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Title 38, Part 36

Loan Guaranty

Veterans Benefits Administration

Supplement No. 35

Covering period of Federal Register issues through October 1, 2010

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Supplemental Materials for *Book H*

**Code of Federal Regulations**
**Title 38, Part 36**

*Loan Guaranty*

**Veterans Benefits Administration**

Supplement No. 35

5 October 2010

Covering the period of Federal Register issues through October 1, 2010

When *Book H* was originally prepared, it was current through final regulations published in the *Federal Register* of 5 March 1992. These supplemental materials are designed to keep your regulations up to date. You should file the attached pages immediately, and record the fact that you did so on the *Supplement Filing Record* which is at page H-8 of Book H, *Loan Guaranty.*

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To ensure accuracy and timeliness of your materials, it is important that you follow these simple procedures:

1. Always file your supplemental materials immediately upon receipt.

2. Before filing, always check the Supplement Filing Record (page H-8) to be sure that all prior supplements have been filed. If you are missing any supplements, contact the Veterans Benefits Administration at the address listed on page H-2.

3. After filing, enter the relevant information on the Supplement Filing Record sheet (page H-8)—the date filed, name initials of filer, and date through which the Federal Register is covered.

4. If as a result of a failure to file, or an undelivered supplement, you have more than one supplement to file at a time, be certain to file them in chronological order, lower number first.

5. Always retain the filing instructions (simply insert them at the back of the book) as a backup record of filing and for reference in case of a filing error.

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To execute the filing instructions, simply remove and throw away the pages listed under Remove These Old Pages, and replace them in each case with the corresponding pages from this supplement listed under Add These New Pages. Occasionally new pages will be added without removal of any old material (reflecting new regulations), and occasionally old pages will be removed without addition of any new material (reflecting rescinded regulations)—in these cases the word None will appear in the appropriate column.
FILING INSTRUCTIONS

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October 5, 2010

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Add these new pages

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Do not file this supplement until you confirm that all prior supplements have been filed

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HIGHLIGHTS

Book H, Supplement No. 35
October 5, 2010

Supplement Highlights references: Where substantive changes are made in the text of regulations, the paragraphs of Highlights sections are cited at the end of the relevant section of text. Thus, if you are reading §3.263, you will see a note at the end of that section which reads: “Supplement Highlights references—6(2).” This means that paragraph 2 of the Highlights section in Supplement No. 6 contains information about the changes made in §3.263. By keeping and filing the Highlights sections, you will have a reference source explaining all substantive changes in the text of the regulations.

Supplement frequency: This Book H (Loan Guaranty) was originally supplemented four times a year, in January, April, July and October. Beginning 1 August 1995, supplements will be issued every month during which a final rule addition or modification is made to the parts of Title 38 covered by this book. Supplements will be numbered consecutively as issued.

Modifications in this supplement include the following:

1. On 17 September 2010, the VA published a final rule, effective 18 October 2010, to amend loan guaranty regulations concerning assistance to eligible individuals in acquiring specially adapted housing in order to improve the readability of the regulations; provide further detail about longstanding program policies; and address legislation, policy changes, and a VA Office of the General Counsel legal opinion. Change:

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This looseleaf book has two indices. The first is arranged by section number and presents the contents of Part 36 in the order in which they appear in the Code of Federal Regulations. The second is arranged by section title, and presents the titles of all sections in Part 36 in alphabetical order, grouped by topic. The section title index begins on page H-16.

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Subpart C—Assistance to Certain Individuals in Acquiring Specially Adapted Housing

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§36.4400 Authority.

The Secretary’s authority to provide assistance in acquiring specially adapted housing is set forth in 38 U.S.C. chapter 21. (Authority: 38 U.S.C. 501, 2101(d))

[75 FR 56876, Sept. 17, 2010]
§36.4401 Definitions.

