

“(B) begin administering such certification examination required under such section not later than 90 days after the date on which the development of such certification examination is complete.”

### § 7733. Personnel

The Secretary shall ensure that the number of full-time employees of the Veterans Benefits Administration assigned to quality assurance functions under this subchapter is adequate to perform the quality assurance functions for which they have responsibility.

(Added Pub. L. 106-117, §801(a)(1), Nov. 30, 1999, 113 Stat. 1585.)

### § 7734. Annual report to Congress

The Secretary shall include in the annual report to the Congress required by section 529 of this title a report on the quality assurance activities carried out under this subchapter. Each such report shall include—

- (1) an appraisal of the quality of services provided by the Veterans Benefits Administration, including—
  - (A) the number of decisions reviewed;
  - (B) a summary of the findings on the decisions reviewed;
  - (C) the number of full-time equivalent employees assigned to quality assurance in each division or entity;
  - (D) specific documentation of compliance with the standards for independence and internal control required by section 7731(b) of this title; and
  - (E) actions taken to improve the quality of services provided and the results obtained;
- (2) information with respect to the accuracy of decisions, including trends in that information; and
- (3) such other information as the Secretary considers appropriate.

(Added Pub. L. 106-117, §801(a)(1), Nov. 30, 1999, 113 Stat. 1585.)

## CHAPTER 78—VETERANS' CANTEEN SERVICE

Sec.	
7801.	Purpose of Veterans' Canteen Service.
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### Editorial Notes

#### AMENDMENTS

1991—Pub. L. 102-83, §4(b)(1), (2)(E), Aug. 6, 1991, 105 Stat. 404, 405, substituted “Secretary” for “Administrator” in item 7802.

Pub. L. 102-40, title IV, §402(a), (c)(1), May 7, 1991, 105 Stat. 238, 239, redesignated chapter 75 of this title as this chapter and renumbered items 4201 to 4210 as 7801 to 7810, respectively.

1988—Pub. L. 100-322, title IV, §§412(b), 414(b)(2), May 20, 1988, 102 Stat. 548, 549, added items 4209 and 4210.

### § 7801. Purpose of Veterans' Canteen Service

The Veterans' Canteen Service (hereinafter in this chapter referred to as the “Service”) in the

Department is an instrumentality of the United States, created for the primary purpose of making available to veterans of the Armed Forces who are hospitalized or domiciled in hospitals and homes of the Department, at reasonable prices, articles of merchandise and services essential to their comfort and well-being.

(Pub. L. 85-857, Sept. 2, 1958, 72 Stat. 1248, §4201; renumbered §7801 and amended Pub. L. 102-40, title IV, §402(a), (b)(1), May 7, 1991, 105 Stat. 238; Pub. L. 102-83, §4(a)(3), (4), Aug. 6, 1991, 105 Stat. 404; Pub. L. 107-14, §8(a)(16), June 5, 2001, 115 Stat. 35.)

### Editorial Notes

#### AMENDMENTS

2001—Pub. L. 107-14 substituted “hereinafter” for “hereafter”.

1991—Pub. L. 102-40 renumbered section 4201 of this title as this section.

Pub. L. 102-83 substituted “Department” for “Veterans' Administration” in two places.

### § 7802. Duties of Secretary with respect to Service

(a) LOCATIONS FOR CANTEENS.—The Secretary shall establish, maintain, and operate canteens where deemed necessary and practicable at hospitals and homes of the Department and at other Department establishments where similar essential facilities are not reasonably available from outside commercial sources.

(b) WAREHOUSES AND STORAGE DEPOTS.—The Secretary shall establish, maintain, and operate such warehouses and storage depots as may be necessary in operating the canteens.

(c) SPACE, BUILDINGS, AND STRUCTURES.—The Secretary shall furnish the Service for its use in connection with the establishment, maintenance, and operation thereof, such space, buildings, and structures under control of the Department as the Secretary may consider necessary, including normal maintenance and repair service thereon. Reasonable charges, to be determined by the Secretary, shall be paid annually by the Service for the space, buildings, and structures so furnished, except that the Secretary may reduce or waive such charges whenever payment of such charges would impair the working capital required by the Service.

(d) EQUIPMENT, SERVICES, AND UTILITIES.—The Secretary shall transfer to the Service without charge, rental, or reimbursement such necessary equipment as may not be needed for other purposes, and furnish the Service such services and utilities, including light, water, and heat, as may be available and necessary for its use. Reasonable charges, to be determined by the Secretary, shall be paid annually by the Service for the utilities so furnished.

