

107TH CONGRESS
1ST SESSION

S. 1517

To amend titles 10 and 38, United States Code, to enhance the Montgomery GI Bill, and for other purposes.

IN THE SENATE OF THE UNITED STATES

OCTOBER 9, 2001

Mr. SPECTER introduced the following bill; which was read twice and referred to the Committee on Veterans' Affairs

A BILL

To amend titles 10 and 38, United States Code, to enhance the Montgomery GI Bill, 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 “Montgomery GI Bill
5 Improvements Act of 2001”.

6 **SEC. 2. REPEAL OF PAY REDUCTION AND ELECTION NOT**
7 **TO ENROLL IN BASIC EDUCATIONAL ASSIST-**
8 **ANCE.**

9 (a) PAY REDUCTION.—(1) Section 3011 of title 38,
10 United States Code, is amended by striking subsection (b).

1 (2) Section 3012 of that title is amended by striking
2 subsection (c).

3 (b) AUTHORITY TO ELECT NOT TO ENROLL.—(1)
4 Section 3011(c) of that title is amended—

5 (A) by striking paragraph (1); and

6 (B) by redesignating paragraphs (2) and (3) as
7 paragraphs (1) and (2), respectively.

8 (2) Section 3012(d) of that title is amended—

9 (A) by striking paragraph (1); and

10 (B) by redesignating paragraphs (2) and (3) as
11 paragraphs (1) and (2), respectively.

12 (c) OPPORTUNITIES TO WITHDRAW ELECTION NOT
13 TO ENROLL.—(1) Section 3016(a)(1) of that title is
14 amended by striking “, and does not make an election
15 under section 3011(c)(1) or section 3012(d)(1)”.

16 (2) Sections 3018A and 3018B of that title are each
17 amended by adding at the end the following new sub-
18 section:

19 “(e) Notwithstanding subsection (b), no reduction in
20 the pay of an individual under this section shall be made
21 for months beginning on or after the date that is six
22 months after the date of the enactment of the Montgomery
23 GI Bill Improvements Act of 2001. Any obligation of an
24 individual under subsection (b) as of the commencement

1 of such month shall be deemed to be fully satisfied as of
2 the date of the commencement of such month.”.

3 (3)(A) Section 3018C(e) of that title is amended—

4 (i) by striking paragraphs (3) and (4); and

5 (ii) by redesignating paragraph (5) as para-
6 graph (3).

7 (B) Section 3018C of that title is amended by adding
8 at the end the following new subsection:

9 “(f) Notwithstanding subsection (b), no reduction in
10 the pay of an individual under this section shall be made
11 for months beginning on or after the date that is six
12 months after the date of the enactment of the Montgomery
13 GI Bill Improvements Act of 2001. Any obligation of an
14 individual under subsection (b) as of the commencement
15 of such month shall be deemed to be fully satisfied as of
16 the date of the commencement of such month.”.

17 (d) EFFECTIVE DATE.—The amendments made by
18 subsections (a) and (b) shall take effect six months after
19 the date of the enactment of this Act, and apply to individ-
20 uals whose initial obligated period of active duty under
21 section 3011 or 3012 of title 38, United States Code, as
22 the case may be, begins on or after such date.

23 (e) TERMINATION OF PAY REDUCTIONS IN
24 PROGRESS.—Any reduction in the basic pay of an indi-
25 vidual referred to in subsection (b) of section 3011 of title

1 38, United States Code, by reason of such subsection, or
 2 of any individual referred to in subsection (c) of section
 3 3012 of such title by reason of such subsection, shall cease
 4 commencing with months beginning on or after the date
 5 that is six months after the date of the enactment of this
 6 Act, and any obligation of such individual under such sub-
 7 section (b) or (c), as the case may be, as of that date
 8 shall be deemed to be fully satisfied as of the date of the
 9 commencement of the first such month.

10 **SEC. 3. TRANSFER OF ENTITLEMENT TO EDUCATIONAL AS-**
 11 **SISTANCE BY MEMBERS WITH 15 YEARS OF**
 12 **ACTIVE DUTY SERVICE.**

13 (a) TRANSFER OF ENTITLEMENT.—Subchapter II of
 14 chapter 30 of title 38, United States Code, is amended
 15 by adding at the end the following new section:

16 **“§ 3020. Transfer of entitlement to basic educational**
 17 **assistance: individuals with 15 years of**
 18 **active duty service**

19 “(a) An individual described in subsection (b) who
 20 is entitled to basic educational assistance under this sub-
 21 chapter may transfer, in whole or in part, such individual’s
 22 entitlement to such assistance to the dependents specified
 23 in subsection (c).

