

**AMENDMENT IN THE NATURE OF A SUBSTITUTE**  
**TO H.R. 7445**  
**OFFERED BY MR. Cunningham**

Strike all after the enacting clause and insert the following:

1 **SECTION 1. ELIGIBILITY OF CERTAIN MEMBERS OF THE**  
2 **RESERVE COMPONENTS OF THE ARMED**  
3 **FORCES FOR HOME LOANS FROM THE SEC-**  
4 **RETARY OF VETERANS AFFAIRS.**

5 (a) EXTENSION OF ELIGIBILITY.—Section 3701(b)  
6 of title 38, United States Code, is amended by adding at  
7 the end the end the following new paragraph:

8 “(7) The term ‘veteran’ also includes, for pur-  
9 poses of home loans, an individual who performed  
10 active service (as that term is defined in section 101  
11 of title 10) for a period—

12 “(A) of not less than 90 cumulative days;

13 and

14 “(B) that includes 30 consecutive days.”.

15 (b) CONFORMING AMENDMENT.—Section 3702(a)(2)  
16 of such title is amended by adding at the end the following  
17 new subparagraph:

1           “(G) Each individual described in section  
2           3701(b)(7) of this title.”.SEC. 2. REDUCING  
3           LOAN FEES FOR CERTAIN VETERANS AF-  
4           FECTED BY MAJOR DISASTERS.

5           Section 3729(b)(4) of title 38, United States Code,  
6 is amended—

7           (1) by striking subparagraph (D), and replacing  
8           it with the following:

9           “(D)(i) The term ‘initial loan’ means a loan to  
10          a veteran guaranteed under section 3710 of this title  
11          or made under section 3711 of this title if the vet-  
12          eran has never obtained a loan guaranteed under  
13          section 3710 or made under section 3711 of this  
14          title.

15          “(ii) If a veteran has obtained a loan guaran-  
16          teed under section 3710 or made under section 3711  
17          of this title and the dwelling securing such loan was  
18          substantially damaged or destroyed by a major dis-  
19          aster declared by the President under section 401 of  
20          the Robert T. Stafford Disaster Relief and Emer-  
21          gency Assistance Act (42 U.S.C. 5170), the Sec-  
22          retary shall treat as an initial loan, as defined in  
23          clause (i), the next loan the Secretary guarantees or  
24          makes to such veteran under section 3710 or 3711,  
25          respectively, if—

1           “(I) such loan is guaranteed or made be-  
2           fore the date that is three years after the date  
3           on which the dwelling was substantially dam-  
4           aged or destroyed; and

5           “(II) such loan is only for repairs or con-  
6           struction, as determined by the Secretary.”;  
7           and

8           (2) in subparagraph (E), by striking “if the vet-  
9           eran has previously obtained a loan guaranteed  
10          under section 3710 or made under section 3711 of  
11          this title” and inserting “that is not an initial loan”.

Amend the title so as to read: “A bill to amend title  
38, United States Code, to expand eligibility for home  
loans from the Secretary of Veterans Affairs to certain  
members of the reserve components of the Armed Forces,  
and for other purposes.”.