The following definitions of terms apply to this subpart:


2101(b) grant: A grant authorized under 38 U.S.C. 2101(b). (Authority: 38 U.S.C. 501, 2101)

Adapt: To make a housing unit suitable to, or fit for, the residential living needs of an eligible individual. (Authority: 38 U.S.C. 501, 2101)

Aggregate amount of assistance available: The amounts specified at 38 U.S.C. 2102(d) as adjusted in accordance with 38 U.S.C. 2102(e). (Authority: 38 U.S.C. 501, 2101, 2102)

Beneficial property interest: An interest deemed by the Secretary as one that provides (or will provide) an eligible individual a meaningful right to occupy a housing unit as a residence. (Authority: 38 U.S.C. 501, 2101)

Braces: Orthopedic appliances, including prosthetic devices, used for support. (Authority: 38 U.S.C. 501, 2101)

Construction-related cost: An expense incurred for the purpose of or directly related to building, modifying, or adapting a housing unit by using specially adapted housing grant proceeds. (Authority: 38 U.S.C. 501, 2101)

Disability: A compensable physical impairment, as determined by a Department of Veterans Affairs rating decision, that meets the criteria of 38 U.S.C. 2101(a)(2) or (b)(2). (Authority: 38 U.S.C. 501, 2101)

Eligible individual: For specially adapted housing purposes, a person who has served or is currently serving in the active military, naval, or air service, and who has been determined by the Secretary to be eligible for benefits pursuant to 38 U.S.C. chapter 21. (Authority: 38 U.S.C. 501, 2101, 2101A)

Eligible individual’s family: Persons related to an eligible individual by blood, marriage, or adoption. (Authority: 38 U.S.C. 501, 2101, 2102A)

Housing unit: Any residential unit, including all necessary land, improvements, and appurtenances, together with such movable or special fixtures and necessary adaptations as are authorized by 38 U.S.C. 1717 and 2101. For the purposes of this definition, movable facilities is defined as such exercising equipment and other aids as may be allowed or required by the Chief Medical Director or designee; necessary land is defined as any plot of land the cost and area of which are not disproportionate to the type of improvements thereon and which is in keeping with the locality; and special fixtures and necessary adaptations is defined as construction features which are specially designed to overcome the physical limitations of the individual beneficiary and which are allowed or required by the Chief Medical Director or designee as necessary by nature of the qualifying disability. (Authority: 38 U.S.C. 501, 1717, 2101)
Ownership interest: An undivided property interest that the Secretary determines is a satisfactory:

(1) Fee simple estate;

(2) Life estate;

(3) Functional equivalent of a life estate, such as that created by a valid trust, a long-term lease, or a land installment contract that will convert to a fee simple estate upon satisfaction of the contract's terms and conditions;

(4) Ownership of stock or membership in a cooperative housing corporation entitling the eligible individual to occupy for dwelling purposes a single family residential unit in a development, project, or structure owned or leased by such corporation;

(5) Lease, under the terms of a valid and enforceable Memorandum of Understanding between a tribal organization and the Secretary; or

(6) Beneficial property interest in a housing unit located outside the United States. (Authority: 38 U.S.C. 501, 2101, 3762)

Preconstruction cost: An authorized expense incurred by an eligible individual in anticipation of receiving final approval for a specially adapted housing grant. (Authority: 38 U.S.C. 501, 2101)

Reimburse: To pay specially adapted housing grant funds directly to an eligible individual (or an eligible individual's estate) for preconstruction costs or for construction-related costs. (Authority: 38 U.S.C. 501, 2101)

Reside: To occupy (including seasonal occupancy) as one's residence. (Authority: 38 U.S.C. 501, 2101)

Secretary: The Secretary of the United States Department of Veterans Affairs or any employee or agent authorized in §36.4409 of this part to act on behalf of the Secretary. (Authority: 38 U.S.C. 501, 2101)

Specially adapted housing grant: A 2101(a) grant, 2101(b) grant, or TRA grant made to an eligible individual in accordance with the requirements of 38 U.S.C. chapter 21 and this subpart. (Authority: 38 U.S.C. 501, 2101)

Temporary residence adaptations grant or TRA grant: A grant, the specific requirements and amount of which are outlined in 38 U.S.C. 2102A and 2102(d). (Authority: 38 U.S.C. 501, 2101, 2102A)

[75 FR 56876, Sept. 17, 2010]
§36.4402 Grant types.

(a) 2101(a) grant. The 2101(a) grant provides monetary assistance for the purpose of acquiring specially adapted housing pursuant to one of the following plans:

(1) Where an eligible individual elects to construct a dwelling on land to be acquired by the eligible individual, the Secretary will pay, up to the aggregate amount of assistance available for 2101(a) grants, not more than 50 percent of the eligible individual’s total costs for acquiring the land and constructing the dwelling.

(2) Where an eligible individual elects to construct a dwelling on land already owned by the eligible individual, the Secretary will pay, up to the aggregate amount of assistance available for 2101(a) grants, not more than the lesser of:

   (i) 50 percent of the eligible individual’s costs for the land and the construction of the dwelling, or

   (ii) 50 percent of the eligible individual’s costs for the dwelling, plus the full amount of the unpaid balance, if any, of the cost to the individual of the necessary land.

