

# Senate Veterans' Affairs Committee hearing

Senator Daniel K. Akaka Papers

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STATEMENT BY  
SENATOR DANIEL K. AKAKA

SENATE VETERANS' AFFAIRS COMMITTEE  
HEARING - 10 A.M.

May 23, 1996

Mr. Chairman, I am pleased that the Committee will be hearing testimony on two bills that I have authored, S. 749 and S. 1342. S. 749 is primarily a technical corrections bill for the Centers for Minority and Women Veterans, and S. 1342 allows refinancing under the Veterans Home Loan Program Amendments of 1992.

Mr. Chairman, S. 1342 will allow the Secretary of Veterans Affairs to refinance direct loans issued to Native American veterans under Public Law 102-547. The bill requires the same credit standards that apply to refinancing of VA guaranteed loans to apply to refinancing of Native American direct loans. Other Native American veterans will be encouraged to use the program knowing that they will be able to refinance their homes at lower interest rates, just as other homeowners can.

The purpose of the Native American Direct Loan Program is to ensure equal access to home loans for those veterans on reservations or trust lands. These loans permit Native Americans to purchase, construct, or improve dwellings on trust land. Native Americans in various geographic areas, and in areas experiencing difficult economic circumstances, have benefitted from this program.

The Department of Veterans Affairs should provide home loan benefits equally to all veterans. The VA would not incur

additional costs with this legislation since this bill allows a administrative refinancing fee to be charged. Other VA loan programs permit refinancing, for example, the regular loan guarantee program allows refinancing under Section 3703, Section 6, Guaranty Amount Relative to Loan Refinancing. Yet, Native Americans attempting to refinance their homes to take advantage of the decline in interests rates are being told by the Department of Veterans Affairs that until there was a change in statutory requirements by Congress, they cannot refinance.

To date, VA has entered into Memoranda of Understandings (MOUs) with 38 tribes and Native Hawaiians. Negotiations are ongoing with approximately 21 more tribes. Over 90 loans have been closed, 42 commitments have been issued, and over 130 applications are pending.

Mr. President, this legislation will significantly enhance VA's ability to provide Native American veterans with equal access to services and benefits available to other veterans, and I am pleased that the Committee is considering this legislation.

I also look forward to hearing testimony on S. 749, legislation which I introduced with Senator Rockefeller last year that would make certain improvements, largely technical in nature, to provisions affecting minority and women veterans that were enacted as part of Public Law 103-446 in late 1994.

Among other initiatives, P.L. 103-446 established within the Department of Veterans Affairs (VA) a Center for Minority Veterans, a Center for Women Veterans, and an Advisory Committee on Minority Veterans. These provisions were adopted in order to

ensure that VA appropriately addresses the special needs and concerns of veterans who are women or members of minority groups. S. 749 would make the following modifications to these initiatives:

First, it would allow the directors of the Center for Minority Veterans and the Center for Women Veterans to have either career or noncareer status. Under the legislation adopted two years ago, both directors are required to be noncareer appointees. I believe the Secretary should have the discretion to appoint either career or noncareer individuals to these jobs. S. 749 would restore that option so that the Secretary will be able to have the flexibility to appoint directors with career status so as to be able to consider the widest possible field of qualified candidates.

Second, S. 749 would add an additional function to the list of statutory functions of the Center for Minority Veterans. Specifically, the legislation would require the Center to advise the Secretary of the effectiveness of VA's efforts to include minority groups in clinical research and on the particular health conditions affecting the health of minority group members. This provision is consistent with the goals set forth in section 492B of the Public Health Service Act. The Center for Women Veterans is already mandated by law to carry out a similar function with respect to the health of women veterans.

Third, S. 749 would explicitly require that the Center for Minority Veterans provide support and administrative services to the Advisory Committee on Minority Veterans. This provision is

consistent with the traditional agency role of providing professional and technical support to advisory entities. Again, this provision parallels existing law requiring that the Center for Women Veterans provide support to the Advisory Committee on Women Veterans.

Fourth, my bill would define the minority veterans for whom the Center for Minority Veterans has responsibility. The law establishing the Center neglected to provide such a definition. S. 749 defines minority veterans as individuals who are Asian American, Black, Hispanic, Native American (including American Indian, Alaskan Native, and Native Hawaiian), and Pacific-Islander American. This definition is identical to the definition included in current law with respect to the Advisory Committee on Minority Veterans.

Fifth, the legislation would extend the termination date of the Advisory Committee on Minority Veterans an additional two years, from December 31, 1997, to December 31, 1999. This provision is necessary because delays in establishing the Advisory Committee have reduced its potential working life to significantly less than the three years authorized by Congress. Extending the life of the Advisory Committee to December 1999 is not unreasonable, given that all other statutory VA advisory boards, including the Advisory Committee on Women Veterans, the Advisory Committee on Former Prisoners of War, and the Advisory Committee on Prosthetics and Special-Disabilities Programs, are authorized permanently. In fact, I hope that the Committee will consider going further than my bill in this regard, by

recommending that the Advisory Committee be permanently authorized.

Finally, S. 749 would give the Advisory Committee on Minority Veterans and the Advisory Committee on Women Veterans responsibility for monitoring and evaluating the respective activities of the Center for Minority Veterans and the Center for Women Veterans. Insofar as the Advisory Committees were established to oversee all of the activities of the Department of Veterans Affairs with respect to minorities and women, they necessarily should be tasked with overseeing the work of the very offices that are chiefly responsible for ensuring that the special needs of minority and female veterans are accommodated by VA.

Again, Mr. Chairman, I appreciate your holding hearings on S. 749 as well as my legislation to permit refinancing under the Native American Direct Home Loan Program. I look forward to reviewing the testimony presented at this hearing.

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