(e) PERSONNEL.—The Secretary shall employ such persons as are necessary for the establishment, maintenance, and operation of the Service, and pay the salaries, wages, and expenses of all such employees from the funds of the Service. Personnel necessary for the transaction of the business of the Service at canteens, warehouses, and storage depots shall be appointed, compensated from funds of the Service, and removed by the Secretary without regard to the

provisions of title 5 governing appointments in the competitive service and chapter 51 and subchapter III of chapter 53 of title 5. Those employees are subject to the provisions of title 5 relating to a preference eligible described in section 2108(3) of title 5, subchapter I of chapter 81 of title 5, and subchapter III of chapter 83 of title 5. An employee appointed under this section may be considered for appointment to a Department position in the competitive service in the same manner that a Department employee in the competitive service is considered for transfer to such position. An employee of the Service who is appointed to a Department position in the competitive service under the authority of the preceding sentence may count toward the time-in-service requirement for a career appointment in such position any previous period of employment in the Service.

(f) **CONTRACTS AND AGREEMENTS.**—The Secretary shall make all necessary contracts or agreements to purchase or sell merchandise, fixtures, equipment, supplies, and services, without regard to section 6101(b) to (d) of title 41 and to do all things necessary to carry out such contracts or agreements, including the making of necessary adjustments and compromising of claims in connection therewith.

(g) **PRICES.**—The Secretary shall fix the prices of merchandise and services in canteens so as to carry out the purposes of this chapter.

(h) **GIFTS AND DONATIONS.**—The Secretary may accept gifts and donations of merchandise, fixtures, equipment, and supplies for the use and benefit of the Service.

(i) **RULES AND REGULATIONS.**—The Secretary shall make such rules and regulations, not inconsistent with the provisions of this chapter, as the Secretary considers necessary or appropriate to effectuate its purposes.

(j) **DELEGATION.**—The Secretary may delegate such duties and powers to employees as the Secretary considers necessary or appropriate, whose official acts performed within the scope of the delegated authority shall have the same force and effect as though performed by the Secretary.

(k) **AUTHORITY TO CASH CHECKS, ETC.**—The Secretary may authorize the use of funds of the Service when available, subject to such regulations as the Secretary may deem appropriate, for the purpose of cashing checks, money orders, and similar instruments in nominal amounts for the payment of money presented by veterans hospitalized or domiciled at hospitals and homes of the Department, and by other persons authorized by section 7803 of this title to make purchases at canteens. Such checks, money orders, and other similar instruments may be cashed outright or may be accepted, subject to strict administrative controls, in payment for merchandise or services, and the difference between the amount of the purchase and the amount of the tendered instrument refunded in cash.

(Pub. L. 85-857, Sept. 2, 1958, 72 Stat. 1248, §4202; Pub. L. 86-109, §1, July 28, 1959, 73 Stat. 258; Pub. L. 94-581, title II, §210(d), Oct. 21, 1976, 90 Stat. 2864; Pub. L. 97-295, §4(88), Oct. 12, 1982, 96 Stat. 1312; Pub. L. 99-576, title VII, §702(13), Oct. 28, 1986, 100 Stat. 3302; renumbered §7802 and amended Pub. L. 102-40, title IV, §402(a), (b)(1), (d)(1),

May 7, 1991, 105 Stat. 238, 239; Pub. L. 102-54, §14(e)(7), June 13, 1991, 105 Stat. 287; Pub. L. 102-83, §4(a)(3), (4), (b)(1), (2)(E), Aug. 6, 1991, 105 Stat. 404, 405; Pub. L. 108-170, title III, §304, Dec. 6, 2003, 117 Stat. 2058; Pub. L. 111-350, §5(j)(5), Jan. 4, 2011, 124 Stat. 3850.)

### Editorial Notes

#### AMENDMENTS

2011—Subsec. (f). Pub. L. 111-350 substituted “section 6101(b) to (d) of title 41” for “section 3709 of the Revised Statutes (41 U.S.C. 5)”.

2003—Pub. L. 108-170 struck out introductory provisions which read “The Secretary shall—”, substituted period for semicolon at end of pars. (1) to (10), inserted last two sentences in par. (5), redesignated pars. (1) to (11) as subsecs. (a) to (k), respectively, and realigned margins, inserted headings in subsecs. (a) to (k), and inserted “The Secretary shall” after heading in subsecs. (a) to (g) and (i) and “The Secretary may” after heading in subsecs. (h), (j), and (k).

