

# Union Calendar No. 152

113<sup>TH</sup> CONGRESS  
1<sup>ST</sup> SESSION

# H. R. 2481

[Report No. 113-207]

To amend title 38, United States Code, to codify and improve the election requirements for the receipt of educational assistance under the Post-9/11 Educational Assistance program of the Department of Veterans Affairs.

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## IN THE HOUSE OF REPRESENTATIVES

JUNE 25, 2013

Mr. FLORES introduced the following bill; which was referred to the Committee on Veterans' Affairs

SEPTEMBER 11, 2013

Reported with amendments, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

[Strike out all after the enacting clause and insert the part printed in *italie*]

[For text of introduced bill, see copy of bill as introduced on June 25, 2013]

# **A BILL**

To amend title 38, United States Code, to codify and improve the election requirements for the receipt of educational assistance under the Post-9/11 Educational Assistance program of the Department of Veterans Affairs.

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; TABLE OF CONTENTS.**

4        (a) *SHORT TITLE.*—*This Act may be cited as the “Vet-*  
 5 *erans Economic Opportunity Act of 2013”.*

6        (b) *TABLE OF CONTENTS.*—*The table of contents for*  
 7 *this Act is as follows:*

*Sec. 1. Short title; table of contents.*

*Sec. 2. References to title 38, United States Code.*

*Sec. 3. Scoring of budgetary effects.*

*Sec. 4. Establishment of Veterans Economic Opportunity Administration of De-*  
*partment of Veterans Affairs.*

*Sec. 5. Under Secretary for Veterans Economic Opportunity.*

*Sec. 6. Five-year extension of homeless veterans reintegration programs.*

*Sec. 7. Entitlement of children of certain deceased veterans to educational assist-*  
*ance under the Post-9/11 Educational Assistance Program of the*  
*Department of Veterans Affairs.*

*Sec. 8. Recodification and improvement of election process for Post-9/11 Edu-*  
*cational Assistance Program.*

*Sec. 9. Centralized reporting of veteran enrollment by certain groups, districts,*  
*and consortiums of educational institutions.*

*Sec. 10. Extension of loan guaranty fee for certain subsequent loans.*

*Sec. 11. Mortgage protection for members of the Armed Forces, surviving spouses,*  
*and certain veterans.*

*Sec. 12. Treatment of relocation for active duty for purposes of mortgage refi-*  
*nancing.*

*Sec. 13. Requirements for lending institutions that are creditors for obligations*  
*and liabilities covered by the Servicemembers Civil Relief Act.*

*Sec. 14. Protection of child custody arrangements for parents who are members*  
*of the Armed Forces.*

8 **SEC. 2. REFERENCES TO TITLE 38, UNITED STATES CODE.**

9        *Except as otherwise expressly provided, whenever in*  
 10 *this Act an amendment or repeal is expressed in terms of*  
 11 *an amendment to , or repeal of, a section or other provision,*  
 12 *the reference shall be considered to be made to a section or*  
 13 *other provision of title 38 , United States Code.*

1 **SEC. 3. SCORING OF BUDGETARY EFFECTS.**

2       *The budgetary effects of this Act, for the purpose of*  
 3 *complying with the Statutory Pay-As-You-Go Act of 2010,*  
 4 *shall be determined by reference to the latest statement titled*  
 5 *“Budgetary Effects of PAYGO Legislation” for this Act,*  
 6 *submitted for printing in the Congressional Record by the*  
 7 *Chairman of the House Budget Committee, provided that*  
 8 *such statement has been submitted prior to the vote on pas-*  
 9 *sage.*

10 **SEC. 4. ESTABLISHMENT OF VETERANS ECONOMIC OPPOR-**  
 11 **TUNITY ADMINISTRATION OF DEPARTMENT**  
 12 **OF VETERANS AFFAIRS.**

13       *(a) ECONOMIC OPPORTUNITY ADMINISTRATION.—*

14               *(1) IN GENERAL.—Part V is amended by adding*  
 15 *at the end the following new chapter:*