24 “(b) An individual described in this subsection is any
 25 individual entitled to basic educational assistance under

1 this subchapter who has completed not less than 15 years
2 of service on active duty as a member of the Armed
3 Forces.

4 “(c) An individual may transfer entitlement under
5 this section as follows:

6 “(1) To the individual’s spouse.

7 “(2) To one or more of the individual’s chil-
8 dren.

9 “(3) To a combination of the individuals re-
10 ferred to in paragraphs (1) and (2).

11 “(d) An individual transferring entitlement to basic
12 educational assistance under this section shall—

13 “(1) designate the dependent or dependents to
14 whom such entitlement is being transferred and the
15 percentage of such entitlement to be transferred to
16 each such dependent; and

17 “(2) specify the period for which the transfer
18 shall be effective for each dependent designated
19 under paragraph (1).

20 “(e)(1) Subject to the time limitation for use of enti-
21 tlement under section 3031 of this title, an individual may
22 transfer entitlement under this section at any time without
23 regard to whether the individual is a member of the Armed
24 Forces when the transfer is executed.

1 “(2)(A) An individual transferring entitlement under
2 this section may modify or revoke at any time the transfer
3 of any unused portion of the entitlement so transferred.

4 “(B) The modification or revocation of the transfer
5 of entitlement under this paragraph shall be made by the
6 submittal of written notice of the action to the Secretary.

7 “(f)(1) The use of any entitlement to basic edu-
8 cational assistance transferred under this section shall be
9 charged against the entitlement of the individual making
10 the transfer at the rate of one month for each month of
11 transferred entitlement that is used.

12 “(2) Except as provided under subsection (d)(2) and
13 subject to paragraph (4), a dependent to whom entitle-
14 ment is transferred under this section is entitled to basic
15 educational assistance under this subchapter in the same
16 manner and at the same rate as the individual from whom
17 the entitlement was transferred.

18 “(3) The death of an individual transferring an enti-
19 tlement under this section shall not affect the use of the
20 entitlement by the individual to whom the entitlement is
21 transferred.

22 “(4) The administrative provisions of this chapter
23 (including the provisions set forth in section 3034(a)(1)
24 of this title) shall apply to the use of entitlement trans-
25 ferred under this section, except that the dependent to

1 whom the entitlement is transferred shall be treated as
2 the eligible veteran for purposes of such provisions.

3 “(5) The purposes for which a dependent to whom
4 entitlement is transferred under this section may use such
5 entitlement shall include the pursuit and completion of the
6 requirements of a secondary school diploma (or equiva-
7 lency certificate).

8 “(f) In the event of an overpayment of basic edu-
9 cational assistance with respect to a dependent to whom
10 entitlement is transferred under this section, the depend-
11 ent and the individual making the transfer shall be jointly
12 and severally liable to the United States for the amount
13 of the overpayment for purposes of section 3685 of this
14 title.

15 “(g) The Secretary shall prescribe regulations for
16 purposes of this section. Such regulations shall specify the
17 manner and effect of an election to modify or revoke a
18 transfer of entitlement under subsection (e)(2), and shall
19 specify the manner of the applicability of the administra-
20 tive provisions referred to in subsection (e)(4) to a depend-
21 ent to whom entitlement is transferred under this sec-
22 tion.”.

23 (b) CLERICAL AMENDMENT.—The table of sections
24 at the beginning of such chapter is amended by inserting

1 after the item relating to section 3019 the following new
 2 item:

“3020. Transfer of entitlement to basic educational assistance: individuals with
 15 years of active duty service.”.

3 (c) EFFECTIVE DATE.—The amendments made by
 4 this section shall take effect six months after the date of
 5 the enactment of this Act.

