individual who is the subject of an action under subsection (a) is entitled to—

“(A) be represented by an attorney or other representative of the covered individual’s choice;

“(B) not fewer than 10 business days advance written notice of the charges and evidence supporting the action and an opportunity to respond, in a manner prescribed by the Secretary, before a decision is made regarding the action; and

“(C) grieve the action in accordance with an internal grievance process that the Secretary, in consultation with the Assistant Secretary for Accountability and Whistleblower Protection, shall establish for purposes of this subsection.
“(2)(A) The Secretary shall ensure that the grievance process established under paragraph (1)(C) takes fewer than 21 days.

“(B) The Secretary shall ensure that, under the process established pursuant to paragraph (1)(C), grievances are reviewed only by employees of the Department.

“(3) A decision or grievance decision under paragraph (1)(C) shall be final and conclusive.

“(4) A covered individual adversely affected by a final decision under paragraph (1)(C) may obtain judicial review of the decision.

“(5) In any case in which judicial review is sought under paragraph (4), the court shall review the record and may set aside any Department action found to be—

“(A) arbitrary, capricious, an abuse of discretion, or otherwise not in accordance with a provision of law;

“(B) obtained without procedures required by a provision of law having been followed; or

“(C) unsupported by substantial evidence.

“(c) Relation to Other Provisions of Law.—

(1) The authority provided by subsection (a) is in addition to the authority provided by section 3592 or subchapter V of chapter 75 of title 5.
“(2) Section 3592(b)(1) of title 5 and the procedures under section 7543(b) of such title do not apply to an action under subsection (a).

“(d) DEFINITIONS.—In this section:

“(1) The term ‘covered individual’ means—

“(A) a career appointee (as that term is defined in section 3132(a)(4) of title 5); or

“(B) any individual who occupies an administrative or executive position and who was appointed under section 7306(a) or section 7401(1) of this title.

“(2) The term ‘misconduct’ includes neglect of duty, malfeasance, or failure to accept a directed reassignment or to accompany a position in a transfer of function.

“(3) The term ‘senior executive position’ means—

“(A) with respect to a career appointee (as that term is defined in section 3132(a) of title 5), a Senior Executive Service position (as such term is defined in such section); and

“(B) with respect to a covered individual appointed under section 7306(a) or section 7401(1) of this title, an administrative or executive position.”.
Conforming Amendment.—Section 7461(c)(1) of such title is amended by inserting “employees in senior executive positions (as defined in section 713(d) of this title) and” before “interns”.

(b) Performance Management.—

(1) In general.—The Secretary of Veterans Affairs shall establish a performance management system for employees in senior executive positions, as defined in section 713(d) of title 38, United States Code, as amended by subsection (a), that ensures performance ratings and awards given to such employees—

(A) meaningfully differentiate extraordinary from satisfactory contributions; and

(B) substantively reflect organizational achievements over which the employee has responsibility and control.

(2) Regulations.—The Secretary shall prescribe regulations to carry out paragraph (1).

Subtitle D—Other Matters

Sec. 131. Annual Report on Performance of Regional Offices of the Department of Veterans Affairs.

Section 7734 of title 38, United States Code, is amended—
(1) in the first sentence, by inserting before the period the following: “and on the performance of any regional office that fails to meet its administrative goals”;

(2) in paragraph (2), by striking “and”;

(3) by redesignating paragraph (3) as paragraph (4); and

(4) by inserting after paragraph (2) the following new paragraph (3):

“(3) in the case of any regional office that, for the year covered by the report, did not meet the administrative goal of no claim pending for more than 125 days and an accuracy rating of 98 percent—

“(A) a signed statement prepared by the individual serving as director of the regional office as of the date of the submittal of the report containing—

“(i) an explanation for why the regional office did not meet the goal;

“(ii) a description of the additional resources needed to enable the regional office to reach the goal; and

“(iii) a description of any additional actions planned for the subsequent year
that are proposed to enable the regional office to meet the goal; and

“(B) a statement prepared by the Under Secretary for Benefits explaining how the failure of the regional office to meet the goal affected the performance evaluation of the director of the regional office; and”.

TITLE II—HEALTH CARE
Subtitle A—Access to Care

SEC. 201. AUTHORIZATION OF AGREEMENTS BETWEEN THE DEPARTMENT OF VETERANS AFFAIRS AND NON-DEPARTMENT HEALTH CARE PROVIDERS.

(a) In General.—Subchapter I of chapter 17 of title 38, United States Code is amended by inserting after section 1703A the following new section:

“§ 1703B. Veterans Care Agreements

“(a) Agreements To Furnish Care.—(1) If the Secretary is not feasibly able to furnish hospital care, medical services, or extended care under this chapter at facilities of the Department or under contracts or sharing agreements entered into under authorities other than this section, the Secretary may furnish such care and services by entering into agreements under this section with eligible providers that are certified under subsection (c). An
agreement entered into under this section may be referred
to as a ‘Veterans Care Agreement’.

“(2) The Secretary is not feasibly able to furnish care
or services as described in paragraph (1) if the Secretary
determines that the medical condition of the veteran, the
travel involved, the nature of the care or services required,
or a combination of those factors make the use of facilities
of the Department, contracts, or sharing agreements im-
practicable or inadvisable.

“(3) Eligibility of a veteran under this section for the
care or services described in paragraph (1) shall be deter-
mimed as if such care or services were furnished in a facil-
ity of the Department and provisions of this title applica-
table to veterans receiving such care or services in a facility
of the Department shall apply to veterans receiving such
care or services under this section.

“(b) ELIGIBLE PROVIDERS.—For purposes of this
section, an eligible provider is one of the following:

“(1) A provider of services that has enrolled
and entered into a provider agreement under section
1866(a) of the Social Security Act (42 U.S.C.
1395cc(a)).

“(2) A physician or supplier that has enrolled
and entered into a participation agreement under
section 1842(h) of such Act (42 U.S.C. 1395u(h)).
“(3) A provider of items and services receiving payment under a State plan under title XIX of such Act (42 U.S.C. 1396 et seq.) or a waiver of such a plan.

“(4) A provider that is—

“(A) an Aging and Disability Resource Center, an area agency on aging, or a State agency (as defined in section 102 of the Older Americans Act of 1965 (42 U.S.C. 3002)); or

“(B) a center for independent living (as defined in section 702 of the Rehabilitation Act of 1973 (29 U.S.C. 796a)).

“(5) Such other health care providers as the Secretary considers appropriate for purposes of this section.

“(c) CERTIFICATION OF ELIGIBLE PROVIDERS.—(1) The Secretary shall establish a process for the certification of eligible providers under this section that shall, at a minimum, set forth the following:

“(A) Procedures for the submittal of applications for certification and deadlines for actions taken by the Secretary with respect to such applications.

“(B) Standards and procedures for approval and denial of certification, duration of certification, revocation of certification, and recertification.

“(2) The Secretary shall deny or revoke certification to an eligible provider under this subsection if the Secretary determines that the eligible provider is currently—

“(A) excluded from participation in a Federal health care program (as defined in section 1128B(f) of the Social Security Act (42 U.S.C. 1320a–7b(f))) under section 1128 or 1128A of the Social Security Act (42 U.S.C. 1320a–7 and 1320a–7a); or

“(B) identified as an excluded source on the list maintained in the System for Award Management, or any successor system.

“(d) TERMS OF AGREEMENTS.—Each agreement entered into with an eligible provider under this section shall include provisions requiring the eligible provider to do the following:

“(1) To accept payment for care and services furnished under this section at rates established by the Secretary for purposes of this section, which
shall be, to the extent practicable, the rates paid by
the United States for such care and services to pro-
viders of services and suppliers under the Medicare
program under title XVIII of the Social Security Act
(42 U.S.C. 1395 et seq.).

“(2) To accept payment under paragraph (1) as
payment in full for care and services furnished
under this section and to not seek any payment for
such care and services from the recipient of such
care and services.

“(3) To furnish under this section only the care
and services authorized by the Department under
this section unless the eligible provider receives prior
written consent from the Department to furnish care
or services outside the scope of such authorization.

“(4) To bill the Department for care and serv-
ices furnished under this section in accordance with
a methodology established by the Secretary for pur-
poses of this section.

“(5) Not to seek to recover or collect from a
health-plan contract or third party, as those terms
are defined in section 1729 of this title, for any care
or services for which payment is made by the De-
partment under this section.
“(6) To provide medical records for veterans furnished care or services under this section to the Department in a timeframe and format specified by the Secretary for purposes of this section.

“(7) To meet such other terms and conditions, including quality of care assurance standards, as the Secretary may specify for purposes of this section.

“(e) Termination of Agreements.—(1) An eligible provider may terminate an agreement with the Secretary under this section at such time and upon such notice to the Secretary as the Secretary may specify for purposes of this section.

“(2) The Secretary may terminate an agreement with an eligible provider under this section at such time and upon such notice to the eligible provider as the Secretary may specify for purposes of this section, if the Secretary—

“(A) determines that the eligible provider failed to comply substantially with the provisions of the agreement or with the provisions of this section and the regulations prescribed thereunder;

“(B) determines that the eligible provider is—

“(i) excluded from participation in a Federal health care program (as defined in section 1128B(f) of the Social Security Act (42 U.S.C. 1320a–7b(f))) under section 1128 or 1128A of...
the Social Security Act (42 U.S.C. 1320a–7 and 1320a–7a); or

“(ii) identified as an excluded source on the list maintained in the System for Award Management, or any successor system;

“(C) ascertains that the eligible provider has been convicted of a felony or other serious offense under Federal or State law and determines that the continued participation of the eligible provider would be detrimental to the best interests of veterans or the Department; or

“(D) determines that it is reasonable to terminate the agreement based on the health care needs of a veteran or veterans.

“(f) Periodic Review of Certain Agreements.—(1) Not less frequently than once every two years, the Secretary shall review each Veterans Care Agreement of material size entered into during the two-year period preceding the review to determine whether it is feasible and advisable to furnish the hospital care, medical services, or extended care furnished under such agreement at facilities of the Department or through contracts or sharing agreements entered into under authorities other than this section.
“(2)(A) Subject to subparagraph (B), a Veterans Care Agreement is of material size as determined by the Secretary for purposes of this section.

“(B) A Veterans Care Agreement entered into after September 30, 2016, for the purchase of extended care services is of material size if the purchase of such services under the agreement exceeds $1,000,000 annually. The Secretary may adjust such amount to account for changes in the cost of health care based upon recognized health care market surveys and other available data and shall publish any such adjustments in the Federal Register.

“(g) EXCLUSION OF CERTAIN FEDERAL CONTRACTING PROVISIONS.—(1) An agreement under this section may be entered into without regard to any law that would require the Secretary to use competitive procedures in selecting the party with which to enter into the agreement.

“(2)(A) Except as provided in subparagraph (B) and unless otherwise provided in this section or in regulations prescribed pursuant to this section, an eligible provider that enters into an agreement under this section is not subject to, in the carrying out of the agreement, any law to which providers of services and suppliers under the Medicare program under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.) are not subject.
“(B) An eligible provider that enters into an agreement under this section is subject to—

“(i) all laws regarding integrity, ethics, fraud, or that subject a person to civil or criminal penalties; and

“(ii) all laws that protect against employment discrimination or that otherwise ensure equal employment opportunities.

“(h) MONITORING OF QUALITY OF CARE.—The Secretary shall establish a system or systems, consistent with survey and certification procedures used by the Centers for Medicare & Medicaid Services and State survey agencies to the extent practicable—

“(1) to monitor the quality of care and services furnished to veterans under this section; and

“(2) to assess the quality of care and services furnished by an eligible provider for purposes of determining whether to renew an agreement under this section with the eligible provider.

“(i) DISPUTE RESOLUTION.—(1) The Secretary shall establish administrative procedures for eligible providers with which the Secretary has entered an agreement under this section to present any dispute arising under or related to the agreement.
“(2) Before using any dispute resolution mechanism under chapter 71 of title 41 with respect to a dispute arising under an agreement under this section, an eligible provider must first exhaust the administrative procedures established by the Secretary under paragraph (1).”.

(b) REGULATIONS.—The Secretary of Veterans Affairs shall prescribe an interim final rule to carry out section 1703B of such title, as added by subsection (a), not later than one year after the date of the enactment of this Act.

(c) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 17 of such title is amended by inserting after the item related to section 1703A the following new item:

“1703B. Veterans Care Agreements.”.

SEC. 202. MODIFICATION OF AUTHORITY TO ENTER INTO AGREEMENTS WITH STATE HOMES TO PROVIDE NURSING HOME CARE.

(a) USE OF AGREEMENTS.—

(1) IN GENERAL.—Paragraph (1) of subsection (a) of section 1745 of title 38, United States Code, is amended, in the matter preceding subparagraph (A), by striking “a contract (or agreement under section 1720(c)(1) of this title)” and inserting “an agreement”.

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(2) **PAYMENT.**—Paragraph (2) of such subsection is amended by striking “contract (or agreement)” each place it appears and inserting “agreement”.

(b) **EXCLUSION OF CERTAIN FEDERAL CONTRACTING PROVISIONS.**—Such subsection is further amended by adding at the end the following new paragraph:

“(4)(A) An agreement under this section may be entered into without regard to any law that would require the Secretary to use competitive procedures in selecting the party with which to enter into the agreement.

“(B)(i) Except as provided in clause (ii) and unless otherwise provided in this section or in regulations prescribed pursuant to this section, a State home that enters into an agreement under this section is not subject to, in the carrying out of the agreement, any law to which providers of services and suppliers under the Medicare program under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.) are not subject.

“(ii) A State home that enters into an agreement under this section is subject to—

“(I) all laws regarding integrity, ethics, fraud, or that subject a person to civil or criminal penalties; and
“(II) all laws that protect against employment discrimination or that otherwise ensure equal employment opportunities.”.

(c) **EFFECTIVE DATE.**—

(1) **IN GENERAL.**—The amendments made by this section shall apply to agreements entered into under section 1745 of such title on and after the date on which the regulations prescribed by the Secretary of Veterans Affairs to implement such amendments take effect.

(2) **PUBLICATION.**—The Secretary shall publish the date described in paragraph (1) in the Federal Register not later than 30 days before such date.

**SEC. 203. REQUIREMENT FOR ADVANCE APPROPRIATIONS FOR THE CARE IN THE COMMUNITY ACCOUNT OF THE DEPARTMENT OF VETERANS AFFAIRS.**

(a) **IN GENERAL.**—Section 117(c) of title 38, United States Code, is amended by adding at the end the following new paragraph:

“(7) Veterans Health Administration, Care in the Community.”.

(b) **CONFORMING AMENDMENT.**—Section 1105(a)(37) of title 31, United States Code, is amended by adding at the end the following new subparagraph:
“(G) Veterans Health Administration, Care in the Community.”.

(c) APPLICABILITY.—The amendments made by this section shall apply to fiscal years beginning on and after October 1, 2016.

SEC. 204. ANNUAL TRANSFER OF AMOUNTS WITHIN DEPARTMENT OF VETERANS AFFAIRS TO PAY FOR HEALTH CARE FROM NON-DEPARTMENT PROVIDERS.

Section 106 of the Veterans Access, Choice, and Accountability Act of 2014 (Public Law 113–146; 38 U.S.C. 1701 note) is amended by adding at the end the following new subsection:

“(c) ANNUAL TRANSFER OF AMOUNTS.—

“(1) IN GENERAL.—At the beginning of each fiscal year, the Secretary of Veterans Affairs shall transfer to the Chief Business Office of the Veterans Health Administration an amount equal to the amount estimated to be required to furnish hospital care, medical services, and other health care through non-Department of Veterans Affairs providers during that fiscal year.

“(2) ADJUSTMENTS.—During a fiscal year, the Secretary may make adjustments to the amount transferred under paragraph (1) for that fiscal year.
to accommodate any variances in demand for hospital care, medical services, or other health care through non-Department providers.”.

SEC. 205. ELIMINATION OF REQUIREMENT TO ACT AS SECONDARY PAYER FOR CARE RELATING TO NON-SERVICE-CONNECTED DISABILITIES UNDER CHOICE PROGRAM.

(a) In General.—Section 101(e) of the Veterans Access, Choice, and Accountability Act of 2014 (Public Law 113–146; 38 U.S.C. 1701 note) is amended—

(1) by striking paragraphs (2) and (3);

(2) by redesignating paragraph (4) as paragraph (3); and

(3) by inserting after paragraph (1) the following new paragraph (2):

“(2) Responsibility for Costs of Certain Care.—In any case in which an eligible veteran is furnished hospital care or medical services under this section for a non-service-connected disability described in subsection (a)(2) of section 1729 of title 38, United States Code, the Secretary may recover or collect reasonable charges for such care or services from a health-care plan described in paragraph (3) in accordance with such section.”.
(b) CONFORMING AMENDMENT.—Paragraph (1) of such section is amended by striking “paragraph (4)” and inserting “paragraph (3)”.

SEC. 206. AUTHORIZATION OF USE OF CERTAIN AMOUNTS APPROPRIATED TO THE VETERANS CHOICE FUND FOR OTHER NON-DEPARTMENT OF VETERANS AFFAIRS CARE.

(a) IN GENERAL.—Section 802 of the Veterans Access, Choice, and Accountability Act of 2014 (Public Law 113–146; 38 U.S.C. 1701 note) is amended—

(1) in subsection (c)—

(A) in paragraph (1)—

(i) by striking “Except as provided by paragraph (3), any” and inserting “Any”; and

(ii) by striking “by the Secretary of Veterans Affairs” and all that follows through the period at the end and inserting “by the Secretary of Veterans Affairs—

“(A) to carry out section 101, including, subject to paragraph (2), any administrative requirements of such section;

“(B) to furnish health care to individuals under chapter 17 of title 38, United States
Code, at non-Department facilities, including pursuant to authority other than the authority under section 101; and

“(C) to furnish disability examinations conducted by health care providers that are not health care providers of the Department of Veterans Affairs.”; and

(B) by striking paragraph (3) and inserting the following new paragraphs:

“(3) TREATMENT OF AMOUNTS.—Amounts made available to the Secretary under this sub-
section shall be used to supplement, not supplant, amounts made available to the Secretary in the Medical Services account of the Department of Veterans Affairs.

“(4) NON-DEPARTMENT FACILITIES DE-
FINED.—In this subsection, the term ‘non-Depart-
ment facilities’ has the meaning given that term in section 1701 of title 38, United States Code.”; and

(2) in subsection (d)(1), by striking “only for the program” and all that follows through the period at the end and inserting “only for the purposes spec-
ified in subsection (c)(1).”.

(b) EMERGENCY DESIGNATIONS.—
(1) IN GENERAL.—This section is designated as an emergency requirement pursuant to section 4(g) of the Statutory Pay-As-You-Go Act of 2010 (2 U.S.C. 933(g)).

(2) DESIGNATION IN SENATE.—In the Senate, this section is designated as an emergency requirement pursuant to section 403(a) of S. Con. Res. 13 (111th Congress), the concurrent resolution on the budget for fiscal year 2010.

SEC. 207. MODIFICATION OF PROCESS THROUGH WHICH DEPARTMENT OF VETERANS AFFAIRS RECORDS OBLIGATIONS FOR NON-DEPARTMENT CARE.

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

“§ 1730B. Recording obligations for care at non-Department facilities

“The Secretary may record as an obligation of the United States Government amounts owed for hospital care or medical services furnished under this chapter at non-Department facilities on the date on which a claim by a health care provider for payment is approved rather than on the date that the hospital care or medical services are authorized by the Secretary.”.
(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 17 of such title is amended by inserting after the item relating to section 1730A the following new item:

“1730B. Recording obligations for care at non-Department facilities.”

SEC. 208. AUTHORITY TO DISCLOSE CERTAIN MEDICAL RECORDS OF VETERANS WHO RECEIVE NON-DEPARTMENT OF VETERANS AFFAIRS HEALTH CARE.

Section 7332(b)(2) of title 38, United States Code, is amended by adding at the end the following new sub-paragraph:

“(H) To a non-Department entity (including private entities and other departments or agencies of the Federal Government) that provides hospital care or medical treatment to veterans.”.

SEC. 209. CHILD CARE ASSISTANCE FOR VETERANS RECEIVING MENTAL HEALTH CARE AND OTHER INTENSIVE HEALTH CARE SERVICES PROVIDED BY THE DEPARTMENT OF VETERANS AFFAIRS.

(a) IN GENERAL.—Subchapter III of chapter 17 of title 38, United States Code, is further amended by adding at the end the following new section:
§ 1730C. Child care assistance for veterans receiving mental health care and other intensive health care services

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

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

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

(b) Child Care Assistance.—(1) Child care assistance provided under this section may include any of the following:

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

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

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

(D) A collaboration with a facility or program of another Federal department or agency.
“(E) Such other form of assistance as the Secretary considers appropriate.

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

“(e) DEFINITIONS.—In this section:

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

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

“(B) is—

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

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

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

“(A) regular mental health care services;

“(B) intensive mental health care services;

or

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

(b) Clerical Amendment.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 1730B, as added by section 207, the following new item:

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

Subtitle B—Expansion of Care

SEC. 211. IN VITRO FERTILIZATION FOR CERTAIN DISABLED VETERANS.

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

§ 1720H. In vitro fertilization for certain disabled veterans

“(a) In General.—In addition to any fertility treatment otherwise furnished by the Secretary under this title, if the Secretary determines that in vitro fertilization is medically necessary, the Secretary shall furnish in vitro fertilization to the covered individual upon the joint request of the covered individual and the spouse of the covered individual.

“(b) Limitation on Cycles and Attempts.—In furnishing in vitro fertilization to a covered individual under this section, the Secretary may provide not more
than three in vitro fertilization cycles that result in a total of not more than six implantation attempts.

“(c) STORAGE AND DISPOSITION OF GAMETES, ZYGOTES, AND EMBRYOS.—(1) In carrying out this section, the Secretary may provide for cryogenic storage of the gametes, zygotes, and embryos of a covered individual only for a period not to exceed three years.

“(2) During the period of cryogenic storage of the gametes, zygotes, or embryos of a covered individual under paragraph (1)—

“(A) any determination regarding the disposition of the gametes, zygotes, or embryos shall be made by the covered individual in accordance with the laws of the State in which the gametes, zygotes, or embryos are located; and

“(B) the Secretary shall ensure that any activities relating to the custody or disposition of the gametes, zygotes, or embryos are carried out in accordance with the laws of the State in which the gametes, zygotes, or embryos are located.

“(3) After the period of cryogenic storage of the gametes, zygotes, or embryos of a covered individual under paragraph (1), the covered individual—

“(A) shall be solely responsible for—
“(i) the custody of the gametes, zygotes, or embryos; and

“(ii) the payment of any costs relating to the cryogenic storage of the gametes, zygotes, or embryos; and

“(B) shall, with respect to any action or inaction by the covered individual relating to custody under subparagraph (A)(i) or costs under subparagraph (A)(ii), be subject to the laws of the State in which the gametes, zygotes, or embryos are located.

“(4) The Secretary may not possess or store the gametes, zygotes, or embryos of a covered individual at a facility of the Department.

“(d) Prohibitions.—In carrying out this section, the Secretary may not—

“(1) provide any benefits or services relating to surrogacy;

“(2) furnish in vitro fertilization that includes mitochondrial donation;

“(3) assist with obtaining a donation of gametes, zygotes, or embryos from a third party; or

“(4) use gametes, zygotes, or embryos for research or cloning.

“(e) Acknowledgment of Requirements.—The Secretary may not furnish in vitro fertilization to a covered individual without the express written consent of the individual, which consent shall be in a durable form and shall be maintained by the Secretary.
ered individual under this section unless the covered indi-
vidual acknowledges, in writing—

“(1) the limitation described in subsection (b); and

“(2) the period of cryogenic storage of gametes, zygotes, and embryos described in subsection (c)(1) and the responsibilities of the covered individual under subsection (c)(3) after such period.

“(f) ANNUAL REPORT.—(1) Not later than one year after the date of the enactment of the Women Veterans and Families Health Services Act of 2015, and not less frequently than annually thereafter, the Secretary shall submit to the Committee on Veterans’ Affairs of the Senate and the Committee on Veterans’ Affairs of the House of Representatives a report on in vitro fertilization furnished to covered individuals under this section.

“(2) Each report submitted under paragraph (1) shall include the following:

“(A) With respect to the year preceding the submittal of the report, the following:

“(i) The number of covered individuals who sought in vitro fertilization under this section.

“(ii) An identification, in aggregate form and excluding individually identifying informa-
tion, of the service-connected conditions described in subsection (g)(1)(A)(ii) of such covered individuals.

“(iii) The cost of furnishing in vitro fertilization under this section and a comparison of such cost to the cost to a covered individual of obtaining in vitro fertilization through the private sector without assistance from the Department.

“(iv) The number of successful implantations or births that occurred through the use of in vitro fertilization furnished under this section.

“(v) The number of individuals that the Secretary determined were ineligible for in vitro fertilization furnished under this section, including the reasons for such ineligibility.

“(B) The total number, in aggregate form and excluding individually identifying information, of in vitro fertilization cycles and implantation attempts furnished to covered individuals under this section and the total number of such cycles and attempts that such covered individuals have remaining.

“(g) DEFINITIONS.—In this section:

“(1) The term ‘covered individual’ means—
“(A) a veteran, regardless of sex, who—

“(i) is enrolled in the system of annual patient enrollment established and operated by the Secretary under section 1705(a) of this title; and

“(ii) has a service-connected condition and such condition results in the veteran being unable to procreate without the use of in vitro fertilization; and

“(B) a spouse of a veteran described in subparagraph (A).

“(2) The term ‘service-connected condition’ means a condition that was incurred or aggravated in line of duty in the active military, naval, or air service.”.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 17 of such title is amended by inserting after the item relating to section 1720G the following new item:

“1720H. In vitro fertilization for certain disabled veterans.”.

SEC. 212. ADOPTION ASSISTANCE FOR CERTAIN DISABLED VETERANS.

(a) IN GENERAL.—Subchapter II of chapter 17 of title 38, United States Code is further amended by adding at the end the following new section:
§ 17201. Adoption assistance for certain disabled veterans

(a) In general.—The Secretary may pay an amount, not to exceed the limitation amount, to assist a covered veteran and the spouse of the covered veteran, if any, in the adoption of one or more children.

(b) Definitions.—In this section:

(1) The term ‘covered veteran’ means a veteran, regardless of sex, who—

(A) is enrolled in the system of annual patient enrollment established and operated by the Secretary under section 1705(a) of this title; and

(B) has a service-connected condition and such condition results in the veteran being unable to procreate without the use of in vitro fertilization.

