

Calendar No. 555

116TH CONGRESS
2D SESSION**H. R. 5245**

IN THE SENATE OF THE UNITED STATES

SEPTEMBER 24, 2020

Received; read twice and placed on the calendar

AN ACT

To amend title 38, United States Code, to provide for a bar on the recovery of certain payments or overpayments made by the Department of Veterans Affairs by reason of delays in processing of certain information, and for other purposes.

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 “Stopping Harm and
5 Implementing Enhanced Lead-time for Debts for Veterans
6 Act” or the “SHIELD for Veterans Act”.

1 **SEC. 2. PROHIBITION OF DEBT ARISING FROM OVERPAY-**
2 **MENT DUE TO DELAY IN PROCESSING BY THE**
3 **DEPARTMENT OF VETERANS AFFAIRS.**

4 (a) BAR TO RECOVERY.—

5 (1) IN GENERAL.—Chapter 53 of title 38,
6 United States Code, is amended by inserting after
7 section 5302A the following new section:

8 **“§ 5302B. Prohibition of debt arising from overpay-**
9 **ment due to delay in processing**

10 “(a) LIMITATION.—No individual may incur a debt
11 to the United States that—

12 “(1) arises from any program or benefit admin-
13 istered by the Under Secretary for Benefits; and

14 “(2) is attributable to the failure of an em-
15 ployee or official of the Department to process infor-
16 mation provided by or on behalf of that individual
17 within applicable timeliness standards established by
18 the Secretary.

19 “(b) NOTICE TO BENEFICIARY.—If the Secretary de-
20 termines that the Secretary has made an overpayment to
21 an individual, the Secretary shall provide notice to the in-
22 dividual of the overpayment. Such notice shall include an
23 explanation of the right of the individual to dispute the
24 overpayment or to request a waiver of indebtedness.

25 “(c) DELAY ON COLLECTION.—The Secretary may
26 not take any action under section 3711 of title 31 regard-

1 ing an overpayment described in a notice under subsection
2 (b) until the date that is 90 days after the date the Sec-
3 retary issues such notice.”.

4 (2) CLERICAL AMENDMENT.—The table of sec-
5 tions at the beginning of such chapter is amended
6 by inserting after the item relating to section 5302A
7 the following new item:

“5302B. Prohibition of debt arising from overpayment due to delay in proc-
essing.”.

8 (3) DEADLINE.—The Secretary of Veterans Af-
9 fairs shall prescribe regulations to establish stand-
10 ards under section 5302B(a)(2) of such title, as
11 added by subsection (a), not later than 180 days
12 after the date of the enactment of this Act.

13 (b) PLAN FOR IMPROVED NOTIFICATION AND COM-
14 MUNICATION OF DEBTS.—Not later than 180 days after
15 the date of the enactment of this Act, and one year there-
16 after, the Secretary of Veterans Affairs shall submit to
17 Congress a report on the improvement of the notification
18 of and communication with individuals who receive over-
19 payments made by the Secretary. Such report shall include
20 each of the following:

21 (1) The plan of the Secretary to carry out each
22 of the following:

23 (A) The development and implementation
24 of a mechanism by which individuals enrolled in

1 the patient enrollment system under section
2 1705 of title 38, United States Code, may view
3 their monthly patient medical statements elec-
4 tronically.

5 (B) The development and implementation
6 of a mechanism by which individuals eligible for
7 benefits under the laws administered by the
8 Secretary may receive electronic correspondence
9 relating to debt and overpayment information.

10 (C) The development and implementation,
11 by not later than October 1, 2022, of a mecha-
12 nism by which individuals eligible for benefits
13 under the laws administered by the Secretary
14 may access information related to Department
15 of Veterans Affairs debt electronically.

16 (D) The improvement and clarification of
17 Department communications relating to over-
18 payments and debt collection, including letters
19 and electronic correspondence. The Secretary
20 shall develop such improvements and clarifica-
21 tions in consultation with veterans service orga-
22 nizations and other relevant non-governmental
23 organizations.

24 (E) The development and implementation,
25 by not later than October 1, 2022, of a mecha-

1 nism by which veterans may update their de-
2 pendency information electronically.

3 (2) A description of the current efforts and
4 plans for improving the accuracy of payments to in-
5 dividuals entitled to benefits under the laws adminis-
6 tered by the Secretary, including specific data
7 matching agreements.

8 (3) A description of steps to be taken to im-
9 prove the identification of underpayments to such in-
10 dividuals and to improve Department procedures
11 and policies to ensure that such individuals who are
12 underpaid receive adequate compensation payments.

13 (4) A list of actions completed, implementation
14 steps, and timetables for each requirement described
15 in paragraphs (1) through (3).

16 (5) A description of any new legislative author-
17 ity required to complete any such requirement.

18 **SEC. 3. THRESHOLD FOR REPORTING DEBTS TO CON-**

19 **SUMER REPORTING AGENCIES.**

20 (a) IN GENERAL.—Chapter 53 of title 38, United
21 States Code, is amended by adding after section 5319 the
22 following new section:

1 **“§ 5320. Threshold for reporting debts to consumer**
2 **reporting agencies**

3 “The Secretary shall prescribe regulations that estab-
4 lish the minimum amount of a claim or debt, arising from
5 a benefit administered by the Under Secretary for Bene-
6 fits or Under Secretary for Health, that the Secretary will
7 report to a consumer reporting agency under section 3711
8 of title 31.”.

9 (b) CLERICAL AMENDMENT.—The table of sections
10 at the beginning of such chapter is amended by adding
11 after the item relating to section 5319 the following new
12 item:

“5320. Threshold for reporting debts to consumer reporting agencies.”.

13 (c) DEADLINE.—The Secretary of Veterans Affairs
14 shall prescribe regulations under section 5320 of such
15 title, as added by subsection (a), not later than 180 days
16 after the date of the enactment of this Act.

17 **SEC. 4. REMOVAL OF DEPENDENTS FROM AWARD OF COM-**
18 **PENSATION OR PENSION.**

19 The Secretary of Veterans Affairs shall ensure that—

20 (1) a veteran may remove any dependent from
21 an award of compensation or pension to the veteran
22 using the eBenefits system of the Department of
23 Veterans Affairs, or a successor system; and

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