6 **SEC. 4. EXTENSION OF TIME LIMITATION FOR USE OF ELI-**
 7 **GIBILITY AND ENTITLEMENT.**

8 (a) ALL VOLUNTEER FORCE PROGRAM.—Section
 9 3031 of title 38, United States Code, is amended—

10 (1) by striking “10-year period” each place it
 11 appears (other than subsection (g)) and inserting
 12 “20-year period”; and

13 (2) in subsection (g), by striking “the last day”
 14 and all that follows through “Act” and inserting
 15 “November 30, 2019,”.

16 (b) EDUCATIONAL ASSISTANCE FOR SELECTED RE-
 17 SERVE.—Section 16133(a) of title 10, United States Code,
 18 is amended by striking “10-year period” and inserting
 19 “20-year period”.

20 **SEC. 5. BENEFIT FOR MEMBERS OF SELECTED RESERVE**
 21 **CALLED TO ACTIVE DUTY FOR MORE THAN**
 22 **ONE YEAR FOR CONTINGENCY OPERATION.**

23 (a) INCREASED BENEFIT UNDER EDUCATIONAL AS-
 24 SISTANCE FOR SELECTED RESERVE.—Section 16131 of

1 title 10, United States Code, is amended by adding at the
 2 end the following:

3 “(j) In the case of a member of the Selected Reserve
 4 entitled to educational assistance under this chapter who,
 5 during the period referred to in subsection (a) with respect
 6 to the member, is called or ordered to, or retained on, ac-
 7 tive duty for or in support of a contingency operation, the
 8 rate of the educational assistance allowance applicable to
 9 the member is as follows:

10 “(1) If the member’s aggregate period on active
 11 duty for or in support of a contingency operation is
 12 more than one year but less than two years—

13 “(A) for each month of full-time pursuit of
 14 a program of education, an amount equal to the
 15 average of the amount otherwise applicable to
 16 the person under subsection (b)(1)(A) and the
 17 amount applicable to an individual under sec-
 18 tion 3015(b)(1) of title 38;

19 “(B) for each month of three-quarter-time
 20 pursuit of a program of education, an amount
 21 equal to three-quarters of the amount deter-
 22 mined under subparagraph (A);

23 “(C) for each month of half-time pursuit of
 24 a program of education, an amount equal to

1 three-quarters of the amount determined under
2 subparagraph (A); and

3 “(D) for each month of less than half-time
4 pursuit of a program of education, an appro-
5 priately reduced amount, as determined under
6 regulations prescribed under subsection
7 (b)(1)(D), subject to the limitation specified in
8 that subsection.

9 “(2) If the member’s aggregate period on active
10 duty for or in support of a contingency operation is
11 more than two years but less than three years, the
12 amount that would be applicable to the member
13 under section 3015(b) of title 38 were the member
14 an individual described by that section.

15 “(3) If the member’s aggregate period on active
16 duty for or in support of a contingency operation is
17 more than three years, the amount that would be
18 applicable to the member under section 3015(a) of
19 title 38 were the member an individual described by
20 that section.”.

21 (b) EFFECT OF ACTIVE DUTY ON ENTITLEMENT FOR
22 BASIC ASSISTANCE FOR SERVICE IN SELECTED RE-
23 SERVE.—(1) Clause (ii) of section 3012(a)(1)(A) of title
24 38, United States Code, is amended to read as follows:

1 “(ii) subject to subsection (b) of this
2 section and beginning within one year after
3 completion of the service on active duty de-
4 scribed in clause (i) of this clause—

5 “(I) serves at least four years of
6 continuous duty in the Selected Re-
7 serve during which the individual par-
8 ticipates satisfactorily in training as
9 required by the Secretary concerned;
10 or

11 “(II) during continuous duty in
12 the Selected Reserve during which the
13 individual participates satisfactorily in
14 training as required by the Secretary
15 concerned, serves on active duty for or
16 in support of a contingency operation
17 (as that term is defined in section
18 101(a) of title 10) for an aggregate
19 period of not less than one year; or”.

20 (2) Section 3015(c) of that title is amended—

21 (A) in paragraph (1), by striking “paragraph
22 (1)” and inserting “paragraph (1) or (2)”; and

23 (B) by adding at the end the following new
24 paragraph:

1 “(3) Paragraph (1) of this subsection also applies to
2 an individual entitled to an educational assistance allow-
3 ance under section 3012 of this title who is described in
4 subsection (a)(1)(A)(ii)(II) of that section.”.

○