(2) The term ‘limitation amount’ means the amount equal to the cost the Department would incur by paying the expenses of three adoptions by covered veterans, as determined by the Secretary.

(3) The term ‘service-connected condition’ means a condition that was incurred or aggravated in line of duty in the active military, naval, or air service.”.
(b) Clerical Amendment.—The table of sections at the beginning of chapter 17 of such title is further amended by inserting after the item relating to section 1720H the following new item:

“1720I. Adoption assistance for certain disabled veterans.”

SEC. 213. EXPANSION OF ELIGIBILITY FOR PARTICIPATION IN AND SERVICES PROVIDED UNDER FAMILY CAREGIVER PROGRAM OF DEPARTMENT OF VETERANS AFFAIRS.

(a) Family Caregiver Program.—

(1) Expansion of eligibility.—Subsection (a)(2)(B) of section 1720G of title 38, United States Code, is amended by striking “on or after September 11, 2001”.

(2) Clarification of eligibility for illness.—Such subsection is further amended by inserting “or illness” after “serious injury”.

(3) Expansion of needed services in eligibility criteria.—Subsection (a)(2)(C) of such section is amended—

(A) in clause (ii), by striking “; or” and inserting a semicolon;

(B) by redesignating clause (iii) as clause (iv); and

(C) by inserting after clause (ii) the following new clause (iii):
“(iii) a need for regular or extensive instruction or supervision without which the ability of the veteran to function in daily life would be seriously impaired; or”.

(4) EXPANSION OF SERVICES PROVIDED.—Subsection (a)(3)(A)(ii) of such section is amended—

(A) in subclause (IV), by striking ‘‘; and’’ and inserting a semicolon;

(B) in subclause (V), by striking the period at the end and inserting a semicolon; and

(C) by adding at the end the following new subclauses:

“(VI) child care services or a monthly stipend for such services if such services are not readily available from the Department;

“(VII) financial planning services relating to the needs of injured and ill veterans and their caregivers; and

“(VIII) legal services, including legal advice and consultation, relating to the needs of injured and ill veterans and their caregivers.”.

(5) EXPANSION OF RESPITE CARE PROVIDED.—Subsection (a)(3)(B) of such section is amended by striking “shall be” and all that follows through the period at the end and inserting “shall—
“(i) be medically and age-appropriate;
“(ii) include in-home care; and
“(iii) include peer-oriented group activities.”.

(6) MODIFICATION OF STIPEND CALCULATION.—Subsection (a)(3)(C) of such section is amended—

(A) by redesignating clause (iii) as clause (iv); and

(B) by inserting after clause (ii) the following new clause (iii):

“(iii) In determining the amount and degree of personal care services provided under clause (i) with respect to an eligible veteran whose need for personal care services is based in whole or in part on a need for supervision or protection under paragraph (2)(C)(ii) or regular instruction or supervision under paragraph (2)(C)(iii), the Secretary shall take into account the following:

“(I) The assessment by the family caregiver of the needs and limitations of the veteran.

“(II) The extent to which the veteran can function safely and independently in the absence of such supervision, protection, or instruction.

“(III) The amount of time required for the family caregiver to provide such supervision, protection, or instruction to the veteran.”.
(7) Periodic evaluation of need for certain services.—Subsection (a)(3) of such section is amended by adding at the end the following new subparagraph:

“(D) In providing instruction, preparation, and training under subparagraph (A)(i)(I) and technical support under subparagraph (A)(i)(II) to each family caregiver who is approved as a provider of personal care services for an eligible veteran under paragraph (6), the Secretary shall periodically evaluate the needs of the eligible veteran and the skills of the family caregiver of such veteran to determine if additional instruction, preparation, training, or technical support under those subparagraphs is necessary.”.

(8) Use of primary care teams.—Subsection (a)(5) of such section is amended, in the matter preceding subparagraph (A), by inserting “(in collaboration with the primary care team for the eligible veteran to the maximum extent practicable)” after “evaluate”.

(9) Eligibility of and assistance for family caregivers.—Subsection (a) of such section is amended by adding at the end the following new paragraphs:
“(11) Notwithstanding any other provision of this subsection, a family caregiver of an eligible veteran who is eligible under paragraph (2) solely because of a serious injury or illness (including traumatic brain injury, psychological trauma, or other mental disorder) incurred or aggravated in the line of duty in the active military, naval, or air service before September 11, 2001, is eligible for assistance under this subsection as follows:

“(A) Not earlier than October 1, 2016, if the family caregiver would merit a monthly personal caregiver stipend under paragraph (3)(A)(ii)(V) in an amount that is in the highest tier specified in the schedule established by the Secretary under paragraph (3)(C)(i).

“(B) Not earlier than October 1, 2018, if the family caregiver would merit such a stipend in an amount that is in the middle tier specified in such schedule.

“(C) Not earlier than October 1, 2020, if the family caregiver would merit such a stipend in an amount that is in the lowest tier specified in such schedule.

“(12)(A) In providing assistance under this subsection to family caregivers of eligible veterans, the Secretary may enter into contracts, provider agreements, and
memoranda of understanding with Federal agencies, States, and private, nonprofit, and other entities to provide such assistance to such family caregivers.

“(B) The Secretary may provide assistance under this paragraph only if such assistance is reasonably accessible to the family caregiver and is substantially equivalent or better in quality to similar services provided by the Department.

“(C) The Secretary may provide fair compensation to Federal agencies, States, and other entities that provide assistance under this paragraph.

“(D) In carrying out this paragraph, the Secretary shall work with the interagency working group on policies relating to caregivers of veterans and members of the Armed Forces established under section 7 of the Military and Veteran Caregiver Services Improvement Act of 2015.”.

(b) Termination of General Caregiver Support Program.—

(1) In general.—Subsection (b) of such section is amended by adding at the end the following new paragraph:

“(6) The authority of the Secretary to provide support services for caregivers of covered veterans under this subsection shall terminate on October 1, 2020.”.
(2) Continuation of certain assistance.—

The Secretary of Veterans Affairs shall ensure that any activities carried out under subsection (b) of such section on September 30, 2020, are continued under subsection (a) of such section on and after October 1, 2020.

(c) Modification of definition of family member.—Subparagraph (B) of subsection (d)(3) of such section is amended to read as follows:

“(B) is not a member of the family of the veteran and does not provide care to the veteran on a professional basis.”.

(d) Modification of definition of personal care services.—Subsection (d)(4) of such section is amended—

(1) in subparagraph (A), by striking “independent”;

(2) by redesignating subparagraph (B) as subparagraph (D); and

(3) by inserting after subparagraph (A) the following new subparagraphs:

“(B) Supervision or protection based on symptoms or residuals of neurological or other impairment or injury.
“(C) Regular or extensive instruction or supervision without which the ability of the veteran to function in daily life would be seriously impaired.”.

(e) ANNUAL EVALUATION REPORT.—Paragraph (2) of section 101(c) of the Caregivers and Veterans Omnibus Health Services Act of 2010 (Public Law 111–163; 38 U.S.C. 1720G note) is amended to read as follows:

“(2) CONTENTS.—Each report required by paragraph (1) after the date of the enactment of the Military and Veteran Caregiver Services Improvement Act of 2015 shall include the following with respect to the program of comprehensive assistance for family caregivers required by subsection (a)(1) of such section 1720G:

“(A) The number of family caregivers that received assistance under such program.

“(B) The cost to the Department of providing assistance under such program.

“(C) A description of the outcomes achieved by, and any measurable benefits of, carrying out such program.

“(D) An assessment of the effectiveness and the efficiency of the implementation of such program, including a description of any barriers
to accessing and receiving care and services under such program.

“(E) A description of the outreach activities carried out by the Secretary under such program.

“(F) An assessment of the manner in which resources are expended by the Secretary under such program, particularly with respect to the provision of monthly personal caregiver stipends under subsection (a)(3)(A)(ii)(V) of such section 1720G.

“(G) An evaluation of the sufficiency and consistency of the training provided to family caregivers under such program in preparing family caregivers to provide care to veterans under such program.

“(H) Such recommendations, including recommendations for legislative or administrative action, as the Secretary considers appropriate in light of carrying out such program.”
SEC. 214. AUTHORITY TO TRANSFER ENTITLEMENT TO POST-9/11 EDUCATIONAL ASSISTANCE TO FAMILY MEMBERS BY SERIOUSLY INJURED VETERANS IN NEED OF PERSONAL CARE SERVICES.

(a) IN GENERAL.—Subchapter II of chapter 33 of title 38, United States Code, is amended by adding at the end the following new section:

§3319A. Authority to transfer unused education benefits to family members by seriously injured veterans

“(a) IN GENERAL.—Subject to the provisions of this section, the Secretary may permit an individual described in subsection (b) who is entitled to educational assistance under this chapter to elect to transfer to one or more of the dependents specified in subsection (c) a portion of such individual’s entitlement to such assistance, subject to the limitation under subsection (d).

“(b) ELIGIBLE INDIVIDUALS.—An individual referred to in subsection (a) is any individual who is described in paragraph (2) of section 1720G(a) of this title and who is participating in the program established under paragraph (1) of such section.

“(c) ELIGIBLE DEPENDENTS.—An individual approved to transfer an entitlement to educational assistance
under this section may transfer the individual’s entitle-
ment as follows:

“(1) To the individual’s spouse.

“(2) To one or more of the individual’s chil-
dren.

“(3) To a combination of the individuals re-
ferred to in paragraphs (1) and (2).

“(d) LIMITATION ON MONTHS OF TRANSFER.—(1) The total number of months of entitlement transferred by
a individual under this section may not exceed 36 months.

“(2) The Secretary may prescribe regulations that
would limit the months of entitlement that may be trans-
ferred under this section to no less than 18 months.

“(e) DESIGNATION OF TRANSFEREE.—An individual
transferring an entitlement to educational assistance
under this section shall—

“(1) designate the dependent or dependents to
whom such entitlement is being transferred;

“(2) designate the number of months of such
entitlement to be transferred to each such depend-
ent; and

“(3) specify the period for which the transfer
shall be effective for each dependent designated
under paragraph (1).
“(f) TIME FOR TRANSFER; REVOCATION AND MODIFICATION.—(1) Transfer of entitlement to educational assistance under this section shall be subject to the time limitation for use of entitlement under section 3321 of this title.

“(2)(A) An individual transferring entitlement under this section may modify or revoke at any time the transfer of any unused portion of the entitlement so transferred.

“(B) The modification or revocation of the transfer of entitlement under this paragraph shall be made by the submittal of written notice of the action to the Secretary.

“(3) Entitlement transferred under this section may not be treated as marital property, or the asset of a marital estate, subject to division in a divorce or other civil proceeding.

“(g) COMMENCEMENT OF USE.—A dependent child to whom entitlement to educational assistance is transferred under this section may not commence the use of the transferred entitlement until either—

“(1) the completion by the child of the requirements of a secondary school diploma (or equivalency certificate); or

“(2) the attainment by the child of 18 years of age.
“(h) ADDITIONAL ADMINISTRATIVE MATTERS.—(1) The use of any entitlement to educational assistance transferred under this section shall be charged against the entitlement of the individual making the transfer at the rate of one month for each month of transferred entitlement that is used.

“(2) Except as provided under subsection (e)(2) and subject to paragraphs (5) and (6), a dependent to whom entitlement is transferred under this section is entitled to educational assistance under this chapter in the same manner as the individual from whom the entitlement was transferred.

“(3) The monthly rate of educational assistance payable to a dependent to whom entitlement referred to in paragraph (2) is transferred under this section shall be payable at the same rate as such entitlement would otherwise be payable under this chapter to the individual making the transfer.

“(4) The death of an individual transferring an entitlement under this section shall not affect the use of the entitlement by the dependent to whom the entitlement is transferred.

“(5)(A) A child to whom entitlement is transferred under this section may use the benefits transferred without regard to the 15-year delimiting date specified in sec-
tion 3321 of this title, but may not, except as provided in subparagraph (B), use any benefits so transferred after attaining the age of 26 years.

“(B)(i) Subject to clause (ii), in the case of a child who, before attaining the age of 26 years, is prevented from pursuing a chosen program of education by reason of acting as the primary provider of personal care services for a veteran or member of the Armed Forces under section 1720G(a) of this title, the child may use the benefits beginning on the date specified in clause (iii) for a period whose length is specified in clause (iv).

“(ii) Clause (i) shall not apply with respect to the period of an individual as a primary provider of personal care services if the period concludes with the revocation of the individual’s designation as such a primary provider under section 1720G(a)(7)(D) of this title.

“(iii) The date specified in this clause for the beginning of the use of benefits by a child under clause (i) is the later of—

“(I) the date on which the child ceases acting as the primary provider of personal care services for the veteran or member concerned as described in clause (i);

“(II) the date on which it is reasonably feasible, as determined under regulations prescribed by the
Secretary, for the child to initiate or resume the use of benefits; or

“(III) the date on which the child attains the age of 26 years.

“(iv) The length of the period specified in this clause for the use of benefits by a child under clause (i) is the length equal to the length of the period that—

“(I) begins on the date on which the child begins acting as the primary provider of personal care services for the veteran or member concerned as described in clause (i); and

“(II) ends on the later of—

“(aa) the date on which the child ceases acting as the primary provider of personal care services for the veteran or member as described in clause (i); or

“(bb) the date on which it is reasonably feasible, as so determined, for the child to initiate or resume the use of benefits.

“(6) The purposes for which a dependent to whom entitlement is transferred under this section may use such entitlement shall include the pursuit and completion of the requirements of a secondary school diploma (or equivalency certificate).
“(7) The administrative provisions of this chapter shall apply to the use of entitlement transferred under this section, except that the dependent to whom the entitlement is transferred shall be treated as the eligible individual for purposes of such provisions.

“(i) OVERPAYMENT.—In the event of an overpayment of educational assistance with respect to a dependent to whom entitlement is transferred under this section, the dependent and the individual making the transfer shall be jointly and severally liable to the United States for the amount of the overpayment for purposes of section 3685 of this title.

“(j) REGULATIONS.—(1) The Secretary shall prescribe regulations to carry out this section.

“(2) Such regulations shall specify—

“(A) the manner of authorizing the transfer of entitlements under this section;

“(B) the eligibility criteria in accordance with subsection (b); and

“(C) the manner and effect of an election to modify or revoke a transfer of entitlement under subsection (f)(2).”.

(b) CONFORMING AMENDMENTS.—

(1) TRANSFERS BY MEMBERS OF ARMED FORCES.—The heading of section 3319 of such title
is amended by inserting “by members of the Armed Forces” after “family members”.

(2) Bar to duplication of educational assistance benefits.—Section 3322(e) of such title is amended by inserting “or 3319A” after “and 3319”.

(e) Clerical Amendment.—The table of sections at the beginning of chapter 33 of such title is amended by striking the item relating to section 3319 and inserting the following new items:

“3319. Authority to transfer unused education benefits to family members by members of the Armed Forces.
“3319A. Authority to transfer unused education benefits to family members by seriously injured veterans.”.

SEC. 215. ENHANCEMENT OF SPECIAL COMPENSATION FOR MEMBERS OF THE UNIFORMED SERVICES WITH INJURIES OR ILLNESSES REQUIRING ASSISTANCE IN EVERYDAY LIVING.

(a) Expansion of covered members.—Subsection (b) of section 439 of title 37, United States Code, is amended—

(1) by striking paragraphs (1) through (3) and inserting the following new paragraphs:

“(1) has a serious injury or illness that was incurred or aggravated in the line of duty;
“(2) is in need of personal care services (including supervision or protection or regular instruction
or supervision) as a result of such injury or illness;

(2) by redesignating paragraph (4) as paragraph (3).

(b) NONTAXABILITY OF SPECIAL COMPENSATION.—

Such section is further amended—

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

(2) by inserting after subsection (d) the following new subsection (e):

“(e) NONTAXABILITY OF COMPENSATION.—Monthly special compensation paid under subsection (a) shall not be included in income for purposes of the Internal Revenue Code of 1986.”.

(e) PROVISION OF ASSISTANCE TO FAMILY CAREGIVERS.—Such section is further amended by inserting after subsection (e), as amended by subsection (b) of this section, the following new subsection (f):

“(f) ASSISTANCE FOR FAMILY CAREGIVERS.—(1) The Secretary of Veterans Affairs shall provide family caregivers of a member in receipt of monthly special compensation under subsection (a) the assistance required to be provided to family caregivers of eligible veterans under section 1720G(a)(3)(A) of title 38 (other than the monthly
personal caregiver stipend provided for in clause (ii)(V) of such section). For purposes of the provision of such assistance under this subsection, the definitions in section 1720G(d) of title 38 shall apply, except that any reference in such definitions to a veteran or eligible veteran shall be deemed to be a reference to the member concerned.

“(2) The Secretary of Veterans Affairs shall provide assistance under this subsection—

“(A) in accordance with a memorandum of understanding entered into by the Secretary of Veterans Affairs and the Secretary of Defense; and

“(B) in accordance with a memorandum of understanding entered into by the Secretary of Veterans Affairs and the Secretary of Homeland Security (with respect to members of the Coast Guard).”.

(d) EXPANSION OF COVERED INJURIES AND ILLNESSES.—Subsection (i) of such section, as redesignated by subsection (b)(1) of this section, is amended to read as follows:

“(i) SERIOUS INJURY OR ILLNESS DEFINED.—In this section, the term ‘serious injury or illness’ means an injury, disorder, or illness (including traumatic brain injury, psychological trauma, or other mental disorder) that—
“(1) renders the afflicted person unable to carry out one or more activities of daily living;

“(2) renders the afflicted person in need of supervision or protection due to the manifestation by such person of symptoms or residuals of neurological or other impairment or injury;

“(3) renders the afflicted person in need of regular or extensive instruction or supervision in completing two or more instrumental activities of daily living; or

“(4) otherwise impairs the afflicted person in such manner as the Secretary of Defense (or the Secretary of Homeland Security, with respect to the Coast Guard) prescribes for purposes of this section.”.

(e) CLERICAL AMENDMENTS.—

(1) HEADING AMENDMENT.—The heading for such section is amended to read as follows:

“§ 439. Special compensation: members of the uniformed services with serious injuries or illnesses requiring assistance in everyday living”.

(2) TABLE OF SECTIONS AMENDMENT.—The table of sections at the beginning of chapter 7 of
such title is amended by striking the item relating
to section 439 and inserting the following new item:

"439. Special compensation: members of the uniformed services with serious in-
juries or illnesses requiring assistance in everyday living."

SEC. 216. FLEXIBLE WORK ARRANGEMENTS FOR CERTAIN
FEDERAL EMPLOYEES.

(a) DEFINITION OF COVERED EMPLOYEE.—In this
section, the term "covered employee" means an employee
(as defined in section 2105 of title 5, United States Code)
who—

(1) is a caregiver, as defined in section 1720G
of title 38, United States Code; or

(2) is a caregiver of an individual who receives
compensation under section 439 of title 37, United
States Code.

(b) AUTHORITY TO ALLOW FLEXIBLE WORK AR-
RANGEMENTS.—The Director of the Office of Personnel
Management may promulgate regulations under which a
covered employee may—

(1) use a flexible schedule or compressed sched-
ule in accordance with subchapter II of chapter 61
of title 5, United States Code; or

(2) telework in accordance with chapter 65 of
title 5, United States Code.
SEC. 217. LIFESPAN RESPITE CARE.

(a) DEFINITIONS.—Section 2901 of the Public Health Service Act (42 U.S.C. 300ii) is amended—

(1) in paragraph (1)—

(A) by redesignating subparagraphs (A) through (C) as clauses (i) through (iii), respectively, and realigning the margins accordingly;

(B) by striking “who requires care or supervision to—” and inserting “who—

“(A) requires care or supervision to—”;

(C) by striking the period and inserting “; or”; and

(D) by adding at the end the following:

“(B) is a veteran participating in the program of comprehensive assistance for family caregivers under section 1720G(a) of title 38, United States Code.”; and

(2) in paragraph (5), by striking “or another unpaid adult,” and inserting “another unpaid adult, or a family caregiver as defined in section 1720G of title 38, United States Code, who receives compensation under such section,”.

(b) GRANTS AND COOPERATIVE AGREEMENTS.—Section 2902(c) of the Public Health Service Act (42 U.S.C. 300ii–1(c)) is amended by inserting “and the interagency working group on policies relating to caregivers of vet-
erans established under section 7 of the Military and Veteran Caregiver Services Improvement Act of 2015” after “Human Services”.

(c) Authorization of Appropriations.—Section 2905 of the Public Health Service Act (42 U.S.C. 300ii–4) is amended by striking “There are” and all that follows through “2011.” and inserting “There are authorized to be appropriated to carry out this title $15,000,000 for each of fiscal years 2016 through 2020.”.

SEC. 218. INTERAGENCY WORKING GROUP ON CAREGIVER POLICY.

(a) Establishment.—There shall be established in the executive branch an interagency working group on policies relating to caregivers of veterans and members of the Armed Forces (in this section referred to as the “working group”).

(b) Composition.—

(1) In general.—The working group shall be composed of the following:

(A) A chair selected by the President.

(B) A representative from each of the following agencies or organizations selected by the head of such agency or organization:

(i) The Department of Veterans Affairs.
(ii) The Department of Defense.

(iii) The Department of Health and Human Services.

(iv) The Department of Labor.

(v) The Centers for Medicare and Medicaid Services.

(2) ADVISORS.—The chair may select any of the following individuals that the chair considers appropriate to advise the working group in carrying out the duties of the working group:

(A) Academic experts in fields relating to caregivers.

(B) Clinicians.

(C) Caregivers.

(D) Individuals in receipt of caregiver services.

(c) DUTIES.—The duties of the working group are as follows:

(1) To regularly review policies relating to caregivers of veterans and members of the Armed Forces.

(2) To coordinate and oversee the implementation of policies relating to caregivers of veterans and members of the Armed Forces.
(3) To evaluate the effectiveness of policies relating to caregivers of veterans and members of the Armed Forces, including programs in each relevant agency, by developing and applying specific goals and performance measures.

(4) To develop standards of care for caregiver services and respite care services provided to a caregiver, veteran, or member of the Armed Forces by a non-profit or private sector entity.

(5) To ensure the availability of mechanisms for agencies, and entities affiliated with or providing services on behalf of agencies, to enforce the standards described in paragraph (4) and conduct oversight on the implementation of such standards.

(6) To develop recommendations for legislative or administrative action to enhance the provision of services to caregivers, veterans, and members of the Armed Forces, including eliminating gaps in such services and eliminating disparities in eligibility for such services.

(7) To coordinate with State and local agencies and relevant non-profit organizations on maximizing the use and effectiveness of resources for caregivers of veterans and members of the Armed Forces.

(d) Reports.—
(1) IN GENERAL.—Not later than December 31, 2015, and annually thereafter, the chair of the working group shall submit to Congress a report on policies and services relating to caregivers of veterans and members of the Armed Forces.

(2) ELEMENTS.—Each report required by paragraph (1) shall include the following:

(A) An assessment of the policies relating to caregivers of veterans and members of the Armed Forces and services provided pursuant to such policies as of the date of submittal of the report.

(B) A description of any steps taken by the working group to improve the coordination of services for caregivers of veterans and members of the Armed Forces among the entities specified in subsection (b)(1)(B) and eliminate barriers to effective use of such services, including aligning eligibility criteria.

(C) An evaluation of the performance of the entities specified in subsection (b)(1)(B) in providing services for caregivers of veterans and members of the Armed Forces.

(D) An evaluation of the quality and sufficiency of services for caregivers of veterans and
members of the Armed Forces available from non-governmental organizations.

(E) A description of any gaps in care or services provided by caregivers to veterans or members of the Armed Forces identified by the working group, and steps taken by the entities specified in subsection (b)(1)(B) to eliminate such gaps or recommendations for legislative or administrative action to address such gaps.

(F) Such other matters or recommendations as the chair considers appropriate.

SEC. 219. STUDIES ON POST-SEPTEMBER 11, 2001, VETERANS AND SERIOUSLY INJURED VETERANS.

(a) LONGITUDINAL STUDY ON POST-9/11 VETERANS.—

(1) IN GENERAL.—The Secretary of Veterans Affairs shall provide for the conduct of a longitudinal study on members of the Armed Forces who commenced service in the Armed Forces after September 11, 2001.

(2) GRANT OR CONTRACT.—The Secretary shall award a grant to, or enter into a contract with, an appropriate entity unaffiliated with the Department of Veterans Affairs to conduct the study required by paragraph (1).
(3) PLAN.—Not later than one year after the date of the enactment of this Act, the Secretary shall submit to the Committee on Veterans’ Affairs of the Senate and the Committee on Veterans’ Affairs of the House of Representatives a plan for the conduct of the study required by paragraph (1).

(4) REPORTS.—Not later than October 1, 2019, and not less frequently than once every four years thereafter, the Secretary shall submit to the Committee on Veterans’ Affairs of the Senate and the Committee on Veterans’ Affairs of the House of Representatives a report on the results of the study required by paragraph (1) as of the date of such report.

(b) COMPREHENSIVE STUDY ON SERIOUSLY INJURED VETERANS AND THEIR CAREGIVERS.—

(1) IN GENERAL.—The Secretary of Veterans Affairs shall provide for the conduct of a comprehensive study on the following:

(A) Veterans who have incurred a serious injury or illness, including a mental health injury.

(B) Individuals who are acting as caregivers for veterans.
(2) ELEMENTS.—The comprehensive study required by paragraph (1) shall include the following with respect to each veteran included in such study:

(A) The health of the veteran and, if applicable, the impact of the caregiver of such veteran on the health of such veteran.

(B) The employment status of the veteran and, if applicable, the impact of the caregiver of such veteran on the employment status of such veteran.

(C) The financial status and needs of the veteran.

(D) The use by the veteran of benefits available to such veteran from the Department of Veterans Affairs.

(E) Any other information that the Secretary considers appropriate.

(3) GRANT OR CONTRACT.—The Secretary shall award a grant to, or enter into a contract with, an appropriate entity unaffiliated with the Department of Veterans Affairs to conduct the study required by paragraph (1).

(4) REPORT.—Not later than two years after the date of the enactment of this Act, the Secretary shall submit to the Committee on Veterans’ Affairs
of the Senate and the Committee on Veterans' Affairs of the House of Representatives a report on the results of the study required by paragraph (1).

SEC. 220. INCREASE OF MAXIMUM AGE FOR CHILDREN ELIGIBLE FOR MEDICAL CARE UNDER CHAMPVA PROGRAM.