(3) Where an eligible individual elects to adapt a housing unit already owned by the eligible individual, to conform to the requirements of the eligible individual’s disability, the Secretary will pay, up to the aggregate amount of assistance available for 2101(a) grants, the greater of:

   (i) The eligible individual’s costs for making such adaptation(s), or

   (ii) 50 percent of the eligible individual’s costs for making such adaptation(s), plus the lesser of:

       (A) 50 percent of the eligible individual’s costs for acquiring the housing unit, or

       (B) The full amount of the unpaid balance, if any, of the cost to the individual of the housing unit.

(4) Where an eligible individual has already acquired a suitably adapted housing unit, the Secretary will pay, up to the aggregate amount of assistance available for 2101(a) grants, the lesser of:

   (i) 50 percent of the eligible individual’s cost of acquiring such housing unit, or

   (ii) The full amount of the unpaid balance, if any, of the cost to the individual of the housing unit.

(b) 2101(b) grant.

(1) The 2101(b) grant provides monetary assistance for the purpose of acquiring specially adapted housing pursuant to one of the following plans:
(i) Where an eligible individual elects to construct a dwelling on land to be acquired by the eligible individual or a member of the eligible individual’s family;

(ii) Where an eligible individual elects to construct a dwelling on land already owned by the eligible individual or a member of the eligible individual’s family;

(iii) Where an eligible individual elects to adapt a housing unit already owned by the eligible individual or a member of the eligible individual’s family; or

(iv) Where an eligible individual elects to purchase a housing unit that is already adapted to the requirements of the eligible individual’s disability.

(2) Regardless of the plan chosen pursuant to paragraph (b)(1) of this section, the Secretary will pay the lesser of:

(i) The actual cost, or, in the case of an eligible individual acquiring a housing unit already adapted with special features, the fair market value, of the adaptations determined by the Secretary to be reasonably necessary, or

(ii) The aggregate amount of assistance available for 2101(b) grants.

(c) TRA grant. The TRA grant provides monetary assistance for the purpose of adapting a housing unit owned by a member of the eligible individual’s family, in which the eligible individual intends to reside temporarily. The Secretary will pay, up to the amounts specified at 38 U.S.C. 2102A(b) for TRA grants, the actual cost of the adaptations.

(d) Duplication of benefits.

(1) If an individual is determined eligible for a 2101(a) grant, he or she may not subsequently receive a 2101(b) grant.

(2) If an individual is determined eligible for a 2101(b) grant, and becomes eligible for a 2101(a) grant, he or she may receive 2101(a) grants and TRA grants up to the aggregate amount of assistance available for 2101(a) grants. However, any 2101(b) or TRA grants received by the individual before he or she was determined eligible for the 2101(a) grant will count towards the three grant limit in §36.4403.

(3) If the Secretary has provided assistance to an eligible individual under 38 U.S.C. 1717, the Secretary will not provide assistance under this subpart that would result in duplicate payments for the same adaptations. However, nothing in this subpart prohibits an eligible individual from utilizing the assistance authorized under 38 U.S.C. 1717 and 38 U.S.C. chapter 21 simultaneously, provided that no duplicate payments result. (Authority: 38 U.S.C. 2102, 2102A, 2104)

[75 FR 56876, Sept. 17, 2010]
§36.4403 Subsequent use.

An eligible individual may receive up to three grants of assistance under 38 U.S.C. chapter 21, subject to the following limitations:

(a) The aggregate amount of assistance available to an eligible individual for 2101(a) grant and TRA grant usage will be limited to the aggregate amount of assistance available for 2101(a) grants;

(b) The aggregate amount of assistance available to an eligible individual for 2101(b) grant and TRA grant usage will be limited to the aggregate amount of assistance available for 2101(b) grants;

(c) The TRA grant may only be obtained once and will be counted as one of the three grant usages; and

(d) Funds from subsequent 2101(a) grant or 2101(b) grant usages may only pay for reimbursing specially adapted housing-related costs incurred on or after June 15, 2006 or the date on which the eligible individual is conditionally approved for subsequent assistance, whichever is later. (Authority: 38 U.S.C. 2102, 2102A)

(The Office of Management and Budget has approved the information collection provisions in this section under control number 2900-0132.)

[75 FR 56876, Sept. 17, 2010]
§36.4404 Eligibility for assistance.