16       **“CHAPTER 80—VETERANS ECONOMIC**  
 17 **OPPORTUNITY ADMINISTRATION**

*“8001. Organization of Administration.*

*“8002. Functions of Administration.*

18 **“§ 8001. Organization of Administration**

19       *“(a) VETERANS ECONOMIC OPPORTUNITY ADMINIS-*  
 20 *TRATION.—There is in the Department of Veterans Affairs*  
 21 *a Veterans Economic Opportunity Administration. The*  
 22 *primary function of the Veterans Economic Opportunity*  
 23 *Administration is the administration of the programs of*  
 24 *the Department which provide assistance related to eco-*

1 *conomic opportunity to veterans and their dependents and*  
2 *survivors.*

3       “(b) *UNDER SECRETARY FOR ECONOMIC OPPOR-*  
4 *TUNITY.—The Veterans Economic Opportunity Adminis-*  
5 *tration is under the Under Secretary for Veterans Economic*  
6 *Opportunity, who is directly responsible to the Secretary*  
7 *for the operations of the Administration.*

8 **“§ 8002. *Functions of Administration***

9       “*The Veterans Economic Opportunity Administration*  
10 *is responsible for the administration of the following pro-*  
11 *grams of the Department:*

12               “(1) *Vocational rehabilitation and employment*  
13 *programs.*

14               “(2) *Educational assistance programs.*

15               “(3) *Veterans’ housing loan and related pro-*  
16 *grams.*

17               “(4) *The veterans small business program under*  
18 *section 8127 of this title.”.*

19               (2) *CLERICAL AMENDMENTS.—The tables of*  
20 *chapters at the beginning of title 38, United States*  
21 *Code, and of part V of title 38, United States Code,*  
22 *are each amended by inserting after the item relating*  
23 *to chapter 79 the following new item:*

**“80. *Veterans Economic Opportunity Administration* ..... *8001”.***

1       (b) *EFFECTIVE DATE.*—Chapter 80 of title 38, United  
2 States Code, as added by subsection (a) shall take effect on  
3 October 1, 2014.

4 **SEC. 5. UNDER SECRETARY FOR VETERANS ECONOMIC OP-**  
5 **PORTUNITY.**

6       (a) *UNDER SECRETARY.*—

7           (1) *IN GENERAL.*—Chapter 3 is amended by in-  
8 sserting after section 306 the following new section:

9 **“§ 306A. Under Secretary for Veterans Economic Op-**  
10 **portunity**

11       “(a) *UNDER SECRETARY.*—There is in the Department  
12 an Under Secretary for Veterans Economic Opportunity,  
13 who is appointed by the President, by and with the advice  
14 and consent of the Senate. The Under Secretary for Veterans  
15 Economic Opportunity shall be appointed without regard  
16 to political affiliation or activity and solely on the basis  
17 of demonstrated ability in—

18           “(1) information technology; and

19           “(2) the administration of programs within the  
20 Veterans Economic Opportunity Administration or  
21 programs of similar content and scope.

22       “(b) *RESPONSIBILITIES.*—The Under Secretary for  
23 Veterans Economic Opportunity is the head of, and is di-  
24 rectly responsible to the Secretary for the operations of, the  
25 Veterans Economic Opportunity Administration.

1           “(c) *VACANCIES.—(1) Whenever a vacancy in the posi-*  
2 *tion of Under Secretary for Veterans Economic Oppor-*  
3 *tunity occurs or is anticipated, the Secretary shall establish*  
4 *a commission to recommend individuals to the President*  
5 *for appointment to the position.*

6           “(2) *A commission established under this subsection*  
7 *shall be composed of the following members appointed by*  
8 *the Secretary:*

9                   “(A) *Three persons representing education and*  
10 *training, vocational rehabilitation, employment, real*  
11 *estate, mortgage finance and related industries, and*  
12 *survivor benefits activities affected by the Veterans*  
13 *Economic Opportunity Administration.*

14                   “(B) *Two persons representing veterans served*  
15 *by the Veterans Economic Opportunity Administra-*  
16 *tion.*

17                   “(C) *Two persons who have experience in the*  
18 *management of private sector benefits programs of*  
19 *similar content and scope to the economic oppor-*  
20 *tunity programs of the Department.*

21                   “(D) *The Deputy Secretary of Veterans Affairs.*

22                   “(E) *The chairman of the Veterans’ Advisory*  
23 *Committee on Education formed under section 3692*  
24 *of this title.*

1           “(F) One person who has held the position of  
2           Under Secretary for Veterans Economic Opportunity,  
3           if the Secretary determines that it is desirable for  
4           such person to be a member of the commission.