(a) INCREASE.—Section 1781(c) of title 38, United States Code, is amended—

(1) by striking “twenty-three” and inserting “twenty-six”; and

(2) by striking “twenty-third birthday” and inserting “twenty-sixth birthday”.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply with respect to medical care provided on or after the date of the enactment of this [title].

SEC. 221. EXPANSION OF REIMBURSEMENT OF VETERANS FOR EMERGENCY TREATMENT AND URGENT CARE.

(a) IN GENERAL.—Section 1725 of title 38, United States Code, is amended to read as follows:

“§ 1725. Reimbursement for emergency treatment and urgent care

“(a) IN GENERAL.—(1) Subject to the provisions of this section, the Secretary shall reimburse a veteran described in subsection (b) for the reasonable value of emer-
gency treatment or urgent care furnished the veteran in a non-Department facility.

“(2) In any case in which reimbursement of a veteran is authorized under paragraph (1), the Secretary may, in lieu of reimbursing the veteran, make payment of the reasonable value of the furnished emergency treatment or urgent care directly—

“(A) to the hospital or other health care provider that furnished the treatment or care; or

“(B) to the person or organization that paid for such treatment or care on behalf of the veteran.

“(b) ELIGIBILITY.—A veteran described in this subsection is an individual who—

“(1) is enrolled in the patient enrollment system of the Department established and operated under section 1705 of this title; and

“(2) has received care under this chapter during the 24-month period preceding the furnishing of the emergency treatment or urgent care for which reimbursement is sought under this section.

“(c) EMERGENCY TRANSPORTATION.—Notwithstanding section 111 of this title, reimbursement of emergency treatment or urgent care under this section shall include reimbursement for the reasonable value of emergency transportation.
“(d) Responsibility for Payment.—The Secretary shall be primarily responsible for reimbursing or otherwise paying the reasonable value of emergency treatment or urgent care under this section.

“(e) Limitations on Payment.—(1) The Secretary, in accordance with regulations prescribed by the Secretary for purposes of this section, shall—

“(A) establish the maximum amount payable under subsection (a); and

“(B) delineate the circumstances under which such payments may be made, including such requirements on requesting reimbursement as the Secretary may establish.

“(2)(A) Payment by the Secretary under this section on behalf of a veteran to a provider of emergency treatment or urgent care shall, unless rejected and refunded by the provider within 30 days of receipt—

“(i) constitute payment in full for the emergency treatment or urgent care provided; and

“(ii) extinguish any liability on the part of the veteran for that treatment or care.

“(B) Neither the absence of a contract or agreement between the Secretary and a provider of emergency treatment or urgent care nor any provision of a contract, agree-
ment, or assignment to the contrary shall operate to mod-
ify, limit, or negate the requirements of subparagraph (A).
“(C) A provider of emergency treatment or urgent
care may not seek to recover from any third party the
cost of emergency treatment or urgent care for which the
provider has received payment from the Secretary under
this section.
“(f) RECOVERY.—The United States has the right to
recover or collect reasonable charges for emergency treat-
ment or urgent care furnished under this section in ac-
cordance with the provisions of section 1729 of this title.
“(g) COPAYMENTS.—(1) Except as provided in para-
graph (2), a veteran shall pay to the Department a copay-
ment (in an amount prescribed by the Secretary for pur-
poses of this section) for each episode of emergency treat-
ment or urgent care for which reimbursement is provided
to the veteran under this section.
“(2) The requirement under paragraph (1) to pay a
copayment does not apply to a veteran who—
“(A) would not be required to pay to the De-
partment a copayment for emergency treatment or
urgent care furnished at facilities of the Depart-
ment;
“(B) meets an exemption specified by the Secretary in regulations prescribed by the Secretary for purposes of this section; or

“(C) is admitted to a hospital for treatment or observation following, and in connection with, the emergency treatment or urgent care for which the veteran is provided reimbursement under this section.

“(3) The requirement that a veteran pay a copayment under this section shall apply notwithstanding the authority of the Secretary to offset such a requirement with amounts recovered from a third party under section 1729 of this title.

“(h) DEFINITIONS.—In this section:

“(1) The term ‘emergency treatment’ means medical care or services furnished, in the judgment of the Secretary—

“(A) when such care or services are rendered in a medical emergency of such nature that a prudent layperson reasonably expects that delay in seeking immediate medical attention would be hazardous to life or health; and

“(B) until—

“(i) such time as the veteran can be transferred safely to a Department facility
or community care provider authorized by
the Secretary and such facility or provider
is capable of accepting such transfer; or
“(ii) such time as a Department facil-
ity or community care provider authorized
by the Secretary accepts such transfer if—
“(I) at the time the veteran could
have been transferred safely to such a
facility or provider, no such facility or
provider agreed to accept such trans-
fer; and
“(II) the non-Department facility
in which such medical care or services
was furnished made and documented
reasonable attempts to transfer the
veteran to a Department facility or
community care provider.
“(2) The term ‘health-plan contract’ includes
any of the following:
“(A) An insurance policy or contract, med-
ical or hospital service agreement, membership
or subscription contract, or similar arrangement
under which health services for individuals are
provided or the expenses of such services are
paid.
“(B) An insurance program described in section 1811 of the Social Security Act (42 U.S.C. 1395e) or established by section 1831 of such Act (42 U.S.C. 1395j).

“(C) A State plan for medical assistance approved under title XIX of such Act (42 U.S.C. 1396 et seq.).

“(D) A workers’ compensation law or plan described in section 1729(a)(2)(A) of this title.

“(3) The term ‘third party’ means any of the following:

“(A) A Federal entity.

“(B) A State or political subdivision of a State.

“(C) An employer or an employer’s insurance carrier.

“(D) An automobile accident reparations insurance carrier.

“(E) A person or entity obligated to provide, or to pay the expenses of, health services under a health-plan contract.

“(4) The term ‘urgent care’ shall have the meaning given that term by the Secretary in regulations prescribed by the Secretary for purposes of this section.”.
(b) **Repeal of Superseded Authority.**—Section 1728 of such title is repealed.

(c) **Clerical Amendments.**—The table of sections at the beginning of chapter 17 of such title is amended—

1. by striking the item relating to section 1725 and inserting the following new item:

   “1725. Reimbursement for emergency treatment and urgent care.”; and

2. by striking the item relating to section 1728.

(d) **Conforming Amendments.**—

1. **Medical Care for Survivors and Dependents.**—Section 1781(a)(4) of such title is amended by striking “(as defined in section 1725(f) of this title)” and inserting “(as defined in section 1725(h) of this title)”.

2. **Health Care of Family Members of Veterans Stationed at Camp Lejeune, North Carolina.**—Section 1787(b)(3) of such title is amended by striking “(as defined in section 1725(f) of this title)” and inserting “(as defined in section 1725(h) of this title)”.

(e) **Regulations.**—Not later than 270 days after the date of the enactment of this Act, the Secretary shall prescribe regulations to carry out the amendments made by this section.
(f) EFFECTIVE DATE.—The amendments made by this section shall take effect one year after the date of the enactment of this Act.

SEC. 222. PROVISION OF REHABILITATIVE EQUIPMENT AND HUMAN-POWERED VEHICLES TO CERTAIN DISABLED VETERANS.

Section 1714(a) of title 38, United States Code, is amended—

(1) by striking “Any veteran” and inserting “(1) Any veteran”; and

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

“(2)(A) The Secretary may furnish rehabilitative equipment to any veteran who is entitled to a prosthetic appliance.

“(B) In carrying out subparagraph (A), the Secretary may modify non-rehabilitative equipment owned by a veteran only if the veteran elects for such modification.

“(C) The Secretary shall annually submit to the Committees on Veterans’ Affairs of the House of Representatives and the Senate a report on rehabilitative equipment furnished to veterans under subparagraph (A). Each such report shall include, with respect to the year covered by the report—
“(i) the number of veterans eligible to receive such rehabilitative equipment;
“(ii) the number of veterans who received such rehabilitative equipment;
“(iii) the number of veterans who elected to receive modified equipment pursuant to subparagraph (B); and
“(iv) any recommendations of the Secretary to improve furnishing veterans with rehabilitative equipment.
“(D) In this paragraph, the term ‘rehabilitative equipment’ means—
“(i) rehabilitative equipment, including recreational sports equipment that provide an adaption or accommodation for the veteran, regardless of whether such equipment is intentionally designed to be adaptive equipment; and
“(ii) includes hand cycles, recumbent bicycles, medically adapted upright bicycles, and upright bicycles.”.
Subtitle C—Health Care Quality

SEC. 231. ESTABLISHMENT OF OFFICE OF HEALTH CARE QUALITY IN VETERANS HEALTH ADMINISTRATION.

(a) IN GENERAL.—Subchapter I of chapter 73 of title 38, United States Code, is amended by adding at the end the following new section:

“§ 7310. Office of Health Care Quality

“(a) ESTABLISHMENT.—There is in the Veterans Health Administration an Office of Health Care Quality (hereinafter in this section referred to as the ‘Office’). The Office shall oversee the implementation and dissemination across all medical facilities of the Department of best practices, quality improvements, corrective actions, and Inspector General recommendations.

“(b) DIRECTOR.—(1) The head of the Office shall be a Director, who shall report directly to the Under Secretary for Health (without delegation).

“(2) Any person appointed as Director shall be—

“(A) an established expert in the field of health care quality, administration of medical facilities, or similar fields; and

“(B) qualified to carry out the duties of the Office based on demonstrated experience and expertise.
“(c) FUNCTIONS.—The functions of the Office are as follows:

“(1) To develop and maintain a system to provide notice to all medical facilities of the Department of any applicable best practices, quality improvements, corrective actions, and Inspector General recommendations.

“(2) To monitor the compliance of such medical facilities with such best practices, quality improvements, corrective actions, and Inspector General recommendations.

“(d) RESOURCES.—The Secretary shall ensure that the Director has sufficient resources to carry out the responsibilities of the Director in a timely manner.

“(e) REPORT.—The Director shall submit to Congress an annual report on the progress of the medical facilities of the Department in implementing applicable best practices, quality improvements, corrective actions, and Inspector General recommendations.”.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 7309 the following new item:

“7310. Office of Health Care Quality.”.

(c) DEADLINE FOR IMPLEMENTATION.—Not later than one year after the date of the enactment of this Act,
the Director of the Office of Health Care Quality, as established under section 7310 of title 38, United States Code, as added by subsection (a), shall develop an initial system for proving the notice required under such section 7310.

Subtitle D—Medical Workforce

SEC. 241. DISREGARD OF RESIDENT SLOTS THAT INCLUDE VA TRAINING AGAINST THE MEDICARE GRADUATE MEDICAL EDUCATION LIMITATIONS.

(a) DIRECT GME.—Section 1886(h)(4)(F) of the Social Security Act (42 U.S.C. 1395ww(h)(4)(F)) is amended by adding at the end the following new clause:

“(iii) Disregard of certain resident slots that include VA training.—For portions of cost reporting periods beginning on or after July 1, 2016, in applying the limitations regarding the total number of full-time equivalent residents in the field of allopathic or osteopathic medicine under clause (i) in a hospital’s approved medical residency training program, the Secretary shall not take into account any resident within such program that counts towards meeting the obligation of the Secretary of Veterans Affairs under
section 301(b)(2) of the Veterans Access, Choice, and Accountability Act of 2014 (Public Law 113–146; 38 U.S.C. 7302 note).”.

(b) INDIRECT GME.—Section 1886(d)(5)(B)(v) of the Social Security Act (42 U.S.C. 1395ww(d)(5)(B)(v)) is amended, in the second sentence, by striking “subsection (h)(4)(F)(ii)” and inserting “clauses (ii) and (iii) of subsection (h)(4)(F)”.

SEC. 242. EXTENSION OF PERIOD FOR INCREASE IN GRADUATE MEDICAL EDUCATION RESIDENCY POSITIONS AT MEDICAL FACILITIES OF THE DEPARTMENT OF VETERANS AFFAIRS.

(a) In General.—Paragraph (2) of section 301(b) of the Veterans Access, Choice, and Accountability Act of 2014 (Public Law 113–146; 38 U.S.C. 7302 note) is amended—

(1) in the paragraph heading, by striking “FIVE-YEAR” and inserting “TEN-YEAR”; and

(2) in subparagraph (A), by striking “5-year period” and inserting “10-year period”.

(b) Report.—Paragraph (3)(A) of such section is amended by striking “2019” and inserting “2024”.
SEC. 243. RECRUITMENT OF PHYSICIANS IN DEPARTMENT OF VETERANS AFFAIRS.

(a) In General.—Section 7402(b)(1) of title 38, United States Code, is amended—

(1) by inserting “or to be offered a contingent appointment to such position,” after “position,”; and

(2) by striking subparagraph (B) and inserting the following new subparagraph (B):

“(B)(i) have completed a residency program satisfactory to the Secretary; or

“(ii) with respect to an offer for a contingent appointment upon the completion of a post-graduate training program, complete such a residency program by not later than two years after the date of such offer; and”.

(b) Oversight of Graduate Medical Education Programs.—The Secretary shall—

(1) ensure that a recruiter or other similar official of each Veterans Integrated Service Network visits, not less than annually, each allopathic and osteopathic teaching institution with a graduate medical education program within the Network to recruit individuals to be appointed to positions in the Veterans Health Administration; and
(2) submit to Congress an annual report on the implementation of paragraph (1), including the success of such recruiting efforts.

Subtitle E—Mental Health Care

SEC. 251. STANDARD OF PROOF FOR SERVICE-CONNECTION OF MENTAL HEALTH CONDITIONS RELATED TO MILITARY SEXUAL TRAUMA.

(a) STANDARD OF PROOF.—Section 1154 of title 38, United States Code, is amended by adding at the end the following new subsection:

“(c)(1) In the case of any veteran who claims that a covered mental health condition was incurred in or aggravated by military sexual trauma during active military, naval, or air service, the Secretary shall accept as sufficient proof of service-connection a diagnosis of such mental health condition by a mental health professional together with satisfactory lay or other evidence of such trauma and an opinion by the mental health professional that such covered mental health condition is related to such military sexual trauma, if consistent with the circumstances, conditions, or hardships of such service, notwithstanding the fact that there is no official record of such incurrence or aggravation in such service, and, to that end, shall resolve every reasonable doubt in favor of the veteran. Service-connection of such covered mental
health condition may be rebutted by clear and convincing
evidence to the contrary. The reasons for granting or de-
yning service-connection in each case shall be recorded in
full.

“(2) For purposes of this subsection, in the absence
of clear and convincing evidence to the contrary, and pro-
vided that the claimed military sexual trauma is consistent
with the circumstances, conditions, or hardships of the
veteran’s service, the veteran’s lay testimony alone may
establish the occurrence of the claimed military sexual
trauma.

“(3) In this subsection:

“(A) The term ‘covered mental health condi-
tion’ means post-traumatic stress disorder, anxiety,
depression, or other mental health diagnosis de-
scribed in the current version of the Diagnostic and
Statistical Manual of Mental Disorders published by
the American Psychiatric Association that the Sec-
retary determines to be related to military sexual
trauma.

“(B) The term ‘military sexual trauma’ means,
with respect to a veteran, psychological trauma,
which in the judgment of a mental health profes-
sional, resulted from a physical assault of a sexual
nature, battery of a sexual nature, or sexual harass-
ment which occurred during active military, naval, or air service.”.

(b) ANNUAL REPORTS.—

(1) IN GENERAL.—Subchapter VI of chapter 11 of title 38, United States Code, is amended by adding at the end the following new section:

“SEC. 1164. REPORTS ON CLAIMS FOR DISABILITIES INCURRED OR AGGRAVATED BY MILITARY SEXUAL TRAUMA.

“(a) REPORTS.—Not later than December 1, 2016, and each year thereafter through 2020, the Secretary shall submit to Congress a report on covered claims submitted during the previous fiscal year.

“(b) ELEMENTS.—Each report under subsection (a) shall include the following:

“(1) The number of covered claims submitted to or considered by the Secretary during the fiscal year covered by the report.

“(2) Of the covered claims listed under paragraph (1), the number and percentage of such claims—

“(A) submitted by each sex;

“(B) that were approved, including the number and percentage of such approved claims submitted by each sex; and
“(C) that were denied, including the num-
ber and percentage of such denied claims sub-
mited by each sex.

“(3) Of the covered claims listed under para-
graph (1) that were approved, the number and per-
centage, listed by each sex, of claims assigned to
each rating percentage.

“(4) Of the covered claims listed under para-
graph (1) that were denied—

“(A) the three most common reasons given
by the Secretary under section 5104(b)(1) of
this title for such denials; and

“(B) the number of denials that were
based on the failure of a veteran to report for
a medical examination.

“(5) The number of covered claims that, as of
the end of the fiscal year covered by the report, are
pending and, separately, the number of such claims
on appeal.

“(6) For the fiscal year covered by the report,
the average number of days that covered claims take
to complete beginning on the date on which the
claim is submitted.

“(7) A description of the training that the Sec-
retary provides to employees of the Veterans Bene-
fits Administration specifically with respect to covered claims, including the frequency, length, and content of such training.

“(c) DEFINITIONS.—In this section:

“(1) The term ‘covered claims’ means claims for disability compensation submitted to the Secretary based on a covered mental health condition alleged to have been incurred or aggravated by military sexual trauma.

“(2) The term ‘covered mental health condition’ has the meaning given that term in subparagraph (A) of section 1154(c)(3) of this title.

“(3) The term ‘military sexual trauma’ has the meaning given that term in subparagraph (B) of such section.”.

(2) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

“1164. Annual reports on claims for disabilities incurred or aggravated by military sexual trauma.”.

(c) EFFECTIVE DATE.—Subsection (c) of section 1154 of title 38, United States Code, as added by subsection (a), shall apply with respect to any claim for disability compensation under laws administered by the Secretary of Veterans Affairs for which no final decision has been made before the date of the enactment of this Act.
Subtitle F—Opioid Therapy and Pain Management

SEC. 261. FINDINGS; SENSE OF CONGRESS.

(a) FINDINGS.—Congress makes the following findings:

(1) Many veterans and their families have been affected by the national opioid epidemic caused in part by the prescription of opioid medication to manage pain.

(2) Prescription opioid overdose rates for veterans receiving medical care furnished by the Department of Veterans Affairs are twice the national average.

(3) More than 50 percent of veterans receiving such care are suffering from chronic pain.

(4) Almost one in three veterans receiving such care are prescribed opioids to manage pain.

(5) Many veterans prescribed opioids for the management of chronic pain are at risk of developing a dependency on opioids.

(6) Many veterans receive health care from both the Department and community providers but the lack of care coordination among the Department and community providers when veterans receive purchased care places veterans at risk for poor health
outcomes and results in inefficient use of finite health care resources.

(7) Veteran-centric care coordination is associated with improved patient outcomes, as Department and non-Department health care teams coordinate and collaborate to provide the best care for veterans.

(b) Sense of Congress.—It is the sense of Congress that—

(1) veterans suffering from opioid dependency should receive timely access to treatment and social services at Department of Veterans Affairs facilities or through qualified community providers and should have care and services managed and coordinated by the Department of Veterans Affairs;

(2) veterans who are authorized by the Secretary of Veterans Affairs to receive opioid addiction treatment in the community must not lose the high quality, safety, care coordination, and other veteran-centric elements that the health care system of the Department of Veterans Affairs provides; and

(3) if the Secretary purchases care for veterans from a community provider, such care must be secured in a cost-effective manner, in a way that complements the larger health care system of the De-
part by using industry standards for care and costs.

SEC. 262. PILOT PROGRAM TO IMPROVE TREATMENT FOR VETERANS SUFFERING FROM OPIOID ADDICTION AND CHRONIC PAIN.

(a) In General.—Beginning not later than 120 days after the date of the enactment of this Act, the Secretary of Veterans Affairs shall conduct a pilot program under which the Secretary provides health and social services and coordination of care and case management to covered veterans in need of treatment for opioid addiction and chronic pain through facilities of the Department and through qualified non-Department health care providers.

(b) Program Locations.—

(1) In General.—The pilot program shall be carried out within at least five areas within different States.

(2) Selection.—

(A) In General.—The Secretary shall select five States with Department medical facilities to participate in the pilot program. Each of the five Department facilities selected shall be located in States that demonstrate—

(i) the need for additional resources to provide health care services, including
mental health, chronic pain management
and social services to veterans in need of
treatment for opioid abuse based upon the
community assessment in subsection (a) of
this section;

(ii) demographic, population, and cen-
sus data showing the highest rates per
capita of opioid addiction in the United
States or greater demand in the veteran
patient population than capacity in facili-
ties of the Department for treatment for
opioid addiction; and

(iii) lack of sufficient Department ca-
pacity to meet the demand of all patients
in need of treatment for opioid addiction.

(B) OTHER REQUIREMENTS.—In addition
to the requirements in subparagraph (A), not
fewer than four of the five selected States shall
include—

(i) at least one highly rural county, as
determined by the Secretary upon consid-
eration of the most recent decennial census
with the highest per capita rate of opioid
addiction;
(ii) an urban county as determined by
the Secretary upon consideration of the
most recent decennial census with the larg-
est population per capita of opioid addic-
tion;

(iii) a county as determined by the
Secretary in a State with one of the high-
est statistically significant drug and opioid
overdose death rate increases from 2013 to
2014 according to the Centers for Disease
Control and Prevention and a low expendi-
ture of funding per capita on substance
abuse treatment in comparison to other
States; and

(iv) a county as determined by the
Secretary in a State with a high rate per
capita of veterans diagnosed with chronic
pain and prescribed prescription opioids.

(c) Provision of Services Through Con-
tract.—The Secretary may provide health care services
to veterans under the pilot program by entering into con-
tracts with non-Department health care providers which
are qualified to provide such services, as determined by
the Secretary.
(d) EXCHANGE OF MEDICAL INFORMATION.—In conducting the pilot program under this section, the Secretary shall develop and use a functional capability to provide for the exchange of appropriate medical information between the Department and any non-Department provider with which the Secretary enters into a contract under subsection (c).

(e) REPORT.—Not later than the 30 days after the end of each year in which the pilot program under this section is conducted, the Secretary shall submit to the Committee on Veterans’ Affairs of the Senate and the Committee on Veterans’ Affairs of the House of Representatives a report which includes—

(1) the assessment of the Secretary of the pilot program during the preceding year, including its cost, volume, quality, patient satisfaction, benefit to veterans, and such other findings and conclusions with respect to the pilot program as the Secretary considers appropriate; and

(2) such recommendations as the Secretary considers appropriate regarding—

(A) the continuation of the pilot program;

(B) extension of the pilot program to additional Veterans Integrated Service Networks of the Department; and
(C) making the pilot program permanent.

(f) COVERED VETERAN.—In this section, the term “covered veteran” means a veteran who—

(1) is enrolled in the system of patient enrollment established under section 1705(a) of title 38, United States Code, as of the date of the commencement of the pilot program under subsection (a)(2);

(2) is eligible for health care under section 1710(e)(3)(C) of title 38, United States Code; or

(3) is determined by the Secretary to be in need of treatment for opioid addiction and chronic pain.

(g) TERMINATION.—The authority to carry out a pilot program under this section shall terminate on the date that is three years after the date of the commencement of the pilot program.

SEC. 263. ASSESSMENT OF DEPARTMENT AND NON-DEPARTMENT CAPABILITIES TO TREAT OPIOID DEPENDENCY AND ENSURE ACCESS TO NEEDED HEALTH CARE SERVICES.

(a) ASSESSMENT OF DEPARTMENT CAPABILITIES.—

The Secretary shall conduct an assessment of the capabilities of the Department of Veterans Affairs, using such data, including demographic data and patient access data, as the Secretary determines necessary to provide—
(1) health care services related to the treatment of opioid dependency and abuse, including mental health, opioid agonist treatment, social services, and non-opioid chronic pain management necessary for treating opioid addiction nationally, regionally, and locally;

(2) management of chronic pain without the long-term use of opioids, including alternative therapies such as physical therapy, chiropractic care, acupuncture, massage, exercise programs, and other such evidence-based and experimental treatments;

(3) evidence-based methods for safely reducing the dose and duration of the prescription of opioids for patients;

(4) methods by which health care services are coordinated by the Department when care is provided by community providers; and

(5) the manner by which the Department ensures placement of veterans in need of treatment for opioid dependency in treatment programs within a clinically sufficient time period according to published practice guidelines for the treatment of patients with opioid dependency.

(b) **Assessment of Non-Department Capabilities.**—In addition to the assessment required under sub-
section (a), the Secretary shall concurrently conduct an assessment of community providers to provide health care, mental health, social services, and alternative chronic pain management treatments necessary for the treatment of veterans diagnosed with an opioid addiction and for the treatment of veterans suffering from chronic pain.

(e) COMMUNITY PROVIDERS.—In this section, the term “community provider” means a non-Department of Veterans Affairs health care provider or social services provider determined by the Secretary as capable of providing health care services related to the treatment of opioid dependency and abuse, including mental health, opioid agonist treatment, social services, and non-opioid chronic pain management.

(d) REPORT.—At the conclusion of the assessments conducted under this section, and not later than one year after the date of the enactment of this Act, the Secretary shall submit to the Committees on Veterans’ Affairs of the Senate and House of Representatives a comprehensive summary of the results of the assessments, including any implementation plans resulting from such assessments, and any recommendations for ways to better enable the Department to provide health care services within the programs and facilities of the Department and in coordina-
tion with community providers to veterans needing treatment for pain management and opioid addiction.

SEC. 264. INCREASED ACCESS TO NALOXONE AND OTHER TREATMENTS FOR REVERSING OPIOID OVERDOSE.

(a) IN GENERAL.—The Secretary of Veterans Affairs shall require all appropriate health care facilities of the Department of Veterans Affairs, and all Vet Centers and other Department facilities providing mental health and social services to veterans, to have a supply of naloxone or other medication for reversing opioid overdose.

(b) TRAINING ON USE OF MEDICATION.—The Secretary shall ensure that all appropriate employees of the Department who are employed at facilities referred to in subsection (a) receive training on the administration of naloxone or other medication for reversing opioid overdose.

Subtitle G—Toxic Exposure

SEC. 271. CENTER OF EXCELLENCE IN PREVENTION, DIAGNOSIS, MITIGATION, TREATMENT, AND REHABILITATION OF HEALTH CONDITIONS RELATING TO EXPOSURE TO BURN PITS AND OTHER ENVIRONMENTAL EXPOSURES.