1991—Pub. L. 102-83, §4(b)(1), (2)(E), substituted “Secretary” for “Administrator” in section catchline and in introductory provisions.

Pub. L. 102-40, §402(a), (b)(1), renumbered section 4202 of this title as this section.

Par. (1). Pub. L. 102-83, §4(a)(3), (4), substituted “Department” for “Veterans’ Administration” in two places.

Par. (3). Pub. L. 102-83, §4(b)(1), (2)(E), substituted “Secretary” for “Administrator” wherever appearing.

Pub. L. 102-83, §4(a)(3), (4), substituted “Department” for “Veterans’ Administration”.

Pars. (4), (5). Pub. L. 102-83, §4(b)(1), (2)(E), substituted “Secretary” for “Administrator”.

Par. (6). Pub. L. 102-54 amended par. (6) as in effect immediately before the enactment of Pub. L. 102-40 by substituting “section 3709 of the Revised Statutes (41 U.S.C. 5)” for “section 5 of title 41”.

Pars. (9), (10). Pub. L. 102-83, §4(b)(1), (2)(E), substituted “Secretary” for “Administrator” wherever appearing.

Par. (11). Pub. L. 102-83, §4(b)(1), (2)(E), substituted “Secretary” for “Administrator”.

Pub. L. 102-83, §4(a)(3), (4), substituted “Department” for “Veterans’ Administration”.

Pub. L. 102-40, §402(d)(1), substituted “7803” for “4203”.

1986—Par. (11). Pub. L. 99-576 struck out “and without regard to the provisions of section 1 of the Act of January 31, 1925 (7 U.S.C. 2217), and section 1 (1st proviso under heading ‘OFFICE OF THE SECRETARY’) of the Act of May 11, 1922 (7 U.S.C. 2240),” after “as the Administrator may deem appropriate.”

1982—Par. (5). Pub. L. 97-295, §4(88)(A), substituted reference to provisions of title 5 governing appointments in the competitive service and chapter 51 and subchapter III of chapter 53 of title 5 for reference to the civil-service laws and the Classification Act of 1949, and substituted provision that the relevant employees are subject to the provisions of title 5 relating to a preference eligible described in section 2108(3) of title 5, subchapter I of chapter 81 of title 5, and subchapter III of chapter 83 of title 5 for provision that such employees were subject to the Veterans’ Preference Act of 1944, the Civil Service Retirement Act, and laws administered by the Bureau of Employees’ Compensation applicable to civilian employees of the United States.

Par. (11). Pub. L. 97-295, §4(88)(B), substituted “section 1 of the Act of January 31, 1925 (7 U.S.C. 2217), and section 1 (1st proviso under heading ‘OFFICE OF THE SECRETARY’) of the Act of May 11, 1922 (7 U.S.C. 2240)” for “sections 521 and 543 of title 5”.

1976—Pars. (3), (9), (10), (11). Pub. L. 94-581 substituted “the Administrator” for “he” in pars. (3), (9), (10), and (11).

1959—Par. (3). Pub. L. 86-109 required the Service to pay reasonable charges, as determined by the Adminis-

trator, for the use of space, buildings, and structures furnished by the Veterans' Administration and authorized reduction of waiver of the charges when payment thereof would impair the working capital required by the Service.

#### Statutory Notes and Related Subsidiaries

##### EFFECTIVE DATE OF 1976 AMENDMENT

Amendment by Pub. L. 94-581 effective Oct. 21, 1976, see section 211 of Pub. L. 94-581, set out as a note under section 111 of this title.

##### EFFECTIVE DATE OF 1959 AMENDMENT

Pub. L. 86-109, § 2, July 28, 1959, 73 Stat. 258, provided that: "This Act [amending this section] shall take effect on the first day of July 1959."

### § 7803. Operation of Service

(a) **PRIMARY BENEFICIARIES.**—Canteens operated by the Service shall be primarily for the use and benefit of—

(1) veterans hospitalized or domiciled at the facilities at which canteen services are provided; and

(2) other veterans who are enrolled under section 1705 of this title.

(b) **OTHER AUTHORIZED USERS.**—Service at such canteens may also be furnished to—

(1) personnel of the Department and recognized veterans' organizations who are employed at a facility at which canteen services are provided and to other persons so employed;

(2) the families of persons referred to in paragraph (1) who reside at the facility; and

(3) relatives and other persons while visiting a person specified in this section.