5           “(3) A commission established under this subsection  
6           shall recommend at least three individuals for appointment  
7           to the position of Under Secretary for Veterans Economic  
8           Opportunity. The commission shall submit all rec-  
9           ommendations to the Secretary. The Secretary shall forward  
10          the recommendations to the President and the Committees  
11          on Veterans’ Affairs of the Senate and House of Representa-  
12          tives with any comments the Secretary considers appro-  
13          priate. Thereafter, the President may request the commis-  
14          sion to recommend additional individuals for appointment.

15          “(4) The Assistant Secretary or Deputy Assistant Sec-  
16          retary of Veterans Affairs who performs personnel manage-  
17          ment and labor relations functions shall serve as the execu-  
18          tive secretary of a commission established under this sub-  
19          section.

20          “(d) QUALIFICATIONS OF RECOMMENDED INDIVID-  
21          UALS.—Each individual recommended to the President by  
22          the commission for appointment to the position of Under  
23          Secretary for Veterans Economic Opportunity shall be an  
24          individual who has held a senior level position in the pri-



1 *vate sector with responsibilities relating to at least one of*  
 2 *the following:*

3           “(1) *Education policy.*

4           “(2) *Vocational rehabilitation.*

5           “(3) *Employment.*

6           “(4) *Home loan finance.*

7           “(5) *Small business development.*”.

8           (2) *CLERICAL AMENDMENT.*—*The table of sec-*  
 9 *tions at the beginning of such chapter is amended by*  
 10 *inserting after the item relating to section 306 the fol-*  
 11 *lowing new item:*

“306A. *Under Secretary for Veterans Economic Opportunity.*”.

12           (b) *CONFORMING AMENDMENTS.*—*Title 38, United*  
 13 *States Code, is further amended—*

14           (1) *in section 306(c)(2), by striking subpara-*  
 15 *graphs (A) and (E) and redesignating subparagraphs*  
 16 *(B), (C), (D), and (F), as subparagraphs (A) through*  
 17 *(D), respectively;*

18           (2) *in section 317(d), by inserting after “Under*  
 19 *Secretary for Benefits,” the following: “the Under*  
 20 *Secretary for Veterans Economic Opportunity,”;*

21           (3) *in section 318(d)(2), by inserting after*  
 22 *“Under Secretary for Benefits,” the following: “the*  
 23 *Under Secretary for Veterans Economic Oppor-*  
 24 *tunity,”;*

1           (4) in section 516(e)(2)(C), by striking “Health  
2 and the Under Secretary for Benefits” and inserting  
3 “Health, the Under Secretary for Benefits, and the  
4 Under Secretary for Veterans Economic Oppor-  
5 tunity”;

6           (5) in section 541(a)(2)(B), by striking “Health  
7 and the Under Secretary for Benefits” and inserting  
8 “Health, the Under Secretary for Benefits, and the  
9 Under Secretary for Veterans Economic Oppor-  
10 tunity”;

11           (6) in section 542(a)(2)(B)(iii), by striking  
12 “Health and the Under Secretary for Benefits” and  
13 inserting “Health, the Under Secretary for Benefits,  
14 and the Under Secretary for Veterans Economic Op-  
15 portunity”;

16           (7) in section 544(a)(2)(B)(vi), by striking  
17 “Health and the Under Secretary for Benefits” and  
18 inserting “Health, the Under Secretary for Benefits,  
19 and the Under Secretary for Veterans Economic Op-  
20 portunity”;

21           (8) in section 709(c)(2)(A), by inserting after  
22 “Under Secretary for Benefits,” the following: “the  
23 Under Secretary for Veterans Economic Oppor-  
24 tunity,”.