(a) Disability requirements.

(1) The 2101(a) grant is available to individuals with permanent and total service-connected disability who have been rated as being entitled to compensation under 38 U.S.C. chapter 11 for any of the following conditions:

(i) Loss, or loss of use, of both lower extremities so as to preclude locomotion without the aid of braces, crutches, canes, or a wheelchair;

(ii) Blindness in both eyes having only light perception, plus loss or loss of use of one lower extremity;

(iii) Loss, or loss of use, of one lower extremity, together with:

(A) Residuals of organic disease or injury; or

(B) The loss or loss of use of one upper extremity, which so affect the functions of balance or propulsion as to preclude locomotion without the aid of braces, crutches, canes, or a wheelchair;

(iv) Loss, or loss of use, of both upper extremities so as to preclude use of the arms at or above the elbows; or

(v) Any other injury identified as eligible for assistance under 38 U.S.C. §2101(a).

(2) The 2101(b) grant is available to individuals with permanent and total service-connected disability who have been rated as being entitled to compensation under 38 U.S.C. chapter 11 for any of the following conditions:

(i) Blindness in both eyes with 5/200 visual acuity or less;

(ii) Anatomical loss, or loss of use, of both hands; or

(iii) Any other injury identified as eligible for assistance under 38 U.S.C. §2101(b).

(3) The TRA grant is available to individuals with permanent and total service-connected disability who have been rated as being entitled to compensation under 38 U.S.C. chapter 11 for any of the conditions described under paragraph (a)(1) of this section for the 2101(a) grant or paragraph (a)(2) of this section for the 2101(b) grant.

(b) Feasibility and suitability requirements.
(1) In order for an individual to be eligible for 2101(a) grant assistance, the Secretary must determine that:

   (i) It is medically feasible for the individual to reside outside of an institutional setting;

   (ii) It is medically feasible for the individual to reside in the proposed housing unit and in the proposed locality;

   (iii) The nature and condition of the proposed housing unit are suitable for the individual’s residential living needs; and

   (iv) The cost of the proposed housing unit bears a proper relation to the individual’s present and anticipated income and expenses.

(2) In order for an individual to be eligible for 2101(b) grant assistance, the Secretary must determine that:

   (i) The individual is residing in and reasonably intends to continue residing in a housing unit owned by the individual or a member of the individual’s family; or

   (ii) If the individual’s housing unit is to be constructed or purchased, the individual will be residing in and reasonably intends to continue residing in a housing unit owned by the individual or a member of the individual’s family. (Authority: 38 U.S.C. 501, 2101, 2102, 2102A)

[75 FR 56876, Sept. 17, 2010]
§36.4405 Grant approval.

(a) Conditional approval.

(1) The Secretary may provide written notification to an eligible individual of conditional approval of a specially adapted housing grant if the Secretary has determined that:

(i) Disability requirements have been satisfied pursuant to §36.4404(a);

(ii) Feasibility and suitability requirements have been satisfied pursuant to §36.4404(b); and

(iii) The eligible individual has not exceeded the usage or dollar limitations prescribed by §§36.4402(d) and 36.4403.

(2) Once conditional approval has been granted, the Secretary may authorize, in writing, an eligible individual to incur certain preconstruction costs pursuant to §36.4406.

(b) Final approval. In order for an individual to obtain final approval for a specially adapted housing grant, the Secretary must determine that the following property requirements are met:

(1) Proposed adaptations. The plans and specifications of the proposed adaptations demonstrate compliance with minimum property and design requirements of the specially adapted housing program.

(2) Ownership.

(i) In the case of 2101(a) grants, the eligible individual must have, or provide satisfactory evidence that he or she will acquire, an ownership interest in the housing unit.

(ii) In the case of 2101(b) grants, the eligible individual or a member of the eligible individual’s family must have, or provide satisfactory evidence that he or she will acquire, an ownership interest in the housing unit.

(iii) In the case of TRA grants:

(A) A member of the eligible individual’s family must have, or provide satisfactory evidence that he or she will acquire, an ownership interest in the housing unit, and

(B) The eligible individual and the member of the eligible individual’s family who has or acquires an ownership interest in the housing unit must sign a certification as to the likelihood of the eligible individual’s temporary occupancy of such residence.
(iv) If the ownership interest in the housing unit is or will be vested in the eligible individual and another person, the Secretary will not for that reason reduce by percentage of ownership the amount of a specially adapted housing grant. However, to meet the ownership requirement for final approval of a specially adapted housing grant, the eligible individual’s ownership interest must be of sufficient quantum and quality, as determined by the Secretary, to ensure the eligible individual’s quiet enjoyment of the property.