(Pub. L. 85-857, Sept. 2, 1958, 72 Stat. 1249, § 4203; renumbered § 7803 and amended Pub. L. 102-40, title IV, § 402(a), (b)(1), May 7, 1991, 105 Stat. 238; Pub. L. 102-83, § 4(a)(3), (4), Aug. 6, 1991, 105 Stat. 404; Pub. L. 106-117, title III, § 302, Nov. 30, 1999, 113 Stat. 1572; Pub. L. 108-422, title VI, § 603, Nov. 30, 2004, 118 Stat. 2397.)

#### Editorial Notes

##### AMENDMENTS

2004—Pub. L. 108-422 amended text of section generally. Prior to amendment, text read as follows: "The canteens at hospitals and homes of the Department shall be primarily for the use and benefit of veterans hospitalized or domiciled at such hospitals and homes. Service at such canteens may also be furnished to personnel of the Department and recognized veterans' organizations employed at such hospitals and homes and to other persons so employed, to the families of all the foregoing persons who reside at the hospital or home concerned, and to relatives and other persons while visiting any of the persons named in this section."

1999—Pub. L. 106-117 struck out subsec. (a) designation and substituted "in this section" for "in this subsection; however, service to any person not hospitalized, domiciled, or residing at the hospital or home shall be limited to the sale of merchandise or services for consumption or use on the premises" and struck out subsec. (b) which read as follows: "Service at canteens other than those established at hospitals and homes shall be limited to sales of merchandise and services for consumption or use on the premises, to personnel employed at such establishments, their visitors, and other persons at such establishments on official business."

1991—Pub. L. 102-40 renumbered section 4203 of this title as this section.

Subsec. (a). Pub. L. 102-83 substituted "Department" for "Veterans' Administration" in two places.

### § 7804. Financing of Service

To finance the establishment, maintenance, and operation of the Service there is hereby authorized to be appropriated, from time to time, such amounts as are necessary to provide for (1) the acquisition of necessary furniture, furnishings, fixtures, and equipment for the establishment, maintenance, and operation of canteens, warehouses, and storage depots; (2) stocks of merchandise and supplies for canteens and reserve stocks of same in warehouses and storage depots; (3) salaries, wages, and expenses of all employees; (4) administrative and operation expenses; and (5) adequate working capital for each canteen and for the Service as a whole. Amounts appropriated under the authority contained in this chapter and all income from canteen operations become and will be administered as a revolving fund to effectuate the provisions of this chapter.

(Pub. L. 85-857, Sept. 2, 1958, 72 Stat. 1250, § 4204; Pub. L. 92-310, title II, § 209, June 6, 1972, 86 Stat. 204; Pub. L. 99-576, title VII, § 702(14), Oct. 28, 1986, 100 Stat. 3302; renumbered § 7804 and amended Pub. L. 102-40, title IV, § 402(a), (b)(1), May 7, 1991, 105 Stat. 238.)

#### Editorial Notes

##### AMENDMENTS

1991—Pub. L. 102-40 renumbered section 4204 of this title as this section.

1986—Pub. L. 99-576 struck out ", amounts heretofore appropriated to carry out Public Law 636, Seventy-ninth Congress," before "and all income".

1972—Pub. L. 92-310 struck out "and premiums on fidelity bonds of employees" in cl. (4).

### § 7805. Revolving fund

The revolving fund shall be deposited in a checking account with the Treasury of the United States. Such amounts thereof as the Secretary may determine to be necessary to establish and maintain operating accounts for the various canteens may be deposited in checking accounts or other interest-bearing accounts in other depositories selected by the Secretary.

(Pub. L. 85-857, Sept. 2, 1958, 72 Stat. 1250, § 4205; Pub. L. 100-322, title IV, § 414(a)(1), May 20, 1988, 102 Stat. 549; renumbered § 7805 and amended Pub. L. 102-40, title IV, § 402(a), (b)(1), May 7, 1991, 105 Stat. 238; Pub. L. 102-83, § 4(b)(1), (2)(E), Aug. 6, 1991, 105 Stat. 404, 405.)

#### Editorial Notes

##### AMENDMENTS

1991—Pub. L. 102-40 renumbered section 4205 of this title as this section.

Pub. L. 102-83 substituted "Secretary" for "Administrator" in two places.

1988—Pub. L. 100-322 inserted "or other interest-bearing accounts" after "checking accounts".

### § 7806. Budget of Service

The Service shall prepare annually and submit a budget program as provided for wholly owned Government corporations by chapter 91 of title