1           (9) *in section 7701(a), by inserting after “assist-*  
2           *ance” the following: “, other than assistance related to*  
3           *economic opportunity,”; and*

4           (10) *in section 7703, by striking paragraphs (2)*  
5           *and (3) and redesignating paragraphs (4) and (5) as*  
6           *paragraphs (2) and (3), respectively.*

7           (c) *FULL-TIME EMPLOYEES.—For fiscal years 2014*  
8           *and 2015, the aggregate number of full-time equivalent em-*  
9           *ployees authorized for the Veterans Benefit Administration*  
10           *and the Veterans Economic Opportunity Administration,*  
11           *as established under chapter 80 of title 38, United States*  
12           *Code, as added by section 2, may not exceed 20,851.*

13           (d) *EFFECTIVE DATE.—Section 306A of title 38,*  
14           *United States Code, as added by subsection (a), and the*  
15           *amendments made by this section, shall take effect on Octo-*  
16           *ber 1, 2014.*

17           **SEC. 6. FIVE-YEAR EXTENSION OF HOMELESS VETERANS**  
18                                    **REINTEGRATION PROGRAMS.**

19           Section 2021(e)(F) of title 38, United States Code, is  
20           amended by striking “2013” and inserting “2018”.

1 **SEC. 7. ENTITLEMENT OF CHILDREN OF CERTAIN DE-**  
2 **CEASED VETERANS TO EDUCATIONAL ASSIST-**  
3 **ANCE UNDER THE POST-9/11 EDUCATIONAL**  
4 **ASSISTANCE PROGRAM OF THE DEPARTMENT**  
5 **OF VETERANS AFFAIRS.**

6 (a) *IN GENERAL.*—Section 3311(b)(9) is amended—

7 (1) by striking “2001, dies in line of duty while  
8 serving on active duty as a member of the Armed  
9 Forces.” and inserting “2001—”; and

10 (2) by adding at the end the following new sub-  
11 paragraphs:

12 “(A) dies in line of duty while serving on  
13 active duty as a member of the Armed Forces; or

14 “(B) is awarded the Purple Heart for an  
15 injury and dies as a result of that injury during  
16 the 31-day period beginning on the date of the  
17 person’s discharge or release from active duty  
18 service in the Armed Forces.”.

19 (b) *APPLICABILITY.*—The amendments made by sub-  
20 section (a) shall apply with respect to a person who dies  
21 on or after September 11, 2001.

22 (c) *EFFECTIVE DATE.*—The amendments made by sub-  
23 section (a) shall take effect on October 1, 2014, and apply  
24 to payments of educational assistance for programs of edu-  
25 cation pursued after that date.

1 **SEC. 8. RECODIFICATION AND IMPROVEMENT OF ELECTION**  
2 **PROCESS FOR POST-9/11 EDUCATIONAL AS-**  
3 **SISTANCE PROGRAM.**

4 (a) *IN GENERAL.*—Subchapter III of chapter 33 is  
5 amended by adding at the end the following new section:

6 **“§ 3326. Election to receive educational assistance**

7 “(a) *INDIVIDUALS ELIGIBLE TO ELECT PARTICIPA-*  
8 *TION IN POST-9/11 EDUCATIONAL ASSISTANCE.*—An indi-  
9 *vidual may elect to receive educational assistance under*  
10 *this chapter if such individual—*

11 “(1) *as of August 1, 2009—*

12 “(A) *is entitled to basic educational assist-*  
13 *ance under chapter 30 of the title and has used,*  
14 *but retains unused, entitlement under that chap-*  
15 *ter;*

16 “(B) *is entitled to educational assistance*  
17 *under chapter 107, 1606, or 1607 of title 10 and*  
18 *has used, but retains unused, entitlement under*  
19 *the applicable chapter;*

20 “(C) *is entitled to basic educational assist-*  
21 *ance under chapter 30 of this title but has not*  
22 *used any entitlement under that chapter;*

23 “(D) *is entitled to educational assistance*  
24 *under chapter 107, 1606, or 1607 of title 10 but*  
25 *has not used any entitlement under such chapter;*

1           “(E) is a member of the Armed Forces who  
2           is eligible for receipt of basic educational assist-  
3           ance under chapter 30 this title and is making  
4           contributions toward such assistance under sec-  
5           tion 3011(b) or 3012(c) of this title; or

6           “(F) is a member of the Armed Forces who  
7           is not entitled to basic educational assistance  
8           under chapter 30 of this title by reason of an  
9           election under section 3011(c)(1) or 3012(d)(1) of  
10          this title; and

11          “(2) as of the date of the individual’s election  
12          under this paragraph, meets the requirements for en-  
13          titlement to educational assistance under this chapter.