(a) ESTABLISHMENT.—The Secretary of Veterans Affairs shall establish within the Department of Veterans Affairs a center of excellence in the prevention, diagnosis,
mitigation, treatment, and rehabilitation of health conditions relating to exposure to burn pits and other environmental exposures to carry out the responsibilities specified in subsection (d). Such center shall be established using—

(1) the directives, policies, and Comptroller General and Inspector General recommendations in effect as of the date of the enactment of this Act; and


(b) SELECTION OF SITES.—In selecting the site for the center of excellence established under subsection (a), the Secretary of Veterans Affairs shall consider entities that—

(1) are equipped with the specialized equipment needed to study, diagnose, and treat health conditions relating to exposure to burn pits and other environmental exposures;

(2) have a publication track record of post-deployment health exposures among veterans who served in the Armed Forces in support of Operation Iraqi Freedom and Operation Enduring Freedom;
(3) have collaborated with a geosciences department that has a medical geology division;

(4) have developed animal models and in vitro models of dust immunology and lung injury consistent with the injuries of members of the Armed Forces who served in support of Operation Iraqi Freedom and Operation Enduring Freedom; and

(5) have expertise in allergy and immunology, pulmonary diseases, and industrial and management engineering.

(c) COLLABORATION.—The Secretary shall ensure that the center of excellence collaborates, to the maximum extent practicable, with the Secretary of Defense, institutions of higher education, and other appropriate public and private entities (including international entities) to carry out the responsibilities specified in subsection (d).

(d) RESPONSIBILITIES.—The center of excellence shall have the following responsibilities:

(1) To provide for the development, testing, and dissemination within the Department of Veterans Affairs of best practices for the treatment of health conditions relating to exposure to burn pits and other environmental exposures.

(2) To provide guidance for the health system of the Department of Veterans Affairs and the De-
partment of Defense in determining the personnel required to provide quality health care for members of the Armed Forces and veterans with health conditions relating to exposure to burn pits and other environmental exposures.

(3) To establish, implement, and oversee a comprehensive program to train health professionals of the Department of Veterans Affairs and the Department of Defense in the treatment of health conditions relating to exposure to burn pits and other environmental exposures.

(4) To facilitate advancements in the study of the short-term and long-term effects of exposure to burn pits and other environmental exposures.

(5) To disseminate within the military medical treatment facilities of the Department of Veterans Affairs best practices for training health professionals with respect to health conditions relating to exposure to burn pits and other environmental exposures.

(6) To conduct basic science and translational research on health conditions relating to exposure to burn pits and other environmental exposures for the purposes of understanding the etiology of such con-
ditions and developing preventive interventions and new treatments.

(7) To provide medical treatment to all veterans identified as part of the burn pits registry established under section 201 of the Dignified Burial and Other Veterans’ Benefits Improvement Act of 2012 (Public Law 112–260; 38 U.S.C. 527 note).

(e) USE OF BURN PITS REGISTRY DATA.—In carrying out its responsibilities under subsection (d), the center shall have access to and make use of the data accumulated by the burn pits registry established under section 201 of the Dignified Burial and Other Veterans’ Benefits Improvement Act of 2012 (Public Law 112–260; 38 U.S.C. 527 note).

(f) DEFINITIONS.—In this section:

(1) The term “burn pit” means an area of land located in Afghanistan or Iraq that—

(A) is designated by the Secretary of Defense to be used for disposing solid waste by burning in the outdoor air; and

(B) does not contain a commercially manufactured incinerator or other equipment specifically designed and manufactured for the burning of solid waste.
(2) The term “other environmental exposures” means exposure to environmental hazards, including burn pits, dust or sand, hazardous materials, and waste at any site in Afghanistan or Iraq that emits smoke containing pollutants present in the environment or smoke from fires or explosions.

(g) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $30,000,000 for each of fiscal years 2016 through 2021.

TITLE III—EDUCATION
Subtitle A—GI Bill Oversight
SEC. 301. DEPARTMENT OF VETERANS AFFAIRS INSPECTOR GENERAL HEIGHTENED SCRUTINY OF PROGRAMS OF EDUCATION.

(a) IN GENERAL.—Subchapter II of chapter 36 of title 38, United States Code, is amended by adding at the end the following new section:

“§ 3699. Inspector General heightened scrutiny of programs of education

“(a) HEIGHTENED SCRUTINY REQUIRED.—The Inspector General of the Department shall apply heightened scrutiny to any program of education if any Federal or State agency has made a final determination or settlement that the program of education used deceptive or mis-
leading practices that are potentially in violation of section 3696 of this title.

“(b) NOTICE TO STUDENTS.—(1) Upon commencement of heightened scrutiny with respect to a program of education under this section, the Secretary shall provide notice of the heightened scrutiny and the reasons for such heightened scrutiny to any individual who—

“(A) is enrolled in a course of education approved under this chapter provided by the program of education; and

“(B) is entitled to educational assistance under the laws administered by the Secretary.

“(2) The Secretary shall provide to any individual who receives notice under this subsection advice that the individual—

“(A) request a copy of the individual’s transcript; and

“(B) seek counseling from an appropriate advisor about transferring any credits earned at the program of education.

“(c) MONITORING OF ALLEGATIONS.—The Secretary shall monitor allegations of deceptive and misleading practices made against programs of education offering courses of education approved for purposes of this chapter, including Federal and State investigations. The Secretary shall
include information about any such allegation on the GI Bill Comparison Tool, or any similar Internet website of the Department.”.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by adding at the end of the items relating to subchapter II the following new item:

“3699. Inspector General heightened scrutiny of programs of education.”.

SEC. 302. DEPARTMENT OF VETERANS AFFAIRS DISAPPROVAL OF COURSES OF EDUCATION OFFERED BY INSTITUTIONS OF HIGHER LEARNING ACCUSED OF CERTAIN DECEPTIVE OR MISLEADING PRACTICES.

Section 3679 of title 38, United States Code, is amended by adding at the end the following new subsection:

“(d)(1) The Secretary shall disapprove a course of education provided by an institution of higher learning if the Secretary determines pursuant to heightened scrutiny applied by the Inspector General under section 3699 of this title that the institution of higher learning has engaged in practices that are in violation of section 3696 of this title.

“(2) The Secretary shall provide counseling services to individuals enrolled in a course of education dis-
approved under paragraph (1) to assist such individuals
in transferring to another institution of higher learning.”.

SEC. 303. INTERAGENCY WORKING GROUP ON PROGRAMS
OF EDUCATION EMPLOYING DECEPTIVE OR
MISLEADING PRACTICES.

The Secretary of Veterans Affairs, in collaboration
with the Secretary of Education, the Secretary of Defense,
the Commissioner of the Federal Trade Commission, the
Commissioner of the Securities and Exchange Commis-
sion, and the Director of the Bureau of Consumer Finan-
cial Protection, shall establish an interagency working
group to—

(1) share information regarding programs of
education that employ deceptive or misleading prac-
tices; and

(2) enter into memorandum of understanding
under which the Inspector Generals of each relevant
department or agency agree to share information to
determine if funds from other Federal programs are
affected when one department or agency takes ac-
tion to investigate a program of education for decept-
tive or misleading practices.
SEC. 304. APPROVAL OF COURSES FOR PURPOSES OF EDUCATIONAL ASSISTANCE PROGRAMS ADMINISTERED BY SECRETARY OF VETERANS AFFAIRS.

(a) Approval of Non-Accredited Courses.—Subsection (c) of section 3676 of title 38, United States Code, is amended—

(1) by redesignating paragraph (14) as paragraph (16); and

(2) by inserting after paragraph (13) the following new paragraphs:

“(14) In the case of a program designed to prepare an individual for licensure or certification in a State, the program meets any instructional curriculum licensure or certification requirements of such State.

“(15) In the case of a program designed to prepare an individual for employment pursuant to standards developed by a board or agency of a State in an occupation that requires approval or licensure, the program is approved or licensed by such board or agency of the State.”.

(b) Exceptions.—Such section is further amended by adding at the end the following new subsection:

“(f)(1) The Secretary may waive the requirements of paragraph (14) or (15) of subsection (c) in the case of
a program of education offered by an educational institution if the Secretary determines all of the following:

“(A) The educational institution is not accredited by an agency or association recognized by the Secretary of Education.

“(B) The program did not meet the requirements of such paragraph at any time during the two-year period preceding the date of the waiver.

“(C) The waiver furthers the purposes of the educational assistance programs administered by the Secretary or would further the education interests of individuals eligible for assistance under such programs.

“(D) The educational institution does not provide any commission, bonus, or other incentive payment based directly or indirectly on success in securing enrollments or financial aid to any persons or entities engaged in any student recruiting or admission activities or in making decisions regarding the award of student financial assistance, except for the recruitment of foreign students residing in foreign countries who are not eligible to receive Federal student assistance.

“(2) Not later than 30 days after the Secretary issues a waiver under paragraph (1), the Secretary shall submit
to Congress notice of the waiver and the justification of
the Secretary for issuing the waiver.”.

(c) APPROVAL OF ACCREDITED PROGRAMS.—Section
3675(b)(3) of such title is amended—

(1) by striking “and (3)” and inserting “(3),
(14), and (15)”;
and

(2) by inserting before the period at the end the
following: “(or, with respect to such paragraphs (14)
and (15), the requirements under such paragraphs
are waived pursuant to subsection (f) of section
3676)”.

(d) DISAPPROVAL OF COURSES.—Section 3679 of
such title is amended by adding at the end the following
new subsection:

“(d) Notwithstanding any other provision of this
chapter, the Secretary shall disapprove a course of edu-
cation described in section 3676(c)(14) or (15) unless the
educational institution providing the course of education
publicly discloses any conditions or additional require-
ments, including training, experience, or exams, required
to obtain the license, certification, or approval for which
the course of education is designed to provide prepara-
tion.”.

(e) CONFORMING AMENDMENT.—Section
3672(b)(2)(A)(i) of such title is amended by striking “An
accredited’’ and inserting ‘‘Except as provided in para-
graphs (14) and (15) of section 3676(e) of this title, an
accredited’’.

(f) APPLICABILITY.—If after enrollment in a course
of education that is subject to disapproval by reason of
an amendment made by this [Act], an individual pursues
one or more courses of education at the same educational
institution while remaining continuously enrolled (other
than during regularly scheduled breaks between courses,
semesters or terms) at that institution, any course so pur-
sued by the individual at that institution while so continu-
ously enrolled shall not be subject to disapproval by reason
of such amendment.

SEC. 305. PROGRAM PARTICIPATION AGREEMENTS FOR
PROPRIETARY INSTITUTIONS OF HIGHER
EDUCATION.

Section 487 of the Higher Education Act of 1965 (20
U.S.C. 1094) is amended—

(1) in subsection (a)(24)—

(A) by inserting ‘‘that receives funds pro-
vided under this title’’ before ‘‘, such institu-
tion’’; and

(B) by striking ‘‘other than funds provided
under this title, as calculated in accordance
with subsection (d)(1)’’ and inserting ‘‘other
than Federal educational assistance, as defined in subsection (d)(5) and calculated in accordance with subsection (d)(1)”; and

(2) in subsection (d)—

(A) in the subsection heading, by striking “NON-TITLE IV” and inserting “NON-FEDERAL EDUCATIONAL”;  

(B) in paragraph (1)—

(i) in the matter preceding subparagraph (A), by inserting “that receives funds provided under this title” before “shall”;

(ii) in subparagraph (B)—

(I) in clause (i), by striking “assistance under this title” and inserting “Federal educational assistance”; and

(II) in clause (ii)(I), by inserting “, or on a military base if the administering Secretary for a program of Federal educational assistance under clause (ii), (iii), or (iv) of paragraph (5)(B) has authorized such location” before the semicolon;
(iii) in subparagraph (C), by striking “program under this title” and inserting “program of Federal educational assistance”; 

(iv) in subparagraph (E), by striking “funds received under this title” and inserting “Federal educational assistance”; and 

(v) in subparagraph (F)—

(I) in clause (iii), by striking “under this title” and inserting “of Federal educational assistance”; and 

(II) in clause (iv), by striking “under this title” and inserting “of Federal educational assistance”; 

(C) in paragraph (2)—

(i) by striking subparagraph (A) and inserting the following:

“(A) INELIGIBILITY.—

“(i) IN GENERAL.—Notwithstanding any other provision of law, a proprietary institution of higher education receiving funds provided under this title that fails to meet a requirement of subsection (a)(24) for two consecutive institutional fiscal
years shall be ineligible to participate in or receive funds under any program of Federal educational assistance for a period of not less than two institutional fiscal years.

“(ii) REGAINING ELIGIBILITY.—To regain eligibility to participate in or receive funds under any program of Federal educational assistance after being ineligible pursuant to clause (i), a proprietary institution of higher education shall demonstrate compliance with all eligibility and certification requirements for the program for a minimum of two consecutive institutional fiscal years after the institutional fiscal year in which the institution became ineligible. In order to regain eligibility to participate in any program of Federal educational assistance under this title, such compliance shall include meeting the requirements of section 498 for such 2-year period.

“(iii) NOTIFICATION OF INELIGIBILITY.—The Secretary of Education shall determine when a proprietary institution of higher education that receives funds under
this title is ineligible under clause (i) and shall notify all other administering Secretaries of the determination.

“(iv) ENFORCEMENT.—Each administering Secretary for a program of Federal educational assistance shall enforce the requirements of this subparagraph for the program concerned upon receiving notification under clause (iii) of a proprietary institution of higher education’s ineligibility.”; and

(ii) in subparagraph (B)—

(I) in the matter preceding clause (i)—

(aa) by striking “In addition” and all that follows through “education fails” and inserting “Notwithstanding any other provision of law, in addition to such other means of enforcing the requirements of a program of Federal educational assistance as may be available to the administering Secretary, if a proprietary institution of higher edu-
cation that receives funds provided under this title fails”; and

(bb) by striking “the programs authorized by this title” and inserting “all programs of Federal educational assistance”; and

(II) in clause (i), by inserting “with respect to a program of Federal educational assistance under this title,” before “on the expiration date”; (D) in paragraph (4)(A), by striking “sources under this title” and inserting “Federal educational assistance”; and

(E) by adding at the end the following:

“(5) DEFINITIONS.—In this subsection:

“(A) ADMINISTERING SECRETARY.—The term ‘administering Secretary’ means the Secretary of Education, the Secretary of Defense, the Secretary of Veterans Affairs, the Secretary of Homeland Security, or the Secretary of a military department responsible for administering the Federal educational assistance concerned.
“(B) Federal educational assistance.—The term ‘Federal educational assistance’ means funds provided under any of the following provisions of law:

“(i) This title.

“(ii) Chapter 30, 31, 32, 33, 34, or 35 of title 38, United States Code.


“(iv) Section 1784a of title 10, United States Code.”.

SEC. 306. DEPARTMENT OF DEFENSE AND DEPARTMENT OF VETERANS AFFAIRS ACTIONS ON INELIGIBILITY OF CERTAIN PROPRIETARY INSTITUTIONS OF HIGHER EDUCATION FOR PARTICIPATION IN PROGRAMS OF EDUCATIONAL ASSISTANCE.

(a) Department of Defense.—

(1) In general.—Chapter 101 of title 10, United States Code, is amended by inserting after section 2008 the following new section:
§ 2008a. Ineligibility of certain proprietary institutions of higher education for participation in Department of Defense programs of educational assistance

“(a) In General.—Upon receipt of a notice from the Secretary of Education under clause (iii) of section 487(d)(2)(A) of the Higher Education Act of 1965 (20 U.S.C. 1094(d)(2)(A)) that a proprietary institution of higher education is ineligible for participation in or receipt of funds under any program of Federal educational assistance by reason of such section, the Secretary of Defense shall ensure that no educational assistance under the provisions of law specified in subsection (b) is available or used for education at the institution for the period of institutional fiscal years covered by such notice.

“(b) Covered Assistance.—The provisions of law specified in this subsection are the provisions of law on educational assistance through the Department of Defense as follows:

“(1) This chapter.

“(2) Chapters 105, 106A, 1606, 1607, and 1608 of this title.

“(3) Section 1784a of this title.

“(c) Notice on Ineligibility.—(1) The Secretary of Defense shall take appropriate actions to notify persons receiving or eligible for educational assistance under the
provisions of law specified in subsection (b) of the application of the limitations in section 487(d)(2) of the Higher Education Act of 1965 to particular proprietary institutions of higher education.

“(2) The actions taken under this subsection with respect to a proprietary institution shall include publication, on the Internet website of the Department of Defense that provides information to persons described in paragraph (1), of the following:

“(A) The name of the institution.

“(B) The extent to which the institution failed to meet the requirements of section 487(a)(24) of the Higher Education Act of 1965.

“(C) The length of time the institution will be ineligible for participation in or receipt of funds under any program of Federal educational assistance by reason of section 487(d)(2)(A) of that Act.

“(D) The nonavailability of educational assistance through the Department for enrollment, attendance, or pursuit of a program of education at the institution by reason of such ineligibility.”.

(2) **Clerical Amendment.**—The table of sections at the beginning of chapter 101 of such title is amended by inserting after the item relating to section 2008 the following new item:
“2008a. Ineligibility of certain proprietary institutions of higher education for participation in Department of Defense programs of educational assistance.”

(b) DEPARTMENT OF VETERANS AFFAIRS.—

(1) IN GENERAL.—Subchapter II of chapter 36 of title 38, United States Code, is amended by inserting after section 3681 the following new section:

“§ 3681A. Ineligibility of certain proprietary institutions of higher education for participation in Department of Veterans Affairs programs of educational assistance

“(a) IN GENERAL.—Upon receipt of a notice from the Secretary of Education under clause (iii) of section 487(d)(2)(A) of the Higher Education Act of 1965 (20 U.S.C. 1094(d)(2)(A)) that a proprietary institution of higher education is ineligible for participation in or receipt of funds under any program of Federal educational assistance by reason of such section, the Secretary of Veterans Affairs shall ensure that no educational assistance under the provisions of law specified in subsection (b) is available or used for education at the institution for the period of institutional fiscal years covered by such notice.

“(b) COVERED ASSISTANCE.—The provisions of law specified in this subsection are the provisions of law on educational assistance through the Department under chapters 30, 31, 32, 33, 34, and 35 of this title.
“(c) NOTICE ON INELIGIBILITY.—(1) The Secretary of Veterans Affairs shall take appropriate actions to notify persons receiving or eligible for educational assistance under the provisions of law specified in subsection (b) of the application of the limitations in section 487(d)(2) of the Higher Education Act of 1965 to particular proprietary institutions of higher education.

“(2) The actions taken under this subsection with respect to a proprietary institution shall include publication, on the Internet website of the Department that provides information to persons described in paragraph (1), of the following:

“(A) The name of the institution.

“(B) The extent to which the institution failed to meet the requirements of section 487(a)(24) of the Higher Education Act of 1965.

“(C) The length of time the institution will be ineligible for participation in or receipt of funds under any program of Federal educational assistance by reason of section 487(d)(2)(A) of that Act.

“(D) The nonavailability of educational assistance through the Department for enrollment, attendance, or pursuit of a program of education at the institution by reason of such ineligibility.”.
(2) Clerical Amendment.—The table of sections at the beginning of chapter 36 of such title is amended by inserting after the item relating to section 3681 the following new item:

“3681A. Ineligibility of certain proprietary institutions of higher education for participation in Department of Veterans Affairs programs of educational assistance.”.

Subtitle B—Supports for Student Veterans

SEC. 311. RESTORATION OF ENTITLEMENT TO EDUCATIONAL ASSISTANCE AND OTHER RELIEF FOR VETERANS AFFECTED BY CLOSURES OF EDUCATIONAL INSTITUTIONS.

(a) Educational Assistance.—

(1) In general.—Section 3312 of title 38, United States Code, is amended by adding at the end the following new subsection:

“(d) Discontinuation of Education Due to Closure of Educational Institution.—

“(1) In general.—Any payment of educational assistance described in paragraph (2) shall not—

“(A) be charged against any entitlement to educational assistance of the individual concerned under this chapter; or

“(B) be counted against the aggregate period for which section 3695 of this title limits
the individual’s receipt of educational assistance under this chapter.

“(2) DESCRIPTION OF PAYMENT OF EDUCATIONAL ASSISTANCE.—Subject to paragraph (3), the payment of educational assistance described in this paragraph is the payment of such assistance to an individual for pursuit of a course or courses under this chapter if the Secretary finds that the individual—

“(A) was forced to discontinue such course pursuit as a result of a permanent closure of an educational institution; and

“(B) did not receive credit, or lost training time, toward completion of the program of education being pursued at the time of such closure.

“(3) PERIOD FOR WHICH PAYMENT NOT CHARGED.—The period for which, by reason of this subsection, educational assistance is not charged against entitlement or counted toward the applicable aggregate period under section 3695 of this title shall not exceed the aggregate of—

“(A) the portion of the period of enrollment in the course or courses from which the individual failed to receive credit or with respect
to which the individual lost training time, as determined under paragraph (2)(B), and

“(B) the period by which monthly stipend is extended under section 3680(a)(2)(B) of this title.”.

(2) APPLICABILITY.—Subsection (d) of such section, as added by paragraph (1), shall apply with respect to courses and programs of education discontinued as described in subparagraph (A) or (B) of paragraph (2) of such subsection in fiscal year 2015 or any fiscal year thereafter.

(b) MONTHLY HOUSING STIPEND.—

(1) IN GENERAL.—Section 3680(a) of such title is amended—

(A) by striking the matter after paragraph (3)(B);

(B) in paragraph (3), by redesignating subparagraphs (A) and (B) as clauses (i) and (ii), respectively;

(C) by redesignating paragraphs (1) through (3) as subparagraphs (A) through (C), respectively;

(D) in the matter before subparagraph (A), as redesignated, in the first sentence, by striking “Payment of” and inserting “(1) Ex-
cept as provided in paragraph (2), payment of”;
and
(E) by adding at the end the following new paragraph (2):
“(2) Notwithstanding paragraph (1), the Secretary may, pursuant to such regulations as the Secretary shall prescribe, continue to pay allowances to eligible veterans and eligible persons enrolled in courses set forth in paragraph (1)(A)—
“(A) during periods when schools are temporarily closed under an established policy based on an Executive order of the President or due to an emergency situation, except that the total number of weeks for which allowances may continue to be so payable in any 12-month period may not exceed four weeks; or
“(B) solely for the purpose of awarding a monthly housing stipend described in section 3313 of this title, during periods following a permanent school closure, except that payment of such a stipend may only be continued until the earlier of—
“(i) the date of the end of the term, quarter, or semester during which the school closure occurred; and
“(ii) the date that is 4 months after the
date of the school closure.”.

(2) CONFORMING AMENDMENT.—Paragraph
(1)(C)(ii) of such section, as redesignated, is amend-
ed by striking “described in subclause (A) of this
clause” and inserting “described in clause (ii)”.

SEC. 312. WORK-STUDY ALLOWANCE.

Section 3485(a)(4) of title 38, United States Code,
is amended by striking “June 30, 2013” each place it ap-
ppears and inserting “June 30, 2020”.

SEC. 313. COSTS OF APPLYING TO INSTITUTION OF HIGHER
LEARNING.

(a) IN GENERAL.—Chapter 33 of title 38, United
States Code, is amended by inserting after section 3315A
the following new section:

“§3315B. Costs of applying to institution of higher
learning

“(a) IN GENERAL.—An individual entitled to edu-
cational assistance under this chapter shall also be entitled
to educational assistance for the application fee required
to apply to an approved program of education at an insti-
tution of higher learning.

“(b) AMOUNT.—The total amount of educational as-
sistance payable under this chapter to an individual for
applications described in subsection (a) is the lesser of—
“(1) the total application fees charged to the individual by the institutions of higher learning; or

“(2) $750.

“(c) CHARGE AGAINST ENTITLEMENT.—The number of months (and any fraction thereof) of entitlement charged an individual under this chapter for an application described in subsection (a) shall be determined at the rate of one month for each amount that equals the amount determined under section 3315A(c)(2) of this title.”.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 3315A the following new item:

“3315B. Costs of applying to institution of higher learning.”.

SEC. 314. GRANT PROGRAM TO ESTABLISH, MAINTAIN, AND IMPROVE VETERAN STUDENT CENTERS.

Title VIII of the Higher Education Act of 1965 is amended by striking part T (20 U.S.C. 1161t) and inserting the following:

“PART T—GRANTS FOR VETERAN STUDENT CENTERS

“SEC. 873. GRANTS FOR VETERAN STUDENT CENTERS.

“(a) GRANTS AUTHORIZED.—Subject to the availability of appropriations under subsection (i), the Secretary shall award grants to institutions of higher education or consortia of institutions of higher education to
assist in the establishment, maintenance, improvement,
and operation of Veteran Student Centers. The Secretary
shall award not more than 30 grants under this sub-
section.

“(b) Eligibility.—

“(1) Application.—An institution or consort-
tium seeking a grant under subsection (a) shall sub-
mit to the Secretary an application at such time, in
such manner, and containing such information as
the Secretary may require.

“(2) Criteria.—The Secretary may award a
grant under subsection (a) to an institution or a
consortium if the institution or consortium meets
each of the following criteria:

“(A) The institution or consortium enrolls
in undergraduate or graduate courses—

“(i) a significant number of veteran
students, members of the Armed Forces
serving on active duty, and members of a
reserve component of the Armed Forces; or

“(ii) a significant percentage of vet-
eran students,

as measured by comparing the overall enrollment of
the institution or consortium to the number, for the
most recent academic year for which data are avail-
able, of veteran students, members of the Armed Forces serving on active duty, and members of a reserve component of the Armed Forces who are enrolled in undergraduate or graduate courses at the institution or consortium.

“(B) The institution or consortium presents a sustainability plan to demonstrate that its Veteran Student Center will be maintained and will continue to operate after the grant period of the grant received under subsection (a) has ended.

“(3) ADDITIONAL CRITERIA.—In awarding grants under subsection (a), the Secretary—

“(A) shall consider institutions or consortia representing a broad spectrum of sectors and sizes, including institutions or consortia from urban, suburban, and rural regions of the United States; and

“(B) may provide consideration to institutions or consortia that meet one or more of the following criteria:

“(i) The institution or consortium is located in a region or community that has a significant population of veterans.
“(ii) The institution or consortium carries out programs or activities that assist veterans in the local community and the spouses of veteran students.

“(iii) The institution or consortium partners in its veteran-specific programming with non-profit veteran service organizations, local workforce development organizations, or institutions of higher education.

“(iv) The institution or consortium commits to hiring a staff at the Veteran Student Center that includes veterans (including veteran student volunteers and veteran students participating in a Federal work-study program under part C of title IV, a work-study program administered by the Secretary of Veteran Affairs, or a State work-study program).