(3) Certifications. The eligible individual must certify, in such form as the Secretary will prescribe, that:

(i) Neither the eligible individual, nor anyone authorized to act for the eligible individual, will refuse to sell or rent, after receiving a bona fide offer, or refuse to negotiate for the sale or rental of, or otherwise make unavailable or deny the housing unit acquired by this benefit, to any person because of race, color, religion, sex, familial status, disability, or national origin;

(ii) The eligible individual, and anyone authorized to act for the eligible individual, recognizes that any restrictive covenant on the housing unit relating to race, color, religion, sex, familial status, disability, or national origin is illegal and void, and any such covenant is specifically disclaimed; and

(iii) The eligible individual, and anyone authorized to act for the eligible individual, understands that civil action for preventative relief may be brought by the Attorney General of the United States in any appropriate U.S. District Court against any person responsible for a violation of the applicable law.

(4) Flood insurance. The eligible individual’s housing unit, if it is or becomes located in an area identified by the Federal Emergency Management Agency as having special flood hazards and in which flood insurance has been made available under the National Flood Insurance Act, as amended, must be covered by flood insurance. The amount of flood insurance must be at least equal to the lesser of the full insurable value of the housing unit or the maximum limit of coverage available for the particular type of housing unit under the National Flood Insurance Act, as amended. The Secretary will not approve any financial assistance for the acquisition or construction of a housing unit located in an area identified by the Federal Emergency Management Agency as having special flood hazards unless the community in which such area is situated is then participating in the National Flood Insurance Program (Authority: 38 U.S.C. 501, chapter 21, 42 U.S.C. 4012a, 4106(a))

(5) Geographical limits. Any real property purchased, constructed, or adapted with the proceeds of a specially adapted housing grant must be located:

(i) Within the United States, which, for purposes of 38 U.S.C. chapter 21, includes the several States, Territories, and possessions, including the District of Columbia, and the Commonwealths of Puerto Rico and the Northern Mariana Islands; or,

(ii) If outside the United States, in a country or political subdivision which allows individuals to have or acquire a beneficial property interest, and in which the Secretary, in
his or her discretion, has determined that it is reasonably practicable for the Secretary to provide assistance in acquiring specially adapted housing. (Authority: 38 U.S.C. 2101, 2101A, 2102A)

(The Office of Management and Budget has approved the information collection provisions in this section under control numbers 2900-0031, 2900-0132, and 2900-0300.)

[75 FR 56876, Sept. 17, 2010]
§36.4406 Reimbursement of costs and disbursement of grant funds.

(a) After providing conditional approval of a specially adapted housing grant for an eligible individual pursuant to §36.4405, the Secretary may authorize the incurrence, prior to obtaining final specially adapted housing grant approval, of preconstruction costs of the types and subject to the limits specified in this paragraph.

(1) Preconstruction costs to be incurred may not exceed 20 percent of the eligible individual’s aggregate amount of assistance available, unless the individual is authorized by the Secretary in writing to incur specific preconstruction costs in excess of this 20 percent limitation. Preconstruction costs may include the following items:

(i) Architectural services employed for preparation of building plans and specifications.

(ii) Land surveys.

(iii) Attorneys’ and other legal fees.

(iv) Other costs or fees necessary to plan for specially adapted housing grant use, as determined by the Secretary.

(2) If the Secretary authorizes final approval, the Secretary will pay out of the specially adapted housing grant the preconstruction costs that the Secretary authorized in advance. If the specially adapted housing grant process is terminated prior to final approval, preconstruction costs incurred that the Secretary authorized in advance will be reimbursed to the eligible individual, or the eligible individual’s estate pursuant to paragraph(c) of this section, but will be deducted from the aggregate amount of assistance available and the reimbursement will constitute one of the three permitted grant usages (see §36.4403).

(b) The Secretary will determine a method of disbursement that is appropriate and advisable in the interest of the eligible individual and the Government, and will pay the specially adapted housing grant accordingly. Disbursement of specially adapted housing grant proceeds generally will be made to third parties who have contracted with the veteran, to an escrow agent, or to the eligible individual’s lender, as the Secretary deems appropriate. If the Secretary determines that it is appropriate and advisable, the Secretary may disburse specially adapted housing grant funds directly to an eligible individual where the eligible individual has incurred authorized preconstruction or construction-related costs and paid for such authorized costs using personal funds.

