

[DISCUSSION DRAFT]116TH CONGRESS
1ST SESSION**H. R.** _____

To authorize the Secretary of Veterans Affairs to collect overpayments of specially adapted housing assistance.

IN THE HOUSE OF REPRESENTATIVES

Mr. CORREA introduced the following bill; which was referred to the Committee on _____

A BILL

To authorize the Secretary of Veterans Affairs to collect overpayments of specially adapted housing assistance.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **[SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “_____ Act”.]

5 **SEC. 2. COLLECTION OF OVERPAYMENTS OF SPECIALLY**

6 **ADAPTED HOUSING ASSISTANCE.**

7 Section 2102 of title 38, United States Code, is
8 amended by adding at the end the following new sub-
9 section:

1 “(f)(1) Whenever the Secretary finds that an over-
2 payment has been made to a person described in para-
3 graph (2) as a result of a **breach of contract** or adminis-
4 trative error as determined by the Secretary, the amount
5 of such overpayment shall constitute a liability of such
6 person to the United States.

***What contract is this referring to? Does the veteran
and the VA enter into a contract under chapter 21 of title
38, USC?***

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

9 **“(A) An individual who applied for assistance
10 under this chapter.**

11 **“(B) An owner or seller of real estate associ-
12 ated with assistance under this chapter.**

13 **“(C) A builder, contractor, supplier,
14 tradesperson, corporation, partnership, or person,
15 related to or associated with the delivery of assist-
16 ance under this chapter.**

17 **“(D) An attorney, escrow agent, or financial
18 institution, that receives, or holds in escrow, funds
19 authorized under this chapter directly or indirectly
20 relating to assistance under this chapter.**

1 【“(E) A surviving spouse, heir, assignee, or
2 successor in interest of or to, any person described
3 in this paragraph.】

*【Is there a reason to specify all of these persons? 38
USC 2102(a) and (b) only discuss paying money to the in-
dividual who applies under section 2101. Does the VA ac-
tually give grant money directly to third parties?】*

4 “(3) Any overpayment referred to in this subsection
5 may be recovered in the same manner as any other debt
6 due the United States.

7 “(4) Any overpayment referred to in this subsection
8 may be waived by the Secretary as to an individual who
9 applied for assistance under this chapter. Such waiver of
10 any such overpayment shall in no way release any other
11 person described in paragraph (1) from liability.

12 “(5) Nothing in this section shall be construed as pre-
13 cluding the imposition of any civil or criminal liability
14 under this title or any other law.

15 “(6) The Secretary shall prescribe in regulations
16 what constitutes an overpayment for the purposes of this
17 subsection, which, at a minimum, shall include—

18 “(A) the failure of any person described in
19 paragraph (1) to—

1 “(i) perform or allow to be performed any
2 work associated with assistance under this
3 chapter; or

4 “(ii) compensate any party performing
5 services or supplying goods associated with as-
6 sistance under this chapter, for or on behalf of
7 such person; or

8 “(B) any disbursement of funds authorized
9 under this chapter directly or indirectly relating to
10 assistance under this chapter, that, in the sole dis-
11 cretion of the Secretary, constitutes a misuse of
12 grants of assistance under this chapter.

13 “(7) Prior to collecting an overpayment under this
14 subsection, the Secretary shall provide to the person to
15 which an overpayment was made notice of the finding of
16 the Secretary of such overpayment, and provide a reason-
17 able opportunity for such person to cure or remedy the
18 breach, error, or circumstances that effectuated the over-
19 payment.”.