“(v) The institution or consortium commits to using a portion of the grant received under this section to develop an early-warning veteran student retention program carried out by the Veteran Student Center.
“(vi) The institution or consortium commits to providing mental health counseling to its veteran students and their spouses.

“(c) USE OF FUNDS.—

“(1) IN GENERAL.—An institution or consortium that is awarded a grant under subsection (a) shall use such grant to establish, maintain, improve, or operate a Veteran Student Center.

“(2) OTHER ALLOWABLE USES.—An institution or consortium receiving a grant under subsection (a) may use a portion of such funds to carry out supportive instruction services for student veterans, including—

“(A) assistance with special admissions and transfer of credit from previous postsecondary education or experience; and

“(B) any other support services the institution or consortium determines to be necessary to ensure the success of veterans on campus in achieving education and career goals.

“(d) AMOUNTS AWARDED.—

“(1) DURATION.—Each grant awarded under subsection (a) shall be for a 4-year period.
“(2) TOTAL AMOUNT OF GRANT AND SCHEDULE.—Each grant awarded under subsection (a) may not exceed a total of $500,000. The Secretary shall disburse to an institution or consortium the amounts awarded under the grant in such amounts and at such times during the grant period as the Secretary determines appropriate.

“(e) REPORT.—From the amounts appropriated to carry out this section, and not later than 3 years after the date on which the first grant is awarded under subsection (a), the Secretary shall submit to Congress a report on the grant program established under subsection (a), including—

“(1) the number of grants awarded;

“(2) the institutions of higher education and consortia that have received grants;

“(3) with respect to each such institution of higher education and consortium—

“(A) the amounts awarded;

“(B) how such institution or consortium used such amounts;

“(C) a description of the students to whom services were offered as a result of the award; and
“(D) data enumerating whether the use of the amounts awarded helped veteran students at the institution or consortium toward completion of a degree, certificate, or credential;

“(4) best practices for veteran student success, identified by reviewing data provided by institutions and consortia that received a grant under this section; and

“(5) a determination by the Secretary with respect to whether the grant program under this section should be extended or expanded.

“(f) TERMINATION.—The authority of the Secretary to carry out the grant program established under subsection (a) shall terminate on the date that is 4 years after the date on which the first grant is awarded under subsection (a).

“(g) DEPARTMENT OF EDUCATION BEST PRACTICES WEBSITE.—Subject to the availability of appropriations under subsection (i) and not later than 3 years after the date on which the first grant is awarded under subsection (a), the Secretary shall develop and implement a website for veteran student services at institutions of higher education, which details best practices for serving veteran students at institutions of higher education.

“(h) DEFINITIONS.—In this section:
(1) INSTITUTION OF HIGHER EDUCATION.—

The term ‘institution of higher education’ has the meaning given the term in section 101.

(2) VETERAN STUDENT CENTER.—The term ‘Veteran Student Center’ means a dedicated space on a campus of an institution of higher education that provides students who are veterans or members of the Armed Forces with the following:

(A) A lounge or meeting space for such veteran students, their spouses or partners, and veterans in the community.

(B) A centralized office for veteran services that—

(i) is a single point of contact to coordinate comprehensive support services for veteran students;

(ii) is staffed by trained employees and volunteers, which includes veterans and at least one full-time employee or volunteer who is trained as a veterans’ benefits counselor;

(iii) provides veteran students with assistance relating to—

(I) transitioning from the military to student life;
“(II) transitioning from the military to the civilian workforce;

“(III) networking with other veteran students and veterans in the community;

“(IV) understanding and obtaining benefits provided by the institution of higher education, Federal Government, and State for which such students may be eligible;

“(V) understanding how to succeed in the institution of higher education, including by understanding academic policies, the course selection process, and institutional policies and practices related to the transfer of academic credits; and

“(VI) understanding their disability-related rights and protections under the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.) and section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) ; and

“(iv) provides comprehensive academic and tutoring services for veteran students,
including peer-to-peer tutoring and academic mentorship.

“(i) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this part such sums as may be necessary for fiscal year 2016 and each of the 3 succeeding fiscal years.”.

SEC. 315. CONTINUATION OF AWARDS.

An institution of higher education that received a grant under section 873 of the Higher Education Act of 1965 (20 U.S.C. 1161t) before the date of enactment of this Act, as such section 873 (20 U.S.C. 1161t) was in effect on the day before the date of enactment of this Act, shall continue to receive funds in accordance with the terms and conditions of such grant.

SEC. 316. DEPARTMENT OF VETERANS AFFAIRS GRANTS TO EDUCATIONAL INSTITUTIONS FOR PROVISION OF CHILD CARE SERVICES.

(a) IN GENERAL.—Subchapter II of chapter 36 of title 38, United States Code, is amended by adding at the end the following new section:

“§ 3699. Grants to educational institutions for provision of child care services

“(a) IN GENERAL.—The Secretary may make a grant to an eligible educational institution for the purpose of providing child care services on the campus of the edu-
cational institution to students enrolled in courses of education offered by the educational institution.

“(b) Eligible Educational Institution.—To be eligible for a grant under this section, an educational institution shall—

“(1) offer a course of education that is approved as provided in this chapter and chapters 34 and 35 of this title by the State approving agency where the educational institution is located; and

“(2) submit to the Secretary an application containing such information and assurances as the Secretary may require.

“(c) Use of Funds.—(1) An educational institution that receives a grant under this section shall use the grant to—

“(A) establish or expand a child care center on the campus of the educational institution; or

“(B) pay the costs of providing child care services to students enrolled in courses of education offered by the educational institution at a child care center located on the campus of the educational institution.

“(2) The Secretary shall require, as a condition of a grant under this section, that the educational institution that receives the grant provides at least 75 percent of the
new child care services funded by the grant to students who are veterans.

“(d) LIMITATION.—The Secretary may not make more than 50 grants under this section for fiscal year 2016.

“(e) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated such sums as may be necessary to carry out this section.”.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting at the end of the items relating to subchapter II the following new item:

“3699. Grants to educational institutions for provision of child care services.”.

SEC. 317. PILOT PROGRAM TO PROVIDE EDUCATIONAL ASSISTANCE TO PHYSICIAN ASSISTANTS TO BE EMPLOYED AT THE DEPARTMENT OF VETERANS AFFAIRS.

(a) PILOT PROGRAM.—

(1) IN GENERAL.—The Secretary of Veterans Affairs shall carry out a pilot program to be known as the “Grow Our Own Directive” or “G.O.O.D.” pilot program (in this section referred to as the “pilot program”) to provide educational assistance to certain former members of the Armed Forces for education and training as physician assistants of the Department of Veterans Affairs.
(2) INFORMATION ON PILOT PROGRAM.—The Secretary shall provide information on the pilot program to eligible individuals under subsection (b), including information on application requirements and a list of entities with which the Secretary has partnered under subsection (g).

(b) ELIGIBLE INDIVIDUALS.—An individual is eligible to participate in the pilot program if the individual—

(1) has medical or military health experience gained while serving as a member of the Armed Forces;

(2) has received a certificate, associate degree, baccalaureate degree, master’s degree, or postbaccalaureate training in a science relating to health care;

(3) has participated in the delivery of health care services or related medical services, including participation in military training relating to the identification, evaluation, treatment, and prevention of diseases and disorders; and

(4) does not have a degree of doctor of medicine, doctor of osteopathy, or doctor of dentistry.

(e) DURATION.—The pilot program shall be carried out during the five-year period beginning on the date that is 180 days after the date of the enactment of this Act.
(d) **Selection.**—

(1) **In general.**—The Secretary shall select not less than 250 eligible individuals under subsection (b) to participate in the pilot program.

(2) **Priority for selection.**—In selecting individuals to participate in the pilot program under paragraph (1), the Secretary shall give priority to the following individuals:

(A) Individuals who participated in the Intermediate Care Technician Pilot Program of the Department that was carried out by the Secretary between January 2011 and February 2015.

(B) Individuals who agree to be employed as a physician assistant for the Veterans Health Administration at a medical facility of the Department located in a community that—

(i) is designated as a medically underserved population under section 330(b)(3)(A) of the Public Health Service Act (42 U.S.C. 254b(b)(3)(A)); and

(ii) is in a State with a per capita population of veterans of more than 9 percent according to the National Center for
Veterans Analysis and Statistics and the
United States Census Bureau.

(c) Educational Assistance.—

(1) In General.—In carrying out the pilot
program, the Secretary shall provide educational as-
sistance to individuals participating in the pilot pro-
gram, including through the use of scholarships, to
cover the costs to such individuals of obtaining a
master’s degree in physician assistant studies or a
similar master’s degree.

(2) Use of Existing Programs.—In pro-
viding educational assistance under paragraph (1),
the Secretary shall use the Department of Veterans
Affairs Health Professionals Educational Assistance
Program under chapter 76 of title 38, United States
Code, and such other educational assistance pro-
grams of the Department as the Secretary considers
appropriate.

(3) Use of Scholarships.—The Secretary
shall provide not less than 35 scholarships under the
pilot program to individuals participating in the pilot
program during each year in which the pilot pro-
gram is carried out.

(f) Period of Obligated Service.—
(1) IN GENERAL.—The Secretary shall enter into an agreement with each individual participating in the pilot program in which such individual agrees to be employed as a physician assistant for the Veterans Health Administration for a period of obligated service specified in paragraph (2).

(2) PERIOD SPECIFIED.—With respect to each individual participating in the pilot program, the period of obligated service specified in this paragraph for the individual is—

(A) if the individual is participating in the pilot program through a program described in subsection (e)(2) that specifies a period of obligated service, the period specified with respect to such program; or

(B) if the individual is participating in the pilot program other than through a program described in such subsection, or if such program does not specify a period of obligated service, a period of three years or such other period as the Secretary considers appropriate for purposes of the pilot program.

(g) BREACH.—

(1) LIABILITY.—Except as provided in paragraph (2), an individual who participates in the pilot
program and fails to satisfy the period of obligated service under subsection (f) shall be liable to the United States, in lieu of such obligated service, for the amount that has been paid or is payable to or on behalf of the individual under the pilot program, reduced by the proportion that the number of days served for completion of the period of obligated service bears to the total number of days in the period of obligated service of such individual.

(2) EXCEPTION.—If an individual is participating in the pilot program through a program described in subsection (e)(2) that specifies a period of obligated service, the liability of the individual for failing to satisfy the period of obligated service under subsection (f) shall be determined as specified with respect to such program.

(h) MENTORS.—The Secretary shall ensure that a physician assistant mentor or mentors are available for individuals participating in the pilot program at each facility of the Veterans Health Administration at which a participant in the pilot program is employed.

(i) PARTNERSHIPS.—In carrying out the pilot program, the Secretary shall seek to partner with the following:
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(1) Not less than 15 institutions of higher edu-
cation that—

(A) offer a master’s degree program in
physician assistant studies or a similar area of
study that is accredited by the Accreditation
Review Commission on Education for the Phy-
sician Assistant; and

(B) agree—

(i) to guarantee seats in such master’s
degree program for individuals partici-
pating in the pilot program who meet the
entrance requirements for such master’s
degree program; and

(ii) to provide individuals partici-
pating in the pilot program with informa-
tion on admissions criteria and the admis-
sions process.

(2) Other institutions of higher education that
offer programs in physician assistant studies or
other similar areas of studies that are accredited by
the Accreditation Review Commission on Education
for the Physician Assistant.

(3) The Transition Assistance Program of the
Department of Defense.
(4) The Veterans’ Employment and Training Service of the Department of Labor.

(5) Programs carried out under chapter 41 of title 38, United States Code, for the purpose of marketing and advertising the pilot program to veterans and members of the Armed Forces who may be interested in the pilot program.

(j) Administration of Pilot Program.—For purposes of carrying out the pilot program, the Secretary shall appoint or select within the Office of Physician Assistant Services of the Veterans Health Administration the following:

(1) A Deputy Director for Education and Career Development of Physician Assistants who—

(A) is a physician assistant, a veteran, and employed by the Department as of the date of the enactment of this Act;

(B) is responsible for—

(i) overseeing the pilot program;

(ii) recruiting candidates to participate in the pilot program;

(iii) coordinating with individuals participating in the pilot program and assisting those individuals in applying and being
admitted to a master’s degree program under the pilot program; and

(iv) providing information to eligible individuals under subsection (b) with respect to the pilot program; and

(C) may be employed in the field at a medical center of the Department.

(2) A Deputy Director of Recruitment and Retention who—

(A) is a physician assistant, a veteran, and employed by the Department as of the date of the enactment of this Act;

(B) is responsible for—

(i) identifying and coordinating the needs of the pilot program and assist the Secretary in providing mentors under subsection (h) to participants in the pilot program; and

(ii) coordinating the staff of facilities of the Veterans Health Administration with respect to identifying employment positions and mentors under subsection (h) for participants in the pilot program; and

(C) may be employed in the field at a medical center of the Department.
(3) A recruiter who—

(A) reports directly to the Deputy Director of Recruitment and Retention; and

(B) works with the Workforce Management and Consulting Office and the Healthcare Talent Management Office of the Veterans Health Administration to develop and implement national recruiting strategic plans for the recruitment and retention of physician assistants within the Department.

(4) An administrative assistant, compensated at a rate not less than level GS–6 of the General Schedule, or equivalent, who assists with administrative duties relating to the pilot program in the Office of Physician Assistant Services and such other duties as determined by the Secretary to ensure that the Office runs effectively and efficiently.

(k) REPORT.—

(1) IN GENERAL.—Not later than one year after the date of the enactment of this Act, the Secretary of Veterans Affairs, in collaboration with the Secretary of Labor, the Secretary of Defense, and the Secretary of Health and Human Services, shall submit to Congress a report on the pilot program.
(2) ELEMENTS.—The report required by paragraph (1) shall include the following:

(A) The extent to which the pilot program is effective in improving the ability of eligible individuals under subsection (b) to become physician assistants;

(B) An examination of whether the pilot program is achieving the goals of—

(i) enabling individuals to build on medical skills gained as members of the Armed Forces by entering into the physician assistant workforce of the Department; and

(ii) helping to meet the shortage of physician assistants employed by the Department.

(C) An identification of such modifications to the pilot program as the Secretary of Veterans Affairs, the Secretary of Labor, the Secretary of Defense, and the Secretary of Health and Human Services consider necessary to meet the goals described in subparagraph (B).

(D) An assessment of whether the pilot program could serve as a model for other programs of the Department to assist individuals
in obtaining certification and employment in other health care fields.

(l) **SOURCE OF AMOUNTS.**—Not less than $8,000,000 of the amount necessary to carry out the pilot program shall be derived from amounts appropriated to the Department of Veterans Affairs before the date of the enactment of this Act.

**SEC. 318. ESTABLISHMENT OF STANDARDS FOR THE DEPARTMENT OF VETERANS AFFAIRS FOR USING EDUCATIONAL ASSISTANCE PROGRAMS TO EDUCATE AND HIRE PHYSICIAN ASSISTANTS.**

(a) **IN GENERAL.**—The Secretary of Veterans Affairs shall establish standards described in subsection (b) to improve the use by the Department of Veterans Affairs of the Department of Veterans Affairs Health Professionals Educational Assistance Program under chapter 76 of title 38, United States Code, and other educational assistance programs of the Department, including the pilot program under section 2, to educate and hire physician assistants of the Department.

(b) **STANDARDS.**—The standards described in this subsection are the following:

(1) Holding directors of medical centers of the Department accountable for failure to use the edu-
(a) and other incentives—

(A) to advance employees of the Department in their education as physician assistants; and

(B) to improve recruitment and retention of physician assistants.

(2) Ensuring that the Department of Veterans Affairs Education Debt Reduction Program under subchapter VII of chapter 76 of such title is available for participants in the pilot program under section 2 to fill vacant physician assistant positions at the Department, including by—

(A) including in all vacancy announcements for physician assistant positions the availability of the Education Debt Reduction Program; and

(B) informing applicants to physician assistant positions of their eligibility for the Education Debt Reduction Program.

(3) Monitoring compliance with the application process for educational assistance programs described in subsection (a) to ensure that such programs are being fully utilized to carry out this section.
(4) Creating programs, including through the use of the Department of Veterans Affairs Employee Incentive Scholarship Program under subchapter VI of chapter 76 of such title, to encourage employees of the Department to apply to accredited physician assistant programs.

(c) REGULATIONS.—The Secretary shall prescribe such regulations as the Secretary considers appropriate to carry out this section.

SEC. 319. ESTABLISHMENT OF PAY GRADES FOR PHYSICIAN ASSISTANTS OF THE DEPARTMENT OF VETERANS AFFAIRS AND REQUIREMENT TO PROVIDE COMPETITIVE PAY.

(a) ESTABLISHMENT OF PAY GRADES.—Section 7404(b) of title 38, United States Code, is amended by adding at the end the following:

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PHYSICIAN ASSISTANT SCHEDULE

Physician Assistant IV.
Physician Assistant III.
Physician Assistant II.
Physician Assistant I.
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(b) COMPETITIVE PAY.—Section 7451(a)(2) of such title is amended—

(1) by redesignating subparagraph (B) as subparagraph (C);

(2) by inserting after subparagraph (A) the following new subparagraph (B):

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“(B) Physician assistant.”;
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and
(3) in subparagraph (C), as redesignated by paragraph (1), by striking “and registered nurse” and inserting “registered nurse, and physician assistant”.

(c) NATIONAL STRATEGIC PLAN.—

(1) IN GENERAL.—The Secretary of Veterans Affairs shall implement a national strategic plan for the retention and recruitment of physician assistants of the Department of Veterans Affairs that includes the establishment and adoption of standards for the provision of competitive pay to physician assistants of the Department in comparison to the pay of physician assistants in the private sector.

(2) REPORT.—Not later than one year after the date of the enactment of this Act, the Secretary shall submit to the Committee on Veterans’ Affairs of the Senate and the Committee on Veterans’ Affairs of the House of Representatives a report on the implementation of the national strategic plan under paragraph (1).
Subtitle C—Eligibility

SEC. 321. CONSIDERATION OF ELIGIBILITY FOR POST-9/11 EDUCATIONAL ASSISTANCE FOR CERTAIN TIME ON ACTIVE DUTY IN RESERVE COMPONENTS OF ARMED FORCES.

(a) In General.—Section 3301(1)(B) of title 38, United States Code, is amended by striking “12302, or 12304” and inserting “12301(h), 12302, 12304, 12304a, or 12304b”.

(b) Effective Date and Applicability.—The amendment made by subsection (a) shall—

(1) take effect on the date that is one year after the date of the enactment of this Act;

(2) apply with respect to assistance provided under chapter 33 of such title on and after the date that is one year after the date of the enactment of this Act; and

(3) apply with respect to any member of a reserve component of the Armed Forces who serves or has served on active duty under section 12301(h), 12304a, or 12304b of title 10, United States Code, before, on, or after the date of the enactment of this Act.
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SEC. 322. CLARIFICATION OF ELIGIBILITY FOR MARINE

GUNNERY SERGEANT JOHN DAVID FRY

SCHOLARSHIP.

(a) IN GENERAL.—Section 701(d) of the Veterans

Access, Choice, and Accountability Act of 2014 (Public

Law 113–146; 128 Stat. 1796; 38 U.S.C. 3311 note) is

amended to read as follows:

“(d) APPLICABILITY.—

“(1) IN GENERAL.—The amendments made by

this section shall apply with respect to a quarter, se-

mester, or term, as applicable, commencing on or

after January 1, 2015.

“(2) DEATHS THAT OCCURRED BETWEEN SEP-

TEMBER 11, 2001, AND DECEMBER 31, 2005.—For

purposes of section 3311(f)(2) of title 38, United

States Code, any member of the Armed Forces who

died during the period beginning on September 11,

2001, and ending on December 31, 2005, is deemed
to have died on January 1, 2006.”.

(b) ELECTION ON RECEIPT OF CERTAIN BENE-

FITS.—Section 3311(f) of title 38, United States Code,

is amended—

(1) in paragraph (3), by striking “A surviving

spouse” and inserting “Except as provided in para-

graph (4), a surviving spouse”;

...
(2) by redesignating paragraph (4) as paragraph (5); and

(3) by inserting after paragraph (3) the following new paragraph (4):

“(4) EXCEPTION FOR CERTAIN ELECTIONS.—

“(A) IN GENERAL.—An election made under paragraph (3) by a spouse described in subparagraph (B) may not be treated as irrevocable if such election occurred before the date of the enactment of this paragraph.

“(B) ELIGIBLE SURVIVING SPOUSE.—A spouse described in this subparagraph is an individual—

“(i) who is entitled to assistance under subsection (a) pursuant to paragraph (9) of subsection (b); and

“(ii) who was the spouse of a member of the Armed Forces who died during the period beginning on September 11, 2001, and ending on December 31, 2005.”.

(c) TECHNICAL AMENDMENT.—Paragraph (5) of subsection (f) of section 3311 of title 38, United States Code, as redesignated by subsection (b)(2), is amended by striking “that paragraph” and inserting “paragraph (9) of subsection (b)”.
(d) **YELLOW RIBBON G.I. EDUCATION ENHANCEMENT PROGRAM.**—Section 3317(a) of such title is amended by striking “paragraphs (1) and (2) of section 3311(b)” and inserting “paragraphs (1), (2), and (9) of section 3311(b) of this title”.

**SEC. 323. CONSIDERATION OF ELIGIBILITY FOR POST-9/11 EDUCATIONAL ASSISTANCE FOR CERTAIN TIME ON ACTIVE DUTY IN RESERVE COMPONENTS OF ARMED FORCES.**

(a) **IN GENERAL.**—Section 3301(1)(B) of title 38, United States Code, is amended by striking “12302, or 12304” and inserting “12301(h), 12302, 12304, 12304a, or 12304b”.

(b) **EFFECTIVE DATE AND APPLICABILITY.**—The amendment made by subsection (a) shall—

(1) take effect on the date that is one year after the date of the enactment of this Act;

(2) apply with respect to assistance provided under chapter 33 of such title on and after the date that is one year after the date of the enactment of this Act; and

(3) apply with respect to any member of a reserve component of the Armed Forces who serves or has served on active duty under section 12301(h), 12304a, or 12304b of title 10, United States Code,
before, on, or after the date of the enactment of this Act.

SEC. 324. ELIGIBILITY FOR POST-9/11 EDUCATIONAL ASSISTANCE FOR CERTAIN MEMBERS OF RESERVE COMPONENTS OF ARMED FORCES WHO LOST ENTITLEMENT TO EDUCATIONAL ASSISTANCE UNDER RESERVE EDUCATIONAL PROGRAM.

(a) Election.—Section 16167 of title 10, United States Code, is amended by adding at the end the following new subsection:

“(c) Eligibility for Post-9/11 Educational Assistance.—A member who loses eligibility for benefits under this chapter pursuant to subsection (b) shall be allowed to elect (in such form and manner as the Secretary of Veterans Affairs may prescribe) to have such service previously credited toward this chapter credited towards establishing eligibility for educational assistance under chapter 33 of title 38, United States Code, notwithstanding the provisions of section 16163(e) of this title or section 3322(h)(1) of title 38.”.

(b) Qualification of Service.—Section 3301(1) of title 38, United States Code, shall be construed to include, in the case of a member of a reserve component of the Armed Forces who, before November 25, 2015, es-
established eligibility for educational assistance under chapter 1607 of title 10, United States Code, pursuant to section 16163(a)(1) of such title, but lost eligibility for such educational assistance pursuant to section 16167(b) of such title, service on active duty (as defined in section 101 of such title) that satisfies the requirements of section 16163(a)(1) of such title.

(c) ENTITLEMENT.—Section 3311(b)(8) of title 38, United States Code, shall be construed to include an individual who, before November 25, 2015, established eligibility for educational assistance under chapter 1607 of title 10, United States Code, pursuant to section 16163(b) of such title, but lost such eligibility pursuant to section 16167(b) of such title.

(d) DURATION.—Notwithstanding section 3312 of title 38, United States Code, an individual who establishes eligibility for educational assistance under chapter 33 of such title by crediting towards such chapter service previously credited towards chapter 1607 of title 10, United States Code, is only entitled to a number of months of educational assistance under section 3313 of title 38, United States Code, equal to the number of months of entitlement remaining under chapter 1607 of title 10, United States Code, at the time of conversion to chapter 33 of title 38, United States Code.
TITLE IV—DISABILITY
COMPENSATION AND PENSION

SEC. 401. APPEALS REFORM.

(a) DEFINITIONS.—Section 101 of title 38, United States Code, is amended by adding at the end the following new paragraphs:

“(34) The term ‘Agency of Original Jurisdiction’ means the activity which entered the original determination with regard to a claim for benefits under this title.

“(35) The term ‘relevant evidence’ means evidence that tends to prove or disprove a matter in issue.”.

(b) NOTICE OF SUPPLEMENTAL CLAIMS.—Section 5103 of title 38, United States Code, is amended—

(1) in subsection (a)(2)(B)(i) by striking “, a claim for reopening a prior decision on a claim, or a claim for an increase in benefits;” and inserting “or a supplemental claim;”; and

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

“(6) Nothing in this section shall require notice to be sent for a supplemental claim that is filed within the timeframe set forth in subsections
(a)(2)(B) and (a)(2)(D) of section 5110 of this title.’’.

(c) DISALLOWED CLAIMS.—Subsection (f) of section 5103A of title 38, United States Code, is amended to read as follows:

“(f) RULE WITH RESPECT TO DISALLOWED CLAIMS.—Nothing in this section shall be construed to require the Secretary to readjudicate a claim that has been disallowed except when new and relevant evidence is presented or secured, as described in section 5108 of this title.’’.

(d) DUTY TO ASSIST.—Chapter 51 of title 38, United States Code, is amended by adding the following new sections:

“§ 5103B. Applicability of duty to assist

“(a) The Secretary’s duty to assist under section 5103A of this title shall apply only to a claim, or supplemental claim, for a benefit under a law administered by the Secretary until the time that a claimant is provided notice of the Agency of Original Jurisdiction’s decision with respect to such claim, or supplemental claim, under section 5104 of this title.

“(b) The Secretary’s duty to assist under section 5103A of this title shall not apply to higher-level review by the Agency of Original Jurisdiction, pursuant to section
"(c) Correction of Duty To Assist Errors.—

"(1) Higher-level Review.—If, during review of the Agency of Original Jurisdiction’s decision under section 5104B of this title, the higher-level reviewer identifies an error on the part of the Agency of Original Jurisdiction to satisfy its duties under section 5103A of this title, and that error occurred prior to the Agency of Original Jurisdiction’s decision being reviewed, unless the claim can be granted in full, the higher-level reviewer shall return the claim for correction of such error and readjudication.