(c) Should an eligible individual die before the Secretary disburses the full specially adapted housing grant, the eligible individual’s estate must submit to the Secretary all requests for reimbursement within one year of the date the Loan Guaranty Service learns of the eligible individual’s death. Except where the Secretary determines that equity and good conscience require otherwise, the Secretary will not reimburse an eligible individual’s estate for a request that has not been received by the Department of Veterans Affairs within this timeframe. (Authority: 38 U.S.C. 2101(d))

[75 FR 56876, Sept. 17, 2010]
§36.4407 Guaranteed and direct loans.

(a) In any case where, in addition to using the benefits of 38 U.S.C. chapter 21, the eligible individual will use his or her entitlement to the loan guaranty benefits of 38 U.S.C. chapter 37, the complete transaction must be in accord with applicable regulations found in this part.

(b) In any case where, in addition to using the benefits of 38 U.S.C. chapter 21, the eligible individual will use a direct loan under 38 U.S.C. 3711(i), the complete transaction must be in accord with the requirements of §36.4503 and the loan must be secured by the same housing unit to be purchased, constructed, or adapted with the proceeds of the specially adapted housing grant.

(c) In any case where, in addition to using the benefits of 38 U.S.C. chapter 21, the eligible individual will use the Native American Direct Loan benefit under 38 U.S.C. chapter 37, subchapter V, the eligible individual’s ownership interest in the housing unit must comport with the requirements found in §§36.4501, 36.4512, and 36.4527 and in the tribal documents approved by the Secretary, which include, but may not be limited to, the Memorandum of Understanding, the residential lease of tribal-owned land, the tribal lending ordinances, and any relevant tribal resolutions. (Authority: 38 U.S.C. 2101(d), 3711(i), 3762)

[75 FR 56876, Sept. 17, 2010]
§36.4408 Submission of proof to the Secretary.

The Secretary may, at any time, require submission of such proof of costs and other matters as the Secretary deems necessary. (Authority: 38 U.S.C. 501, 2101(d))

(The Office of Management and Budget has approved the information collection provisions in this section under control numbers 2900-0031 and 2900-0300.)

[75 FR 56876, Sept. 17, 2010]
§36.4409 Delegations of authority.

(a) Each employee of the Department of Veterans Affairs appointed to or lawfully filling any of the following positions is hereby delegated authority, within the limitations and conditions prescribed by law, to exercise the powers and functions of the Secretary with respect to assisting eligible individuals in acquiring specially adapted housing:

(1) Under Secretary for Benefits.

(2) Director, Loan Guaranty Service.

(3) Deputy Director, Loan Guaranty Service.

(4) Assistant Director, Loan Policy and Valuation.

(5) Chief, Specially Adapted Housing, Loan Guaranty Service.

(6) Director, VA Medical Center.

(7) Director, VA Regional Office.

(8) Loan Guaranty Officer.

(9) Assistant Loan Guaranty Officer.

(b) Nothing in this section will be construed to authorize the determination of basic eligibility or medical feasibility under §36.4404(a), (b)(1)(i), or (b)(1)(ii) by any employee designated in this section, except as otherwise authorized. (Authority: 38 U.S.C. 501, 512, ch. 21)

[75 FR 56876, Sept. 17, 2010]
§36.4410 Supplementary administrative action.

Subject to statutory limitations and conditions prescribed in title 38, U.S.C., the Secretary may take such action as may be necessary or appropriate to relieve undue prejudice to an eligible individual or a third party contracting or dealing with such eligible individual which might otherwise result. (Authority: 38 U.S.C. 501, 2101(d))

[75 FR 56876, Sept. 17, 2010]
§36.4411 Annual adjustments to the aggregate amount of assistance available.

(a) On October 1 of each year, the Secretary will increase the aggregate amounts of assistance available for grants authorized under 38 U.S.C. 2101(a) and 2101(b). Such increase will be equal to the percentage by which the Turner Building Cost Index for the most recent calendar year exceeds that of the next preceding calendar year.

(b) Notwithstanding paragraph (a) of this section, if the Turner Building Cost Index for the most recent full calendar year is equal to or less than the next preceding calendar year, the percentage increase will be zero.

(c) No later than September 30 of each year, the Secretary will publish in the Federal Register the aggregate amounts of assistance available for the upcoming fiscal year. (Authority: 38 U.S.C. 2102(e))

[75 FR 56876, Sept. 17, 2010]
Reserved