"(2) Board of Veterans’ Appeals.—If the Board, during review on appeal of an Agency of Original Jurisdiction decision, identifies an error on the part of the Agency of Original Jurisdiction to satisfy its duties under section 5103A of this title, and that error occurred prior to the Agency of Original Jurisdiction decision on appeal, unless the claim can be granted in full, the Board shall remand the claim to the Agency of Original Jurisdiction for correction of such error and readjudication. Remand for correction of such error may include directing the
Agency of Original Jurisdiction to obtain an advisory medical opinion under section 5109 of this title.

“§ 5104A. Binding nature of favorable findings

“Any finding favorable to the claimant as described in section 5104(b)(4) of this title shall be binding on all subsequent adjudicators within the department, unless clear and convincing evidence is shown to the contrary to rebut such favorable finding.

“§ 5104B. Higher-level review by the Agency of Original Jurisdiction

“(a) IN GENERAL.—The claimant may request a review of the decision of the Agency of Original Jurisdiction by a higher-level adjudicator within the Agency of Original Jurisdiction.

“(b) TIME AND MANNER OF REQUEST.—A request for higher-level review by the Agency of Original Jurisdiction must be in writing in the form prescribed by the Secretary and made within one year of the notice of the Agency of Original Jurisdiction’s decision. Such request may specifically indicate whether such review is requested by a higher-level adjudicator at the same office within the Agency of Original Jurisdiction or by an adjudicator at a different office of the Agency of Original Jurisdiction.

“(c) DECISION.—Notice of a higher-level review decision under this section shall be provided in writing.
“(d) EVIDENTIARY RECORD FOR REVIEW.—The evidentiary record before the higher-level reviewer shall be limited to the evidence of record in the Agency of Original Jurisdiction’s decision being reviewed.

“(e) DE NOVO REVIEW.—Higher-level review under this section shall be de novo.”.

(e) DENIAL OF BENEFITS SOUGHT.—Section 5104(b) of title 38, United States Code, is amended to read as follows:

“(b) In any case where the Secretary denies a benefit sought, the notice required by subsection (a) shall also include—

“(1) identification of the issues adjudicated;

“(2) a summary of the evidence considered by the Secretary;

“(3) a summary of the applicable laws and regulations;

“(4) identification of findings favorable to the claimant;

“(5) identification of elements not satisfied leading to the denial;

“(6) an explanation of how to obtain or access evidence used in making the decision; and
“(7) if applicable, identification of the criteria that must be satisfied to grant service connection or the next higher level of compensation.”.

(f) **Supplemental Claims.**—Section 5108 of title 38, United States Code, is amended to read as follows:

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§ 5108. Supplemental claims

“§ 5108. Supplemental claims

“If new and relevant evidence is presented or secured with respect to a supplemental claim, the Secretary shall readjudicate the claim taking into consideration any evidence added to the record prior to the former disposition of the claim.”.

(g) Section 5109 of title 38, United States Code, is amended by adding at the end the following new subsection:

“(d) The Board of Veterans’ Appeals may remand a claim to direct the Agency of Original Jurisdiction to obtain an advisory medical opinion under this section to correct an error on the part of the Agency of Original Jurisdiction to satisfy its duties under section 5103A of this title when such error occurred prior to the Agency of Original Jurisdiction’s decision on appeal. The Board’s remand instructions shall include the questions to be posed to the independent medical expert providing the advisory medical opinion.”.
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(h) **Effective Dates of Awards.**—Section 5110 of title 38, United States Code, is amended—

(1) by amending subsection (a) to read as follows:

“(a)(1) In general.—Unless specifically provided otherwise in this chapter, the effective date of an award based on an initial claim, or a supplemental claim, of compensation, dependency and indemnity compensation, or pension, shall be fixed in accordance with the facts found, but shall not be earlier than the date of receipt of application therefor.

“(2) Effect of continuous pursuit of a claim on effective date of award.—For purposes of applying the effective date rules in this section, the date of application shall be considered the date of the filing of the initial application for a benefit provided that the claim is continuously pursued by filing any of the following either alone or in succession—

“(A) a request for higher-level review under section 5104B of this title within one year of an Agency of Original Jurisdiction decision;

“(B) a supplemental claim under section 5108 of this title within one year of an Agency of Original Jurisdiction decision;
“(C) a notice of disagreement within one year of an Agency of Original Jurisdiction decision; or

“(D) a supplemental claim under section 5108 of this title within one year of a decision of the Board of Veterans’ Appeals.

“(3) SUPPLEMENTAL CLAIMS RECEIVED MORE THAN ONE YEAR AFTER AN AGENCY OF ORIGINAL JURISDICTION DECISION OR DECISION BY THE BOARD OF VETERANS’ APPEALS.—Except as otherwise provided in this section, for supplemental claims received more than one year after an Agency of Original Jurisdiction decision or a decision by the Board of Veterans’ Appeals, the effective date shall be fixed in accordance with the facts found, but shall not be earlier than the date of receipt of the supplemental claim.”; and

(2) in subsection (i) by—

(A) striking “reopened” and replacing it with “readjudicated”; 

(B) striking “material” and replacing it with “relevant”; and 

(C) striking “reopening” and replacing it with “readjudication”. 

(i) COMMENCEMENT OF PERIOD OF PAYMENT.—Section 5111(d)(1) of title 38, United States Code, is amend-
ed by striking “or reopened award;” and replacing it with
“award or award based on a supplemental claim;”.

(j) RECOGNITION OF AGENTS AND ATTORNEYS.—
Section 5904 of title 38, United States Code, is amend-
ed—

(1) in subsection (c)(1) by striking “notice of
disagreement is filed” and replacing it with “claim-
ant is provided notice of the Agency of Original Ju-
risdiction’s initial decision under section 5104 of this
title”; and

(2) in subsection (c)(2) by striking “notice of
disagreement is filed” and replacing it with “claim-
ant is provided notice of the Agency of Original Ju-
risdiction’s initial decision under section 5104 of this
title”.

(k) RECONSIDERATION; CORRECTION OF OBVIOUS
ERRORS.—Section 7103(b)(1) of title 38, United States
Code, is amended—

(1) in subparagraph (A) by striking “heard”
and replacing it with “decided”; and

(2) in subparagraph (B) by striking “heard”
and replacing it with “decided”.

(l) PROHIBITION ON READJUDICATION OF DIS-
ALLOWED CLAIMS BY BOARD.—Section 7104(b) of title
38, United States Code, is amended by striking “re-opened” and replacing it with “readjudicated”.

(m) APPELLATE REVIEW FORMS.—Section 7105 of title 38, United States Code, is amended—

(1) in subsection (a)—

(A) by striking the first sentence and replacing it with “Appellate review will be initiated by the filing of a notice of disagreement in the form prescribed by the Secretary.”; and

(B) by striking “hearing and”;

(2) by amending subsection (b) to read as follows:

“(b)(1) Except in the case of simultaneously contested claims, notice of disagreement shall be filed within one year from the date of the mailing of notice of the Agency of Original Jurisdiction’s decision under section 5104, 5104B, or 5108. A notice of disagreement postmarked before the expiration of the one-year period will be accepted as timely filed. A question as to timeliness or adequacy of the notice of disagreement shall be decided by the Board.

“(2) Notices of disagreement must be in writing, must set out specific allegations of error of fact or law, and may be filed by the claimant, the claimant’s legal guardian, or such accredited representative, attorney, or
authorized agent as may be selected by the claimant or legal guardian. Not more than one recognized organization, attorney, or agent will be recognized at any one time in the prosecution of a claim. Notices of disagreement must be filed with the Board.

“(3) The notice of disagreement shall indicate whether the claimant requests a hearing before the Board, requests an opportunity to submit additional evidence without a Board hearing, or requests review by the Board without a hearing or submission of additional evidence. If the claimant does not expressly request a Board hearing in the notice of disagreement, no Board hearing will be held.”;

(3) by amending subsection (c) to read as follows:

“(c) If no notice of disagreement is filed in accordance with this chapter within the prescribed period, the Agency of Original Jurisdiction’s action or decision shall become final and the claim will not thereafter be readjudicated or allowed, except as may otherwise be provided by section 5104B or 5108 of this title or regulations not inconsistent with this title.”;

(4) by striking subsections (d)(1) through (d)(5);
(5) by adding a new subsection (d) to read as follows:

“(d) The Board of Veterans’ Appeals may dismiss any appeal which fails to allege specific error of fact or law in the decision being appealed.”; and

(6) by striking subsection (e).

(n) NOTICE OF DISAGREEMENT IN SIMULTANEOUSLY CONTESTED CLAIMS.—Section 7105A(b) of title 38, United States Code, is amended to read as follows:

“(b) The substance of the notice of disagreement will be communicated to the other party or parties in interest and a period of thirty days will be allowed for filing a brief or argument in response thereto. Such notice shall be forwarded to the last known address of record of the parties concerned, and such action shall constitute sufficient evidence of notice.”.

(o) ADMINISTRATIVE APPEALS.—Strike section 7106 of title 38, United States Code.

(p) APPEALS, DOCKETS; HEARINGS.—Section 7107 of title 38, United States Code, is amended—

(1) by amending subsection (a) to read as follows:

“(a) The Board shall maintain two separate dockets. A non-hearing option docket shall be maintained for cases in which no Board hearing is requested and no additional
evidence will be submitted. A separate and distinct hearing
option docket shall be maintained for cases in which a
Board hearing is requested in the notice of disagreement
or in which no Board hearing is requested, but the appel-
liant requests, in the notice of disagreement, an oppor-
tunity to submit additional evidence. Except as provided
in subsection (b), each case before the Board will be de-
cided in regular order according to its respective place on
the Board’s non-hearing option docket or the hearing op-
tion docket.”;

(2) by amending subsection (b) to read as fol-
lows:

“(b) ADVANCEMENT ON THE DOCKET.—A case on ei-
ther the Board’s non-hearing option docket or hearing op-
tion docket, may, for cause shown, be advanced on motion
for earlier consideration and determination. Any such mo-
tion shall set forth succinctly the grounds upon which the
motion is based. Such a motion may be granted only—

“(1) if the case involves interpretation of law of
general application affecting other claims;

“(2) if the appellant is seriously ill or is under
severe financial hardship; or

“(3) for other sufficient cause shown.”;

(3) by amending subsection (c) to read as fol-
lows:
(c) MANNER AND SCHEDULING OF HEARINGS FOR CASES ON BOARD HEARING OPTION DOCKET.—(1) For cases on the Board hearing option docket in which a hearing is requested in the notice of disagreement, the Board shall notify the appellant whether a Board hearing will be held—

"(A) at its principal location, or

"(B) by picture and voice transmission at a facility of the Department where the Secretary has provided suitable facilities and equipment to conduct such hearings.

“(2)(A) Upon notification of a Board hearing at the Board’s principal location as described in subsection (c)(1)(A) of this section, the appellant may alternatively request a hearing as described in subsection (c)(1)(B) of this section. If so requested, the Board shall grant such request.

“(B) Upon notification of a Board hearing by picture and voice transmission as described in subsection (c)(1)(B) of this section, the appellant may alternatively request a hearing as described in subsection (c)(1)(A) of this section. If so requested, the Board shall grant such request.”; and

(4) by striking subsections (d) and (e) and redesignating subsection (f) as subsection (d).
(q) **INDEPENDENT MEDICAL OPINIONS.**—Strike section 7109 of title 38, United States Code.

(r) **SUBMITTAL OF CERTAIN REQUESTS TO BOARD.**—Section 7111(e) of title 38, United States Code, is amended by striking “merits, without referral to any adjudicative or hearing official acting on behalf of the Secretary.” and replacing it with “merits.”

(s) **EVIDENTIARY RECORD BEFORE BOARD.**—Chapter 71 of title 38, United States Code, is amended by adding the following new section:

“§ 7113. **Evidentiary record before the Board**

“(a) **NON-HEARING OPTION DOCKET.**—For cases in which a Board hearing is not requested in the notice of disagreement, the evidentiary record before the Board shall be limited to the evidence of record at the time of the Agency of Original Jurisdiction decision on appeal.

“(b) **HEARING OPTION DOCKET.**—(1) **HEARING REQUESTED.**—Except as provided in paragraph (2) of this subsection, for cases on the hearing option docket in which a hearing is requested in the notice of disagreement, the evidentiary record before the Board shall be limited to the evidence of record at the time of the Agency of Original Jurisdiction decision on appeal.

“(2) **EXCEPTIONS.**—The evidentiary record before the Board for cases on the hearing option docket in which
a hearing is requested, shall include each of the following, which the Board shall consider in the first instance—

“(A) evidence submitted by the appellant and his or her representative, if any, at the Board hearing; and

“(B) evidence submitted by the appellant and his or her representative, if any, within 90 days following the Board hearing.

“(3) HEARING NOT REQUESTED.—(A) Except as provided in subparagraph (B) of this paragraph, for cases on the hearing option docket in which a hearing is not requested in the notice of disagreement, the evidentiary record before the Board shall be limited to the evidence considered by the Agency of Original Jurisdiction in the decision on appeal.

“(B) The evidentiary record before the Board for cases on the hearing option docket in which a hearing is not requested, shall include each of the following, which the Board shall consider in the first instance—

“(i) evidence submitted by the appellant and his or her representative, if any, with the notice of disagreement; and

“(ii) evidence submitted by the appellant and his or her representative, if any, within 90 days following receipt of the notice of disagreement.”.
(t) **CONFORMING AMENDMENT.**—The heading of section 7105 is amended by striking “notice of disagreement and”.

(u) **CLERICAL AMENDMENTS.**—

(1) **CHAPTER 51.**—The table of sections at the beginning of chapter 51 of title 38, United States Code, is amended—

(A) by inserting after the item relating to section 5103A the following new item:

“5103B. Applicability of duty to assist.”;

(B) by inserting after the item relating to section 5104 the following new items:

“5104A. Binding nature of favorable findings.
“5104B. Higher-level review by the Agency of Original Jurisdiction.”; and

(C) in the item relating to section 5108, by striking “Reopening disallowed claims.” and inserting “Supplemental claims.”.

(2) **CHAPTER 71.**—The table of sections at the beginning of chapter 71 of title 38, United States Code, is amended—

(A) by striking the item relating to section 7106;

(B) by striking the item relating to section 7109;
(C) by adding at the end the following new item:

“7113. The evidentiary record before the Board.”; and

(D) in tem relating to section 7105, by striking “notice of disagreement and”.

SEC. 402. TREATMENT OF MEDICAL EVIDENCE PROVIDED BY NON-DEPARTMENT OF VETERANS AFFAIRS MEDICAL PROFESSIONALS IN SUPPORT OF CLAIMS FOR DISABILITY COMPENSATION.

(a) Acceptance of Reports of Private Physician Examinations.—Section 5125 of such title is amended—

(1) by striking “For purposes” and inserting “(a) IN GENERAL.—”;

(2) by striking “may” and inserting “shall”; and

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

“(b) SUFFICIENTLY COMPLETE DEFINED.—For purposes of a report described in subsection (a), the term ‘sufficiently complete’ means competent, credible, probative, and containing such information as may be required to make a decision on the claim for which the report is provided.”.
(b) **Effective Date.**—The amendment made by subsection (a) shall apply with respect to medical evidence submitted after the date that is 90 days after the date of the enactment of this Act.

**SEC. 403. REPORT ON PROGRESS OF ACCEPTABLE CLINICAL EVIDENCE INITIATIVE.**

(a) **In General.**—Not later than 180 days after the date of the enactment of this Act, the Secretary shall submit to the Committee on Veterans’ Affairs of the Senate and the Committee on Veterans’ Affairs of the House of Representatives a report on the progress of the Acceptable Clinical Evidence initiative of the Department of Veterans Affairs in reducing the necessity for in-person disability examinations and other efforts to comply with the provisions of section 5125 of title 38, United States Code, as amended by section 2.

(b) **Contents of Report.**—The report required by subsection (a) shall include the following:

1. The number of claims eligible for the Acceptable Clinical Evidence initiative during the period beginning on the date of the commencement of the initiative and ending on the date of the submittal of the report, disaggregated by fiscal year.

2. The total number of claims eligible for the Acceptable Clinical Evidence initiative that required
a medical examiner of the Department to supplement the evidence with information obtained during a telephone interview with a claimant.

(3) Information on any other initiatives or efforts of the Department to further encourage the use of private medical evidence and reliance upon reports of a medical examination administered by a private physician if the report is sufficiently complete to be adequate for the purposes of adjudicating a claim.

(4) The anticipated impact on the timeline and accuracy of a decision on a claim for benefits under chapter 11 or 15 of title 38, United States Code, if the Secretary were prohibited from requesting a medical examination in the case of a claim in support of which a claimant submits medical evidence and a medical opinion provided by a private physician that is competent, credible, probative, and otherwise adequate for the purpose of making a decision on that claim.

(5) Recommendations on how the Department can measure, track, and prevent the ordering of unnecessary medical examinations when the provision by a claimant of a medical examination administered by a private physician in support of a claim for ben-
benefits under chapter 11 or 15 of title 38, United States Code, is adequate for the purpose of making a decision on that claim.

SEC. 404. ANNUAL REPORT.

Not later than March 1 of each year, the Secretary of Veterans Affairs shall submit to Congress a report that includes, for the calendar year preceding the year in which the report is submitted, the following for each regional office of the Department of Veterans Affairs:

(1) The number of times a veteran who submitted private medical evidence in support of a claim for compensation or pension under the laws administered by the Secretary was scheduled for an examination performed by Department personnel because the private medical evidence submitted was determined to be unacceptable.

(2) The most common reasons why private medical evidence submitted in support of claims for benefits under the laws administered by the Secretary was determined to be unacceptable.

(3) The types of disabilities for which claims for benefits under the laws administered by the Secretary were mostly commonly denied when private medical evidence was submitted.
SEC. 405. BOARD OF VETERANS’ APPEALS VIDEO HEARINGS.

Section 7107 of title 38, United States Code, is amended—

(1) in subsection (d), by amending paragraph (1) to read as follows:

“(1)(A) Upon request for a hearing, the Board shall determine, for purposes of scheduling the hearing for the earliest possible date, whether a hearing before the Board will be held at its principal location or at a facility of the Department or other appropriate Federal facility located within the area served by a regional office of the Department. The Board shall also determine whether to provide a hearing through the use of the facilities and equipment described in subsection (e)(1) or by the appellant personally appearing before a Board member or panel.

“(B) The Board shall notify the appellant of the determinations of the location and type of hearing made under subparagraph (A). Upon notification, the appellant may request a different location or type of hearing as described in such subparagraph. If so requested, the Board shall grant such request and ensure that the hearing is scheduled at the earliest possible date without any undue delay or other prejudice to the appellant.”; and

(2) in subsection (e), by amending paragraph (2) to read as follows:
“(2) Any hearing provided through the use of the facilities and equipment described in paragraph (1) shall be conducted in the same manner as, and shall be considered the equivalent of, a personal hearing.”.

SEC. 406. EXPEDITED PAYMENT OF SURVIVOR’S BENEFITS.

(a) In General.—Section 5101(a)(1) of title 38, United States Code, is amended—

(1) by striking “A specific” and inserting “(A) Except as provided in subparagraph (B), a specific”;

and

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

“(B)(i) The Secretary may pay benefits under chapters 13 and 15 and sections 2302, 2307, and 5121 of this title to a survivor of a veteran who has not filed a formal claim if the Secretary determines that the record contains sufficient evidence to establish the entitlement of the survivor to such benefits.

“(ii) For purposes of this subparagraph and section 5110 of this title, the date on which a survivor of a veteran notifies the Secretary of the death of the veteran shall be treated as the date of the receipt of the survivor’s application for benefits described in clause (i).”.

(b) Effective Date.—The amendments made by subsection (a) shall apply with respect to claims for bene-
fits based on a death occurring on or after the date of
the enactment of this Act.

SEC. 407. DEFINITION OF SPOUSE FOR PURPOSES OF VETERAN BENEFITS TO REFLECT NEW STATE DEFINITIONS OF SPOUSE.

(a) Definitions.—Section 101 of title 38, United States Code is amended—

(1) in paragraph (3), by striking “of the opposite sex”; and

(2) in paragraph (31), by striking “of the opposite sex who is a wife or husband” and inserting “in a marriage recognized under section 103 of this title”.

(b) Determination.—Subsection (c) of section 103 of such title is amended to read as follows:

“(c)(1) For the purposes of all laws administered by the Secretary, the Secretary shall recognize a marriage based on the law of the State where the marriage occurred. In the case of a marriage that occurred outside a State, the Secretary shall recognize the marriage if the marriage was lawful in the place where it occurred and could have been entered into under the laws of any State. Except in the case of a purported marriage deemed valid under subsection (a), the Secretary may not recognize more than one marriage for any person at the same time.
“(2) In this subsection, the term ‘State’ has the meaning given that the term in section 101(20) of this title, except that such term also includes the Commonwealth of the Northern Mariana Islands.”.

SEC. 408. CONCURRENT RECEIPT OF BOTH RETIRED PAY AND VETERANS’ DISABILITY COMPENSATION FOR MILITARY RETIREES WITH COMPENSABLE SERVICE-CONNECTED DISABILITIES.

(a) Inclusion of Retirees With Service-Connected Disabilities Rated Less Than 50 Percent.—Subsection (a) of section 1414 of title 10, United States Code, is amended—

(1) by striking “Compensation” in the subsection heading and all that follows through “Subject” and inserting “Compensation.—Subject”;

(2) by striking “qualifying service-connected disability” and inserting “service-connected disability”; and

(3) by striking paragraph (2).

(b) Inclusion of Disability Retirees With Less Than 20 Years of Service.—Subsection (b) of such section is amended—

(1) in paragraph (1), by striking “member retired” and inserting “qualified retiree who is retired”; and
(2) by striking paragraph (2) and inserting the following new paragraph:

“(2) DISABILITY RETIREES WITH LESS THAN 20 YEARS OF SERVICE.—The retired pay of a qualified retiree who is retired under chapter 61 of this title with fewer than 20 years of creditable service is subject to reduction under sections 5304 and 5305 of title 38, but only by the amount (if any) by which the amount of the member’s retired pay under such chapter exceeds the amount equal to 2 1⁄2 percent of the member’s years of creditable service multiplied by the member’s retired pay base under section 1406(b)(1) or 1407 of this title, whichever is applicable to the member.”.

(c) CONFORMING AMENDMENTS REFLECTING END OF CONCURRENT RECEIPT PHASE-IN PERIOD.—Such section is further amended—

(1) in subsection (a), as amended by subsection (a) of this section, by striking the final sentence;

(2) by striking subsection (c) and redesignating subsections (d) and (e) as subsections (c) and (d), respectively; and

(3) in subsection (d), as so redesignated, by striking paragraphs (3) and (4).

(d) CLERICAL AMENDMENTS.—
(1) Section heading.—The heading for such section is amended to read as follows:

§ 1414. Members eligible for retired pay who are also eligible for veterans’ disability compensation: concurrent payment of retired pay and disability compensation.

(2) Table of sections.—The item relating to such section in the table of sections at the beginning of chapter 71 of such title is amended to read as follows:

“1414. Members eligible for retired pay who are also eligible for veterans’ disability compensation: concurrent payment of retired pay and disability compensation.”.

(e) Conforming amendment reflecting subsection redesignation.—Section 1413a(f) of such title is amended by striking “Subsection (d)” and inserting “Subsection (c)”.

(f) Effective date.—The amendments made by this section shall take effect on the first day of the first month beginning after the date of the enactment of this Act and shall apply to payments for months beginning on or after that date.
SEC. 409. EXTENSION OF CERTAIN AUTHORITIES OF SECRETARY OF VETERANS AFFAIRS REGARDING ASSOCIATIONS BETWEEN DISEASES AND EXPOSURE TO DIOXIN AND OTHER CHEMICAL COMPOUNDS IN HERBICIDES.

(a) Use of Information To Provide for Presumption of Service Connection.—Section 1116(e) of title 38, United States Code, is amended by striking “September 30, 2015” and inserting “September 30, 2017”.

(b) Agreement With National Academy of Sciences.—Section 3(i) of the Agent Orange Act of 1991 (Public Law 102–4; 38 U.S.C. 1116 note) is amended by striking “December 31, 2015” and inserting “December 31, 2017”.

TITLE V—HOUSING AND HOMELESSNESS

SEC. 501. FIVE-YEAR EXTENSION OF HOMELESS VETERANS REINTEGRATION PROGRAMS.

Section 2021(e)(1)(F) of title 38, United States Code, is amended by striking “2015” and inserting “2020”.

SEC. 502. CLARIFICATION OF ELIGIBILITY FOR SERVICES UNDER HOMELESS VETERANS REINTEGRATION PROGRAMS.

Subsection (a) of section 2021 of title 38, United States Code, is amended by striking “reintegration of
homeless veterans into the labor force.” and inserting the following:

“reintegration into the labor force of—

“(1) homeless veterans;

“(2) veterans participating in the Department of Veterans Affairs supported housing program for which rental assistance provided pursuant to section 8(o)(19) of the United States Housing Act of 1937 (42 U.S.C. 1437f(o)(19)); and

“(3) veterans who are transitioning from being incarcerated.”.

SEC. 503. SPECIAL ASSISTANT FOR VETERANS AFFAIRS IN THE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT.

(a) Transfer of Position to Office of the Secretary.—Section 4 of the Department of Housing and Urban Development Act (42 U.S.C. 3533) is amended by adding at the end the following new subsection:

“(h) Special Assistant for Veterans Affairs.—

“(1) Position.—There shall be in the Office of the Secretary a Special Assistant for Veterans Affairs, who shall report directly to the Secretary.

“(2) Appointment.—The Special Assistant for Veterans Affairs shall be appointed based solely on
merit and shall be covered under the provisions of title 5, United States Code, governing appointments in the competitive service.

“(3) RESPONSIBILITIES.—The Special Assistant for Veterans Affairs shall be responsible for—

“(A) ensuring veterans have fair access to housing and homeless assistance under each program of the Department providing either such assistance;

“(B) coordinating all programs and activities of the Department relating to veterans;

“(C) serving as a liaison for the Department with the Department of Veterans Affairs, including establishing and maintaining relationships with the Secretary of Veterans Affairs;

“(D) serving as a liaison for the Department, and establishing and maintaining relationships with the United States Interagency Council on Homelessness and officials of State, local, regional, and nongovernmental organizations concerned with veterans;

“(E) providing information and advice regarding—
“(i) sponsoring housing projects for veterans assisted under programs administered by the Department; or

“(ii) assisting veterans in obtaining housing or homeless assistance under programs administered by the Department;

“(F) coordinating with the Secretary of Housing and Urban Development and the Secretary of Veterans Affairs in carrying out section 3 of the Homes for Heroes Act of 2015; and

“(G) carrying out such other duties as may be assigned to the Special Assistant by the Secretary or by law.”.

(b) TRANSFER OF POSITION IN OFFICE OF DEPUTY ASSISTANT SECRETARY FOR SPECIAL NEEDS.—On the date that the initial Special Assistant for Veterans Affairs is appointed pursuant to section 4(h)(2) of the Department of Housing and Urban Development Act, as added by subsection (a) of this section, the position of Special Assistant for Veterans Programs in the Office of the Deputy Assistant Secretary for Special Needs of the Department of Housing and Urban Development shall be terminated.
SEC. 504. ANNUAL SUPPLEMENTAL REPORT ON VETERANS HOMELESSNESS.

(a) In General.—The Secretary of Housing and Urban Development and the Secretary of Veterans Affairs, in coordination with the United States Interagency Council on Homelessness, shall submit annually to the Committees of the Congress specified in subsection (b), together with the annual reports required by such Secretaries under section 203(c)(1) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11313(c)(1)), a supplemental report that includes the following information with respect to the preceding year:

(1) The same information, for such preceding year, that was included with respect to 2010 in the report by the Secretary of Housing and Urban Development and the Secretary of Veterans Affairs entitled “Veterans Homelessness: A Supplemental Report to the 2010 Annual Homeless Assessment Report to Congress”.

(2) Information regarding the activities of the Department of Housing and Urban Development relating to veterans during such preceding year, as follows:

(A) The number of veterans provided assistance under the housing choice voucher program for Veterans Affairs supported housing...
(VASH) under section 8(o)(19) of the United States Housing Act of 1937 (42 U.S.C. 1437f(o)(19)), the socioeconomic characteristics of such homeless veterans, and the number, types, and locations of entities contracted under such section to administer the vouchers.

(B) A summary description of the special considerations made for veterans under public housing agency plans submitted pursuant to section 5A of the United States Housing Act of 1937 (42 U.S.C. 1437c–1) and under comprehensive housing affordability strategies submitted pursuant to section 105 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12705).

(C) A description of the activities of the Special Assistant for Veterans Affairs of the Department of Housing and Urban Development.

(D) A description of the efforts of the Department of Housing and Urban Development and the other members of the United States Interagency Council on Homelessness to coordinate the delivery of housing and services to veterans.
(E) The cost to the Department of Housing and Urban Development of administering the programs and activities relating to veterans.

(F) Any other information that the Secretary of Housing and Urban Development and the Secretary of Veterans Affairs consider relevant in assessing the programs and activities of the Department of Housing and Urban Development relating to veterans.

(b) COMMITTEES.—The Committees of the Congress specified in this subsection are as follows:

(1) The Committee on Banking, Housing, and Urban Affairs of the Senate.

(2) The Committee on Veterans’ Affairs of the Senate.

(3) The Committee on Appropriations of the Senate.

(4) The Committee on Financial Services of the House of Representatives.

(5) The Committee on Veterans’ Affairs of the House of Representatives.

(6) The Committee on Appropriations of the House of Representatives.
SEC. 505. ESTABLISHMENT OF PILOT GRANT PROGRAM FOR HOMELESS VETERANS.

(a) Establishment.—In addition to any other programs carried out by the Secretary of Veterans Affairs regarding providing housing to homeless veterans, not later than one year after the date of the enactment of this Act, the Secretary shall commence a pilot grant program to assess the feasibility and advisability of awarding grants to eligible entities to purchase and renovate abandoned homes for homeless veterans.

(b) Grants.—

(1) Award.—In carrying out the pilot program under subsection (a), the Secretary shall award grants to eligible entities to purchase and renovate abandoned homes for homeless veterans.

(2) Maximum amount.—The amount of a single grant awarded under paragraph (1) shall not exceed $1,000,000.

(3) Number.—The Secretary may award to an eligible entity more than one grant under paragraph (1).

(c) Eligible entities.—The Secretary may award a grant under subsection (b)(1) to any of the following:

(1) A veterans service agency.

(2) A veterans service organization.

(3) Homeless organizations.
(4) Any other nongovernmental organization.

(d) SELECTION OF GRANT RECIPIENTS.—

(1) APPLICATION.—Any eligible entity seeking a grant under subsection (b)(1) shall submit to the Secretary an application therefore in such form and in such manner as the Secretary considers appropriate.

(2) SELECTION PRIORITY.—

(A) COMMUNITIES WITH GREATEST NEED.—Subject to subparagraph (B), in accordance with regulations the Secretary shall prescribe, the Secretary shall give priority in the awarding of grants under subsection (b)(1) to eligible entities who serve communities that the Secretary determines have the greatest need of homeless services.

(B) GEOGRAPHIC DISTRIBUTION.—The Secretary may give priority in the awarding of grants under subsection (b)(1) to achieve a fair distribution, as determined by the Secretary, among homeless veterans in different geographical regions.

(C) OTHER AGREEMENTS.—In awarding a grant under subsection (b)(1) to an eligible entity in a location determined pursuant to sub-
paragraphs (A) and (B), the Secretary shall give preference to eligible entities that are entered into an agreement with the Secretary under section 2041 of title 38, United States Code.

(D) OTHER AUTHORITIES.—Except as provided by subsection (C), the Secretary shall award a grant under subsection (b)(1) without regard to whether the eligible entity has received any other grant or benefit from the Federal Government relating to providing housing to homeless veterans.

(e) USE OF GRANT FUNDS.—

(1) PURPOSES.—A grantee may use amounts of a grant awarded to the grantee under subsection (b)(1) to purchase or renovate abandoned homes, including homes that have been foreclosed.

(2) MAXIMUM PURCHASE AMOUNT.—Not more than $300,000 of the amount of a grant awarded under subsection (b)(1) may be used for the purchase of a single home.

(3) PAYMENT PROGRAM.—

(A) The United States shall not have any ownership interest in a home that is purchased
by a grantee using amounts of a grant awarded
under subsection (b)(1).

(B) Each grantee shall ensure that, begin-
ning one year after the date on which a veteran
begins to reside in a home purchased or ren-
ovated by the grantee using a grant awarded
under subsection (b)(1), the veteran makes
monthly payments to the grantee in an amount
determined appropriate by the grantee that is
not less than 85 percent of the fair market rent
for such home.

(C) Each grantee shall determine whether
payments made by a veteran under subpara-
graph (B) shall be treated as rent or as a mort-
gage for the home for which the veteran is mak-
ing such payments. The Secretary, in coordina-
tion with the Secretary of Housing and Urban
Development, shall determine the requirements
for such payments.

(D) Each grantee shall pay to the Sec-
retary of Veterans Affairs not less than 80 per-
cent of each payment received under subpara-
graph (B).
(E) The Secretary may conduct an audit of any grantee to ensure that the grantee carries out this paragraph.

(4) VETERANS HOMELESSNESS GRANT FUND.—

(A) There is established in the Treasury a fund to be known as the “Veterans Homelessness Grant Fund” (in this paragraph referred to as the “Fund”).

(B) The Secretary shall deposit into the Fund the payments collected by the Secretary under paragraph (3)(D).

(C) Amounts deposited into the Fund pursuant to subparagraph (B) shall be available to the Secretary to carry out the pilot program under subsection (a) without further appropriation and such amounts shall remain available until expended. The Secretary may not use such amounts from the Fund for any other purpose unless pursuant to a specific provision of law.

(f) RESPONSIBILITIES OF SECRETARY.—In carrying out the pilot program under subsection (a), the Secretary shall ensure the following:

(1) Proper oversight.

(2) The protection of veterans from returning to homelessness.
(3) The ability of the Secretary to respond to disputes.

(g) **DURATION.**—The Secretary shall carry out the pilot program under subsection (a) during the three-year period beginning on the date of the commencement of the pilot program.

(h) **ANNUAL REPORTS.**—During each year in which the Secretary carries out the pilot program under subsection (a), the Secretary shall submit to Congress a report that details, with respect to the year covered by the report, the number of grants awarded, the amounts so awarded, the progress of home purchase and renovation made by eligible entities using such grants, and the number of tenants currently paying rent towards such homes.

(i) **AUTHORIZATION OF APPROPRIATIONS.**—There is authorized to be appropriated to the Secretary a total of $25,000,000 to carry out the pilot program under subsection (a) and any such amounts appropriated shall remain available until expended.

(j) **HOMELESS VETERAN DEFINED.**—In this section, the term “homeless veteran” has the meaning given that term in section 2002 of title 38, United States Code.
SEC. 506. EXPANSION OF DEFINITION OF HOMELESS VETERAN FOR PURPOSES OF BENEFITS UNDER THE LAWS ADMINISTERED BY THE SECRETARY OF VETERANS AFFAIRS.

Section 2002(1) of title 38, United States Code, is amended by inserting “or (b)” after “section 103(a)”.

TITLE VI—EMPLOYMENT AND TRAINING

SEC. 601. DIRECT EMPLOYMENT PILOT PROGRAM FOR MEMBERS OF THE NATIONAL GUARD AND RESERVE AND VETERANS OF THE ARMED FORCES.

(a) PROGRAM AUTHORITY.—The Secretary of Defense may carry out a pilot program to enhance the efforts of the Department of Defense to provide job placement assistance and related employment services directly to members of the National Guard and Reserves and veterans of the Armed Forces.

(b) ADMINISTRATION.—The pilot program shall be offered to, and administered by, the adjutants general appointed under section 314 of title 32, United States Code.

(c) COST-SHARING REQUIREMENT.—As a condition on the provision of funds under this section to a State to support the operation of the pilot program in the State, the State must agree to contribute an amount, derived from non-Federal sources, equal to at least 30 percent of
the funds provided by the Secretary of Defense to the
State under this section.

(d) Direct Employment Program Model.—The
pilot program should follow a job placement program
model that focuses on working one-on-one with a member
of a reserve component to cost-effectively provide job
placement services, including services such as identifying
unemployed and underemployed members and veterans,
job matching services, resume editing, interview prepara-
tion, and post-employment follow up. Development of the
pilot program should be informed by State direct employ-
ment programs for members and veterans, such as the
programs conducted in California and South Carolina.

(e) Evaluation.—The Secretary of Defense shall
develop outcome measurements to evaluate the success of
the pilot program.

(f) Reporting Requirements.—

(1) Report Required.—Not later than March
1, 2019, the Secretary of Defense shall submit to
the congressional defense committees a report de-
scribing the results of the pilot program. The Sec-
retary shall prepare the report in coordination with
the Chief of the National Guard Bureau.

(2) Elements of Report.—A report under
paragraph (1) shall include the following:
(A) A description and assessment of the effectiveness and achievements of the pilot program, including the number of members of the reserve components and veterans of the Armed Forces hired and the cost-per-placement of participating members and veterans.

(B) An assessment of the impact of the pilot program and increased reserve component employment levels on the readiness of members of the reserve components.

(C) A comparison of the pilot program to other programs conducted by the Department of Defense and Department of Veterans Affairs to provide unemployment and underemployment support to members of the reserve components and veterans of the Armed Forces.

(D) Any other matters considered appropriate by the Secretary.

(g) LIMITATION ON TOTAL FISCAL-YEAR OBLIGATIONS.—The total amount obligated by the Secretary of Defense to carry out the pilot program for any fiscal year may not exceed $20,000,000.

(h) DURATION OF AUTHORITY.—The authority to carry out the pilot program expires on September 30,
2018, except that the Secretary may extend the pilot pro-
gram for not more than two additional fiscal years.

**SEC. 602. PREFERENCE FOR OFFERORS EMPLOYING VETERANS.**

(a) In General.—Subchapter II of chapter 81 of title 38, United States Code, is amended by adding after section 8128 the following new section:

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§ 8129. Preference for offerors employing veterans

(a) Preference.—In awarding a contract (or task order) for the procurement of goods or services, the Secretary may give a preference to offerors that employ veterans on a full-time basis. The Secretary shall determine such preference based on the percentage of the full-time employees of the offeror who are veterans.

(b) Enforcement Penalties for Misrepresentation.—(1) Any offeror that is determined by the Secretary to have willfully and intentionally misrepresented the veteran status of the employees of the offeror for purposes of subsection (a) shall be debarred from contracting with the Department for a period of not less than 5 years.

(2) In the case of a debarment under paragraph (1), the Secretary shall commence debarment action against the offeror by not later than 30 days after determining that the offeror willfully and intentionally misrepresented the veteran status of the employees of the offeror as de-
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scribed in paragraph (1) and shall complete debarment ac-
tions against such offeror by not later than 90 days after
such determination.

“(3) The debarment of an offeror under paragraph
(1) includes the debarment of all principals in the offeror
for a period of not less than 5 years.”.

(b) CLERICAL AMENDMENT.—The table of sections
at the beginning of such chapter is amended by inserting
after the item relating to section 8128 the following new
item:

“8129. Preference for offerors employing veterans.”.

SEC. 603. VETERANS MANUFACTURING EMPLOYMENT PRO-
GRAM.

(a) ESTABLISHMENT OF PILOT PROGRAM.—To en-
courage the employment of eligible veterans in manufac-
turing, the Secretary of Labor, as part of the Veteran’s
Workforce Investment Program, shall carry out a pilot
program to be known as the “Veterans Manufacturing
Employment Program”. Under the pilot program, the Sec-
retary shall award competitive grants to three States for
the establishment and administration of a State program
to make grants to manufacturing employers and labor-
management organizations that provide covered training,
on-job training, apprenticeships, and certification classes
to eligible veterans. Such a program shall be known as
a “State Manufacturing Employment Program”.

""
(b) ELIGIBILITY FOR GRANTS.—To be eligible to receive a grant under the pilot program, a State shall submit to the Secretary an application that includes each of the following:

(1) A proposal for the expenditure of grant funds to establish and administer a public-private partnership program designed to provide covered training, on-job training, apprenticeships, and certification classes to a significant number of eligible veterans and ensure lasting and sustainable employment in well-paying jobs in manufacturing.

(2) Evidence that the State has—

(A) a population of eligible veterans of an appropriate size to carry out the State program;

(B) a robust and diverse manufacturing industry; and

(C) the ability to carry out the State program described in the proposal under paragraph (1).

(3) Such other information and assurances as the Secretary may require.

(c) USE OF FUNDS.—A State that is the recipient of a grant under this section shall use the grant for the following purposes:
(1) Making grants to manufacturing employers and labor-management organizations to reimburse such employers and organizations for the cost of providing covered training, on-job training, apprenticeships, and certification classes to eligible veterans.

(2) Conducting outreach to inform manufacturing employers, labor-management organizations, and veterans, including veterans in rural areas, of their eligibility or potential eligibility for participation in the State program.

(d) CONDITIONS.—Under the pilot program, each grant to a State shall be subject to the following conditions:

(1) The State shall repay to the Secretary, on such date as shall be determined by the Secretary, any amount received under the pilot program that is not used for the purposes described in subsection (c).

(2) The State shall submit to the Secretary, at such times and containing such information as the Secretary shall require, reports on the use of grant funds.
(c) Employer Requirements.—In order to receive a grant made by a State under the pilot program, a manufacturing employer shall—

(1) submit to the administrator of the State Manufacturing Employment Program an application that includes—

(A) the rate of pay for each eligible veteran proposed to be trained using grant funds;

(B) the average rate of pay for an individual employed by the manufacturing employer in a similar position who is not an eligible veteran; and

(C) such other information and assurances as the administrator may require; and

(2) agree to submit to the administrator, for each quarter, a report containing such information as the Secretary may specify.

(f) Limitation.—None of the funds made available to a manufacturing employer through a grant under the pilot program may be used to provide training of any kind to a person who is not an eligible veteran.

(g) Report to Congress.—Together with the report required to be submitted annually under section 4107(c) of title 38, United States Code, the Secretary shall submit to Congress a report on the pilot program.
for the year covered by such report. The report on the pilot program shall include a detailed description of activities carried out under this section and an evaluation of the program.

(h) ADMINISTRATIVE AND REPORTING COSTS.—Of the amounts appropriated pursuant to the authorization of appropriations under subsection (j), 2 percent shall be made available to the Secretary for administrative costs associated with implementing and evaluating the pilot program under this section and for preparing and submitting the report required under subsection (f). The Secretary shall determine the appropriate maximum amount of each grant awarded under this section that may be used by the recipient for administrative and reporting costs.

(i) DEFINITIONS.—For purposes of this section:

(1) The term “covered training, on-job training, apprenticeships, and certification classes” means training, on-job training, apprenticeships, and certification classes that are—

(A) designed to provide the veteran with skills that are particular to manufacturing and not directly transferable to employment in another industry; and
(B) approved as provided in paragraph (1) or (2), as appropriate, of subsection (a) of section 3687 of title 38, United States Code.

(2) The term "eligible veteran" means a veteran, as that term is defined in section 101(3) of title 38, United States Code, who is employed by a manufacturing employer and enrolled or participating in a covered training, on-job training, apprenticeship, or certification class.

(3) The term "manufacturing employer" means a business concern—

(A) that employs individuals in a trade or business in manufacturing;

(B) the production facilities of which are located in the United States; and

(C) the primary business of which is classified in sector 31, 32, or 33 of the North American Industrial Classification System.

(j) APPROPRIATIONS.—There is authorized to be appropriated to the Secretary $10,000,000 for each of fiscal years 2016 through 2020, for the purpose of carrying out the pilot program.
SEC. 604. MODIFICATION OF TREATMENT UNDER CONTRACTING GOALS AND PREFERENCES OF DEPARTMENT OF VETERANS AFFAIRS.

(a) In General.—Section 8127(h) of title 38, United States Code, is amended—

(1) in paragraph (3), by striking “rated as” and all that follows through “disability.” and inserting a period; and

(2) in paragraph (2), by amending subparagraph (C) to read as follows:

“(C) The date that—

“(i) in the case of a surviving spouse of a veteran with a service-connected disability rated as 100 percent disabling or who dies as a result of a service-connected disability, is 10 years after the date of the veteran’s death; or

“(ii) in the case of a surviving spouse of a veteran with a service-connected disability rated as less than 100 percent disabling who does not die as a result of a service-connected disability, is 3 years after the date of the veteran’s death.”.

(b) Effective Date.—The amendments made by subsection (a) shall take effect on the date that is 180 days after the date of the enactment of this Act and shall
apply with respect to contracts awarded on or after such date.

SEC. 605. ACCESS TO EXCESS OR SURPLUS PROPERTY FOR VETERAN-OWNED SMALL BUSINESSES.

Subparagraph (B) of section 32(c)(3) of the Small Business Act (15 U.S.C. 657b(c)(3)(B)) is amended—

(1) in clause (v), by striking “; and” and inserting a semicolon;

(2) in clause (vi), by striking the period at the end and inserting “; and”;

(3) by inserting at the end the following new clause:

“(vii) providing access to and managing the distribution of excess or surplus property owned by the United States to small business concerns owned and controlled by veterans, pursuant to a memorandum of understanding between the task force and the head of the appropriate State agency for surplus property.”.
TITLE VII—CONSTRUCTION AND LEASES

SEC. 701. CONGRESSIONAL APPROVAL OF DEPARTMENT OF VETERANS AFFAIRS MAJOR MEDICAL FACILITY LEASES.

(a) IN GENERAL.—Section 8104(a)(2) of title 38, United States Code, is amended—

(1) by striking “No funds” and inserting “(A) No funds”;

(2) by striking “or any major medical facility lease”;

(3) by striking “or lease”; and

(4) by adding at the end the following new sub-

paragraph:

“(B) No funds may be appropriated for any fiscal year for any major medical facility lease unless the Committees on Veterans’ Affairs of the Senate and House of Representatives adopt resolutions approving the lease.”.

(b) APPLICABILITY.—The amendments made by sub-

section (a) shall apply with respect to a lease entered into after the date of the enactment of this Act.
SEC. 702. PROGRAM FOR THE CONSTRUCTION OF DEPARTMENT OF VETERANS AFFAIRS MAJOR MEDICAL FACILITY PROJECTS BY NON-FEDERAL ENTITIES UNDER PARTNERSHIP AGREEMENTS.

(a) IN GENERAL.—The Secretary of Veterans Affairs shall carry out a program under which the Secretary shall enter into partnership agreements on a competitive basis with appropriate non-Federal entities for the construction of major construction projects authorized by law.

(b) SELECTION OF PROJECTS.—The Secretary shall select major construction projects for completion by non-Federal entities under the program. Each project selected shall be a major medical facility project authorized by law for the construction of a new facility for which—

(1) Congress has appropriated any funds; 

(2) the design and development phase is complete; and 

(3) construction has not begun, as of the date of the enactment of this Act.

(c) AGREEMENTS.—Each partnership agreement for a construction project under the program shall provide that—

(1) the non-Federal entity shall obtain any permits required pursuant to Federal and State laws before beginning to carry out construction; and
(2) if requested by the non-Federal entity, the Secretary shall provide technical assistance for obtaining any necessary permits for the construction project.

(d) APPLICATION.—To be eligible to participate in the program established under subsection (a), a non-Federal entity shall submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require, including the following:

(1) A description of the project manager of each major construction project for which the Secretary enters into a partnership agreement under the program.

(2) A description of the non-Federal contributions to the project and how future funding will be secured.

(3) A description of the project management plan that the non-Federal entity will use to ensure concise and consistent communication of all parties involved in the project.

(4) A description of metrics to monitor change order process times, with the intent of expediting any change order.

(5) Expected costs associated with the project.
(6) A description of construction timelines and milestones association with the project.

(7) Such other information as the Secretary may require.

(e) MATCHING FUNDS.—The Department of Veterans Affairs shall provide matching funds under this program—

(1) IN GENERAL.—For any fiscal year, the Secretary shall provide to a non-Federal entity that enters into a partnership agreement with the Secretary under the program established under subsection (a) matching funds in an amount that does not exceed 50 percent of the amount expended by the non-Federal entity.

(2) RULE OF CONSTRUCTION.— Paragraph one shall not be construed as a limitation on the amount that may be expended by a non-Federal entity for a fiscal year for a construction project covered by a partnership agreement under the program.

(f) COMPTROLLER GENERAL REPORT.—The Comptroller General of the United States shall submit to Congress a biennial report on the partnership agreements entered into under the program.

(g) DEADLINE FOR IMPLEMENTATION.—The Secretary shall begin implementing the program under this
section by not later than 180 days after the date of the
enactment of this Act.

SEC. 703. PILOT PROGRAM TO ACCEPT MEDICAL FACILITIES AND RELATED PROPERTY.

(a) PILOT PROGRAM.—The Secretary of Veterans Af-
fairs shall carry out a pilot program under which the Sec-
retary may accept the donation by a covered person of any
of the following properties:

(1) Real property that includes a constructed
medical facility (including structures and equipment
associated therewith).

(2) Real property (including structures and
equipment associated therewith) to be used as the
site of a medical facility constructed by the Sec-
retary pursuant to chapter 81 of title 38, United
States Code.

(3) A medical facility constructed by the cov-
ered person on real property of the Department of
Veterans Affairs.

(b) LOCATION.—The Secretary shall carry out the
pilot program at one location selected in accordance with
subsection (c).

(e) REQUIREMENTS.—The Secretary shall only ac-
cept donated property under subsection (a) if the Sec-
retary determines that the donation meets the following requirements:

(1) With respect to the location of the donated property, either—

(A) a major medical facility project has been authorized for such location pursuant to section 8104 of title 38, United States Code, and funds have been appropriated for such project; or

(B) a proposed medical facility project at such location is listed on the Major Construction Strategic Capital Investment Planning priority list of the Department, as submitted in the materials submitted to Congress in support of the budget of the Department for the fiscal year in which the donation will occur.

(2) Each medical facility and other structure included in the donation meets the applicable structural requirements of the Secretary, including pursuant to section 8105 of title 38, United States Code.

(3) The donation is made without condition or restriction.

(4) Except as provided by subsection (e), the donation is made at no cost to the United States.
(d) Prohibition on Lease-back.—The Secretary may not enter into any lease of property donated under subsection (a), including as described in appendix B of Office of Management and Budget Circular A–11.

(e) Use of Certain Funds.—

(1) Prior Funds.—With respect to the donation of real property under subsection (a) that is related to a major medical facility project authorized pursuant to section 8104 of title 38, United States Code, the Secretary may use funds that have been appropriated for such project before the date of the donation for activities required to carry out such donation. The Secretary may enter into an agreement with the covered person to define the requirements for the use of such funds for such activities.

(2) No Authorization of Appropriations.—Nothing in this section shall be construed to authorize the appropriation of additional funds to carry out a major medical facility project.

(f) Application.—A covered person who seeks to make a donation under subsection (a) shall submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require.
(g) INFORMATION.—The Secretary shall ensure that
a covered person who seeks to make a donation under sub-
section (a) is informed of the requirements of subsection
(c), including with respect to the locations described in
subparagraphs (A) and (B) of paragraph (1) of such sub-
section.

(h) REPORT.—The Secretary shall submit to the
Committees on Veterans Affairs’ of the House of Rep-
resentatives and the Senate a report on the pilot program,
including a description of the donations made under the
pilot program and whether such pilot program should be
expanded.

(i) COVERED PERSON DEFINED.—In this section, the
term “covered person” means any person or entity that
is not an element of the Federal Government, including
a State or local government, a nonprofit organization ex-
empt from taxation under section 501(c)(3) of the Inter-
nal Revenue Code of 1986, or a private corporation.

(j) RULE OF CONSTRUCTION.—Nothing in this sec-
tion shall be construed to limit the application of title VII
of the Civil Rights Act of 1964 (42 U.S.C. 2000e et seq.),
subchapter IV of chapter 31 of title 40, United States
Code (commonly referred to as the “Davis-Bacon Act”),
or laws relating to the environment or historic preserv-
SEC. 704. AUTHORITY TO ENTER INTO CERTAIN LEASES AT
THE DEPARTMENT OF VETERANS AFFAIRS
WEST LOS ANGELES CAMPUS.

(a) IN GENERAL.—The Secretary of Veterans Affairs may carry out leases described in subsection (b) at the Department of Veterans Affairs West Los Angeles Campus in Los Angeles, California (hereinafter in this section referred to as the “Campus”).

(b) LEASES DESCRIBED.—Leases described in this subsection are the following:

(1) Any enhanced-use lease of real property under subchapter V of chapter 81 of title 38, United States Code, for purposes of providing supportive housing, as that term is defined in section 8161(3) of such title, that principally benefit veterans and their families.

(2) Any lease of real property for a term not to exceed 50 years to a third party to provide services that principally benefit veterans and their families and that are limited to one or more of the following purposes:

(A) The promotion of health and wellness, including nutrition and spiritual wellness.

(B) Education.

(C) Vocational training, skills building, or other training related to employment.
(D) Peer activities, socialization, or physical recreation.

(E) Assistance with legal issues and Federal benefits.

(F) Volunteerism.

(G) Family support services, including child care.

(H) Transportation.

(I) Services in support of one or more of the purposes specified in subparagraphs (A) through (H).

(3) A lease of real property for a term not to exceed 10 years to The Regents of the University of California, a corporation organized under the laws of the State of California, on behalf of its University of California, Los Angeles (UCLA) campus (hereinafter in this section referred to as “The Regents”), if—

(A) the lease is consistent with the master plan described in subsection (g);

(B) the provision of services to veterans is the predominant focus of the activities of The Regents at the Campus during the term of the lease;
(C) The Regents expressly agrees to provide, during the term of the lease and to an extent and in a manner that the Secretary considers appropriate, additional services and support (for which The Regents is either not compensated by the Secretary or is compensated through an existing medical affiliation agreement) that—

(i) principally benefit veterans and their families, including veterans that are severely disabled, women, aging, or homeless; and

(ii) may consist of activities relating to the medical, clinical, therapeutic, dietary, rehabilitative, legal, mental, spiritual, physical, recreational, research, and counseling needs of veterans and their families or any of the purposes specified in any of subparagraphs (A) through (I) of paragraph (1); and

(D) The Regents maintains records documenting the value of the additional services and support that The Regents provides pursuant to subparagraph (C) for the duration of the lease.
and makes such records available to the Secretary.

(c) LIMITATION ON LAND-SHARING AGREEMENTS.—The Secretary may not carry out any land-sharing agreement pursuant to section 8153 of title 38, United States Code, at the Campus unless such agreement—

(1) provides additional health-care resources to the Campus; and

(2) benefits veterans and their families other than from the generation of revenue for the Department of Veterans Affairs.

(d) REVENUES FROM LEASES AT THE CAMPUS.—Any funds received by the Secretary under a lease described in subsection (b) shall be credited to the applicable Department medical facilities account and shall be available, without fiscal year limitation and without further appropriation, exclusively for the renovation and maintenance of the land and facilities at the Campus.

(e) EASEMENTS.—

(1) IN GENERAL.—Notwithstanding any other provision of law (other than Federal laws relating to environmental and historic preservation), pursuant to section 8124 of title 38, United States Code, the Secretary may grant easements or rights-of-way on, above, or under lands at the Campus to—
(A) any local or regional public transportation authority to access, construct, use, operate, maintain, repair, or reconstruct public mass transit facilities, including, fixed guideway facilities and transportation centers; and

(B) the State of California, County of Los Angeles, City of Los Angeles, or any agency or political subdivision thereof, or any public utility company (including any company providing electricity, gas, water, sewage, or telecommunication services to the public) for the purpose of providing such public utilities.

(2) IMPROVEMENTS.—Any improvements proposed pursuant to an easement or right-of-way authorized under paragraph (1) shall be subject to such terms and conditions as the Secretary considers appropriate.

(3) TERMINATION.—Any easement or right-of-way authorized under paragraph (1) shall be terminated upon the abandonment or nonuse of the easement or right-of-way and all right, title, and interest in the land covered by the easement or right-of-way shall revert to the United States.

(f) PROHIBITION ON SALE OF PROPERTY.—Notwithstanding section 8164 of title 38, United States Code, the
Secretary may not sell or otherwise convey to a third party fee simple title to any real property or improvements to real property made at the Campus.

(g) **Consistency With Master Plan.**—The Secretary shall ensure that each lease carried out under this section is consistent with the draft master plan approved by the Secretary on January 28, 2016, or successor master plans.

(h) **Compliance With Certain Laws.**—

(1) **Laws Relating to Leases and Land Use.**—If the Inspector General of the Department of Veterans Affairs determines, as part of an audit report or evaluation conducted by the Inspector General, that the Department is not in compliance with all Federal laws relating to leases and land use at the Campus, or that significant mismanagement has occurred with respect to leases or land use at the Campus, the Secretary may not enter into any lease or land-sharing agreement at the Campus, or renew any such lease or land-sharing agreement that is not in compliance with such laws, until the Secretary certifies to the Committee on Veterans’ Affairs of the Senate, the Committee on Veterans’ Affairs of the House of Representatives, and each Member of the Senate and the House of Representatives who
represents the area in which the Campus is located
that all recommendations included in the audit re-
port or evaluation have been implemented.

(2) Compliance of particular leases.—
Except as otherwise expressly provided by this sec-
tion, no lease may be entered into or renewed under
this section unless the lease complies with chapter
33 of title 41, United States Code, and all Federal
laws relating to environmental and historic preserva-
tion.

(i) Community Veterans Engagement Board.—

(1) In general.—Not later than 180 days
after the date of the enactment of this Act, the Sec-
retary shall establish a Community Veterans En-
gagement Board (in this subsection referred to as
the “Board”) for the Campus to coordinate locally
with the Department of Veterans Affairs to—

(A) identify the goals of the community;

and

(B) provide advice and recommendations
to the Secretary to improve services and out-
comes for veterans, members of the Armed
Forces, and the families of such veterans and
members.
(2) MEMBERS.—The Board shall be comprised of a number of members that the Secretary determines appropriate, of which not less than 50 percent shall be veterans. The nonveteran members shall be family members of veterans, veteran advocates, service providers, or stakeholders.

(3) COMMUNITY INPUT.—In carrying out subparagraphs (A) and (B) of paragraph (1), the Board shall—

(A) provide the community opportunities to collaborate and communicate with the Board, including by conducting public forums on the Campus; and

(B) focus on local issues regarding the Department that are identified by the community, including with respect to health care, benefits, and memorial services at the Campus.

(j) NOTIFICATION AND REPORTS.—

(1) CONGRESSIONAL NOTIFICATION.—With respect to each lease or land-sharing agreement intended to be entered into or renewed at the Campus, the Secretary shall notify the Committee on Veterans’ Affairs of the Senate, the Committee on Veterans’ Affairs of the House of Representatives, and each Member of the Senate and the House of Rep-
resentatives who represents the area in which the
Campus is located of the intent of the Secretary to
enter into or renew the lease or land-sharing agree-
ment not later than 45 days before entering into or
renewing the lease or land-sharing agreement.

(2) **ANNUAL REPORT.**—Not later than one year
after the date of the enactment of this Act, and not
less frequently than annually thereafter, the Sec-
retary shall submit to the Committee on Veterans’
Affairs of the Senate, the Committee on Veterans’
Affairs of the House of Representatives, and each
Member of the Senate and the House of Representa-
tives who represents the area in which the Campus
is located an annual report evaluating all leases and
land-sharing agreements carried out at the Campus,
including—

(A) an evaluation of the management of
the revenue generated by the leases; and

(B) the records described in subsection
(b)(3)(D).

(3) **INSPECTOR GENERAL REPORT.**—

(A) **IN GENERAL.**—Not later than each of
two years and five years after the date of the
enactment of this Act, and as determined nec-
essary by the Inspector General of the Depart-
ment of Veterans Affairs thereafter, the Inspector General shall submit to the Committee on Veterans’ Affairs of the Senate, the Committee on Veterans’ Affairs of the House of Representatives, and each Member of the Senate and the House of Representatives who represents the area in which the Campus is located a report on all leases carried out at the Campus and the management by the Department of the use of land at the Campus, including an assessment of the efforts of the Department to implement the master plan described in subsection (g) with respect to the Campus.

(B) CONSIDERATION OF ANNUAL REPORT.—In preparing each report required by subparagraph (A), the Inspector General shall take into account the most recent report submitted to Congress by the Secretary under paragraph (2).

(k) RULE OF CONSTRUCTION.—Nothing in this section shall be construed as a limitation on the authority of the Secretary to enter into other agreements regarding the Campus that are authorized by law and not inconsistent with this section.
(l) **PRINCIPALLY BENEFIT VETERANS AND THEIR FAMILIES DEFINED.**—In this section the term “principally benefit veterans and their families”, with respect to services provided by a person or entity under a lease of property or land-sharing agreement—

(1) means services—

(A) provided exclusively to veterans and their families; or

(B) that are designed for the particular needs of veterans and their families, as opposed to the general public, and any benefit of those services to the general public is ancillary to the intended benefit to veterans and their families; and

(2) excludes services in which the only benefit to veterans and their families is the generation of revenue for the Department of Veterans Affairs.

(m) **CONFORMING AMENDMENTS.**—

(1) **PROHIBITION ON DISPOSAL OF PROPERTY.**—Section 224(a) of the Military Construction and Veterans Affairs and Related Agencies Appropriations Act, 2008 (Public Law 110–161; 121 Stat. 2272) is amended by striking “The Secretary of Veterans Affairs” and inserting “Except as authorized under the Los Angeles Homeless Veterans
Leasing Act of 2016, the Secretary of Veterans Affairs’.

(2) ENHANCED-USE LEASES.—Section 8162(c) of title 38, United States Code, is amended by inserting “, other than an enhanced-use lease under the Los Angeles Homeless Veterans Leasing Act of 2016,” before “shall be considered”.

SEC. 705. AUTHORIZATION OF MAJOR MEDICAL FACILITY LEASE IN OXNARD, CALIFORNIA.

The Secretary of Veterans Affairs may carry out a major medical facility lease for an outpatient clinic, Oxnard, California, in an amount not to exceed $6,297,000 (not including any estimated cancellation costs).

TITLE VIII—OTHER MATTERS

SEC. 801. PROVISION OF STATUS UNDER LAW BY HONORING CERTAIN MEMBERS OF THE RESERVE COMPONENTS AS VETERANS.

(a) VETERAN STATUS.—

(1) IN GENERAL.—Chapter 1 of title 38, United States Code, is amended by inserting after section 107 the following new section:
§ 107A. Honoring as veterans certain persons who performed service in the reserve components

Any person who is entitled under chapter 1223 of title 10 to retired pay for nonregular service or, but for age, would be entitled under such chapter to retired pay for nonregular service shall be honored as a veteran but shall not be entitled to any benefit by reason of this section.”.

(2) Clerical Amendment.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 107 the following new item:

“107A. Honoring as veterans certain persons who performed service in the reserve components.”.

(b) Clarification Regarding Benefits.—No person may receive any benefit under the laws administered by the Secretary of Veterans Affairs solely by reason of section 107A of title 38, United States Code, as added by subsection (a).

SEC. 802. RETURN OF NONCITIZEN VETERANS REMOVED FROM THE UNITED STATES; STATUS FOR NONCITIZEN VETERANS IN THE UNITED STATES.

(a) In General.—
(1) DUTIES OF SECRETARY.—Not later than 180 days after the date of the enactment of this Act, the Secretary shall—

(A) establish a program and application procedure to permit—

(i) deported veterans who meet the requirements of subsection (b) to enter the United States as a noncitizen lawfully admitted for permanent residence; and

(ii) noncitizen veterans in the United States who meet the requirements of subsection (b) to adjust status to that of a noncitizen lawfully admitted for permanent residence; and

(B) cancel the removal of noncitizen veterans ordered removed who meet the requirements of subsection (b) and allow them to adjust status to that of a noncitizen lawfully admitted for permanent residence.

(2) NO NUMERICAL LIMITATIONS.—Nothing in this section or in any other law shall be construed to apply a numerical limitation on the number of veterans who may be eligible to receive benefits under paragraph (1).

(b) ELIGIBILITY.—
(1) IN GENERAL.—Notwithstanding any other provision of law, including sections 212 and 237 of the Immigration and Nationality Act (8 U.S.C.1182; 1227), a veteran shall be eligible for the program established under subsection (a)(1)(A), or cancellation of removal under subsection (a)(1)(B), if the Secretary determines that the veteran—

(A) was not ordered removed, or removed, from the United States due to a criminal conviction for—

(i) a crime of violence; or

(ii) a crime that endangers the national security of the United States for which the noncitizen has served a term of imprisonment of at least 5 years; and

(B) is not inadmissible to, or deportable from, the United States due to such a conviction.

(2) WAIVER.—The Secretary may waive paragraph (1) for humanitarian purposes, to assure family unity, due to exceptional service in the United States Armed Forces, or if such waiver otherwise is in the public interest.

(c) PROTECTING VETERANS AND SERVICE MEMBERS FROM REMOVAL.—Notwithstanding any other provision
of law, including section 237 of the Immigration and Nationality Act (8 U.S.C. 1227), a noncitizen who is a veteran or service member shall not be removed from the United States unless the noncitizen has a criminal conviction for a crime of violence.

(d) NATURALIZATION THROUGH SERVICE IN THE ARMED FORCES OF THE UNITED STATES.—Notwithstanding any other provision of law, a noncitizen who has obtained the status of a noncitizen lawfully admitted for permanent residence pursuant to subsection (b) shall be eligible for naturalization through service in the Armed Forces of the United States under sections 328 and 329 of the Immigration and Nationality Act (8 U.S.C. 1439; 1440), except that—

(1) the ground or grounds on which the noncitizen was ordered removed, or removed, from the United States, or was rendered inadmissible to, or deportable from, the United States, shall be disregarded when determining whether the noncitizen is a person of good moral character; and

(2) any period of absence from the United States due to the noncitizen having been removed, or being inadmissible, shall be disregarded when determining if the noncitizen satisfies any requirement relating to continuous residence or physical presence.
(e) Access to Military Benefits.—A noncitizen who has obtained the status of a noncitizen lawfully admitted for permanent residence pursuant to subsection (b) shall be eligible for all military and veterans benefits for which the noncitizen would have been eligible if the noncitizen had never been ordered removed, been removed, or voluntarily departed, from the United States.

(f) Implementation.—

(1) Identification.—The Secretary of Homeland Security shall identify cases involving service members and veterans at risk of removal from the United States by—

(A) inquiring of every noncitizen processed prior to initiating removal proceedings whether the noncitizen is serving, or has served, as a member of a regular or reserve component of the Armed Forces of the United States on active duty or as a member of a reserve component of the Armed Forces in an active status;

(B) requiring personnel to seek supervisory approval prior to initiating removal proceedings against a service member or veteran; and

(C) keeping records of service members and veterans who have had removal proceedings
against them initiated, been detained, or been removed.

(2) **Record Annotation.**—When the Secretary has identified a case under paragraph (1), the Secretary shall annotate all immigration and naturalization records of the Department of Homeland Security relating to the noncitizen involved so as to reflect that identification and afford an opportunity to track the outcomes for the noncitizen. Such annotation shall include—

(A) the individual’s branch of military service;

(B) whether or not the individual is serving, or has served, during a period of military hostilities described in section 329 of the Immigration and Nationality Act (8 U.S.C. 1440);

(C) the individual’s immigration status at the time of enlistment;

(D) whether the individual is serving honorably or was separated under honorable conditions; and

(E) the basis for which removal was sought; and, if the basis for removal was a criminal conviction, the crime or crimes for which conviction was obtained.
(g) REGULATIONS.—Not later than 90 days after the
date of the enactment of this Act, the Secretary shall pro-
mulgate regulations to implement this section.

(h) DEFINITIONS.—In this section:

(1) The term “crime of violence” means an off-
fense defined in section 16 of title 18, United States
Code, excluding a purely political offense, for which
the noncitizen has served a term of imprisonment of
at least 5 years.

(2) The term “deported veteran” means a vet-
eran who is a noncitizen and who—

(A) was removed from the United States;
or

(B) is abroad and is inadmissible under
section 212(a) of the Immigration and Nation-
ality Act (8 U.S.C. 1182(a)).

(3) The term “noncitizen” means an individual
who is not a national of the United States (as de-
defined in section 101(a)(22) of the Immigration and
Nationality Act (8 U.S.C. 1101(a)(22))).

(4) The term “Secretary” means the Secretary

(5) The term “service member” means an indi-
vidual who is serving as a member of a regular or
reserve component of the Armed Forces of the
United States on active duty or as a member of a
reserve component of the Armed Forces in an active
status.

(6) The term “veteran” has the meaning given
such term under section 101(2) of title 38, United
States Code.

SEC. 803. REVIEW OF DISCHARGE CHARACTERIZATION.

(a) In general.—In accordance with this section,
the appropriate discharge boards—

(1) shall review the discharge characterization
of covered members at the request of the covered
member; and

(2) if such characterization is any characteriza-
tion except honorable, may change such character-
ization to honorable.

(b) Criteria.—In changing the discharge character-
ization of a covered member to honorable under subsection
(a)(2), the Secretary of Defense shall ensure that such
changes are carried out consistently and uniformly across
the military departments using the following criteria:

(1) The original discharge must be based on
Don’t Ask Don’t Tell (in this Act referred to as
“DADT”) or a similar policy in place prior to the
enactment of DADT.
(2) Such discharge characterization shall be so changed if, with respect to the original discharge, there were no aggravating circumstances, such as misconduct, that would have independently led to a discharge characterization that was any characterization except honorable. For purposes of this paragraph, such aggravating circumstances may not include—

(A) an offense under section 925 of title 10, United States Code (article 125 of the Uniform Code of Military Justice), committed by a covered member against a person of the same sex with the consent of such person; or

(B) statements, consensual sexual conduct, or consensual acts relating to sexual orientation or identity, or the disclosure of such statements, conduct, or acts, that were prohibited at the time of discharge but after the date of such discharge became permitted.

(3) When requesting a review, a covered member, or their representative, shall be required to provide either—

(A) documents consisting of—

(i) a copy of the DD–214 form of the member;
(ii) a personal affidavit of the circumstances surrounding the discharge; and

(iii) any relevant records pertaining to the discharge; or

(B) an affidavit certifying that the member, or their representative, does not have the documents specified in subparagraph (A).

(4) If a covered member provides an affidavit described in subparagraph (B) of paragraph (3)—

(A) the appropriate discharge board shall make every effort to locate the documents specified in subparagraph (A) of such paragraph within the records of the Department of Defense; and

(B) the absence of such documents may not be considered a reason to deny a change of the discharge characterization under subsection (a)(2).

(c) Request for Review.—The appropriate discharge board shall ensure the mechanism by which covered members, or their representative, may request to have the discharge characterization of the covered member reviewed under this section is simple and straightforward.

(d) Review.—
(1) IN GENERAL.—After a request has been made under subsection (e), the appropriate discharge board shall review all relevant laws, records of oral testimony previously taken, service records, or any other relevant information regarding the discharge characterization of the covered member.

(2) ADDITIONAL MATERIALS.—If additional materials are necessary for the review, the appropriate discharge board—

(A) may request additional information from the covered member or their representative, in writing, and specifically detailing what is being requested; and

(B) shall be responsible for obtaining a copy of the necessary files of the covered member from the member, or when applicable, from the Department of Defense.

(e) CHANGE OF CHARACTERIZATION.—The appropriate discharge board shall change the discharge characterization of a covered member to honorable if such change is determined to be appropriate after a review is conducted under subsection (d) pursuant to the criteria under subsection (b). A covered member, or the representative of the member, may appeal a decision by the appropriate dis-
charge board to not change the discharge characterization by using the regular appeals process of the board.

(f) Change of Records.—For each covered member whose discharge characterization is changed under subsection (e), or for each covered member who was honorably discharged but whose DD–214 form reflects the sexual orientation of the member, the Secretary of Defense shall reissue to the member or their representative a revised DD–214 form that reflects the following:

(1) For each covered member discharged, the Separation Code, Reentry Code, Narrative Code, and Separation Authority shall not reflect the sexual orientation of the member and shall be placed under secretarial authority. Any other similar indication of the sexual orientation or reason for discharge shall be removed or changed accordingly to be consistent with this paragraph.

(2) For each covered member whose discharge occurred prior to the creation of general secretarial authority, the sections of the DD–214 form referred to paragraph (1) shall be changed to similarly reflect a universal authority with codes, authorities, and language applicable at the time of discharge.

(g) Status.—
(1) IN GENERAL.—Each covered member whose discharge characterization is changed under subsection (e) shall be treated without regard to the original discharge characterization of the member, including for purposes of—

(A) benefits provided by the Federal Government to an individual by reason of service in the Armed Forces; and

(B) all recognitions and honors that the Secretary of Defense provides to members of the Armed Forces.

(2) REINSTATEMENT.—In carrying out paragraph (1)(B), the Secretary shall reinstate all recognitions and honors of a covered member whose discharge characterization is changed under subsection (e) that the Secretary withheld because of the original discharge characterization of the member.

(h) DEFINITIONS.—In this section:

(1) The term “appropriate discharge board” means the boards for correction of military records under section 1552 of title 10, United States Code, or the discharge review boards under section 1553 of such title, as the case may be.
(2) The term “covered member” means any former member of the Armed Forces who was discharged from the Armed Forces because of the sexual orientation of the member.

(3) The term “discharge characterization” means the characterization under which a member of the Armed Forces is discharged or released, including “dishonorable”, “general”, “other than honorable”, and “honorable”.

(4) The term “Don’t Ask Don’t Tell” means section 654 of title 10, United States Code, as in effect before such section was repealed pursuant to the Don’t Ask, Don’t Tell Repeal Act of 2010 (Public Law 111–321).

(5) The term “representative” means the surviving spouse, next of kin, or legal representative of a covered member.

(i) REPORTS.—

(1) REVIEW.—The Secretary of Defense shall conduct a review of the consistency and uniformity of the reviews conducted under this section.

(2) REPORTS.—Not later than 270 days after the date of the enactment of this Act, and each year thereafter for a 4-year period, the Secretary shall submit to Congress a report on the reviews under
subsection (a). Such reports shall include any com-
ments or recommendations for continued actions.

SEC. 804. HISTORICAL REVIEW OF DISCHARGES FROM THE
ARMED FORCES DUE TO SEXUAL ORIENTA-
TION.

The Secretary of each military department shall en-
sure that oral historians of the department—

(1) review the facts and circumstances sur-
rounding the estimated 100,000 members of the
Armed Forces discharged from the Armed Forces
between World War II and September 2011 because
of the sexual orientation of the member; and

(2) receive oral testimony of individuals who
personally experienced discrimination and discharge
because of the actual or perceived sexual orientation
of the individual so that such testimony may serve
as an official record of these discriminatory policies
and their impact on American lives.

SEC. 805. MODIFICATION OF ARTICLE 125 OF THE UNIFORM
CODE OF MILITARY JUSTICE.

Section 925(a) of title 10, United States Code (article
125 of the Uniform Code of Military Justice), is amended
by striking “with another person of the same or opposite
sex”.

SEC. 806. EXEMPTION FROM IMMIGRANT VISA LIMIT.

Section 201(b)(1) of the Immigration and Nationality Act (8 U.S.C. 1151(b)(1)) is amended by adding at the end the following:

“(F) Aliens who—

“(i) are eligible for a visa under paragraph (1) or (3) of section 203(a); and

“(ii) have a parent (regardless of whether the parent is living or dead) who was naturalized pursuant to—

“(I) section 405 of the Immigration Act of 1990 (Public Law 101–649; 8 U.S.C. 1440 note); or

“(II) title III of the Act of October 14, 1940 (54 Stat. 1137, chapter 876), as added by section 1001 of the Second War Powers Act, 1942 (56 Stat. 182, chapter 199).”.

SEC. 807. CERTAIN SERVICE IN THE ORGANIZED MILITARY FORCES OF THE PHILIPPINES AND THE PHILIPPINE SCOUTS DEEMED TO BE ACTIVE SERVICE.

(a) IN GENERAL.—Section 107 of title 38, United States Code, is amended—

(1) in subsection (a)—
(A) by striking “not” after “Army of the United States, shall”; and

(B) by striking “, except benefits under—” and all that follows in that subsection and inserting a period;

(2) in subsection (b)—

(A) by striking “not” after “Armed Forces Voluntary Recruitment Act of 1945 shall”; and

(B) by striking “except—” and all that follows in that subsection and inserting a period;

(3) by amending subsection (c) to read as follows:

“(c) DETERMINATION OF ELIGIBILITY.—(1) In determining the eligibility of the service of an individual under this section, the Secretary shall take into account any alternative documentation regarding such service, including documentation other than the Missouri List, that the Secretary determines relevant.

“(2) Not later than March 1 of each year, the Secretary shall submit to the Committees on Veterans’ Affairs of the Senate and House of Representatives a report that includes—

“(A) the number of individuals applying for benefits pursuant to this section during the previous year; and
“(B) the number of such individuals that the
Secretary approved for benefits.”; and

(4) by amending subsection (d) to read as fol-

lows:

“(d) RELATION TO FILIPINO VETERANS EQUITY
COMPENSATION FUND.—Section 1002(h) of the American
Recovery and Reinvestment Act of 2009 (title X of divi-
sion A of Public Law 111–5; 123 Stat. 200; 38 U.S.C.
107 note) shall not apply to an individual described in sub-
section (a) or (b) of this section.”.

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

“§ 107. Certain service deemed to be active service:

service in organized military forces of the

Philippines and in the Philippine

Scouts”.

(2) The item relating to such section in the table of
sections at the beginning of chapter 1 of such title is
amended to read as follows:

“107. Certain service deemed to be active service: service in organized military
forces of the Philippines and in the Philippine Scouts.”.

(c) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by
this section shall take effect on the date that is 90
days after the date of the enactment of this Act.
(2) **APPLICABILITY.**—No benefits shall accrue to any person for any period before the effective date of this section by reason of the amendments made by this section.

**SEC. 808. ELIGIBILITY FOR INTERMENT IN NATIONAL CEMETERIES.**

(a) **IN GENERAL.**—Section 2402(a) of title 38, United States Code, is amended by adding at the end the following new paragraph:

“(10) Any individual—

“(A) who—

“(i) was naturalized pursuant to section 2(1) of the Hmong Veterans’ Naturalization Act of 2000 (Public Law 106–207; 8 U.S.C. 1423 note); and

“(ii) at the time of the individual’s death resided in the United States; or

“(B) who—

“(i) the Secretary determines served with a special guerrilla unit or irregular forces operating from a base in Laos in support of the Armed Forces of the United States at any time during the period beginning February 28, 1961, and ending May 7, 1975; and
“(ii) at the time of the individual’s death—

“(I) was a citizen of the United States or an alien lawfully admitted for permanent residence in the United States; and

“(II) resided in the United States.”.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply with respect to an individual dying on or after the date of the enactment of this Act.