14          “(b) CESSATION OF CONTRIBUTIONS TOWARD GI  
15          BILL.—Effective as of the first month beginning on or after  
16          the date of an election under subsection (a) of an individual  
17          described by paragraph (1)(E) of that subsection, the obliga-  
18          tion of the individual to make contributions under section  
19          3011(b) or 3012(c) of this title, as applicable, shall cease,  
20          and the requirements of such section shall be deemed to be  
21          no longer applicable to the individual.

22          “(c) REVOCATION OF REMAINING TRANSFERRED ENTI-  
23          TLEMENT.—

24          “(1) ELECTION TO REVOKE.—If, on the date an  
25          individual described in paragraph (1)(A) or (1)(C) of

1 subsection (a) makes an election under that sub-  
2 section, a transfer of the entitlement of the individual  
3 to basic educational assistance under section 3020 of  
4 this title is in effect and a number of months of the  
5 entitlement so transferred remain unutilized, the in-  
6 dividual may elect to revoke all or a portion of the  
7 entitlement so transferred that remains unutilized.

8 “(2) AVAILABILITY OF REVOKED ENTITLE-  
9 MENT.—Any entitlement revoked by an individual  
10 under this paragraph shall no longer be available to  
11 the dependent to whom transferred, but shall be avail-  
12 able to the individual instead for educational assist-  
13 ance under chapter 33 of this title in accordance with  
14 the provisions of this section.

15 “(3) AVAILABILITY OF UNREVOKED ENTITLE-  
16 MENT.—Any entitlement described in paragraph (1)  
17 that is not revoked by an individual in accordance  
18 with that paragraph shall remain available to the de-  
19 pendent or dependents concerned in accordance with  
20 the current transfer of such entitlement under section  
21 3020 of this title.

22 “(d) POST-9/11 EDUCATIONAL ASSISTANCE.—

23 “(1) IN GENERAL.—Subject to paragraph (2)  
24 and except as provided in subsection (e), an indi-  
25 vidual making an election under subsection (a) shall

1 *be entitled to educational assistance under this chap-*  
2 *ter in accordance with the provisions of this chapter,*  
3 *instead of basic educational assistance under chapter*  
4 *30 this title, or educational assistance under chapter*  
5 *107, 1606, or 1607 of title 10, as applicable.*

6 “(2) *LIMITATION ON ENTITLEMENT FOR CERTAIN*  
7 *INDIVIDUALS.—In the case of an individual making*  
8 *an election under subsection (a) who is described by*  
9 *paragraph (1)(A) of that subsection, the number of*  
10 *months of entitlement of the individual to educational*  
11 *assistance under this chapter 33 shall be the number*  
12 *of months equal to—*

13 “(A) *the number of months of unused enti-*  
14 *tlement of the individual under chapter 30 of*  
15 *this title, as of the date of the election, plus*

16 “(B) *the number of months, if any, of enti-*  
17 *tlement revoked by the individual under sub-*  
18 *section (c)(1).*

19 “(e) *CONTINUING ENTITLEMENT TO EDUCATIONAL AS-*  
20 *SISTANCE NOT AVAILABLE UNDER 9/11 ASSISTANCE PRO-*  
21 *GRAM.—*

22 “(1) *IN GENERAL.—In the event educational as-*  
23 *sistance to which an individual making an election*  
24 *under subsection (a) would be entitled under chapter*  
25 *30 of this title, or chapter 107, 1606, or 1607 of title*



1       10, as applicable, is not authorized to be available to  
2       the individual under the provisions of this chapter the  
3       individual shall remain entitled to such educational  
4       assistance in accordance with the provisions of the  
5       applicable chapter.

6               “(2) *CHARGE FOR USE OF ENTITLEMENT.*—The  
7       utilization by an individual of entitlement under  
8       paragraph (1) shall be chargeable against the entitle-  
9       ment of the individual to educational assistance  
10      under this chapter at the rate of one month of entitle-  
11      ment under this chapter for each month of entitlement  
12      utilized by the individual under paragraph (1) (as  
13      determined as if such entitlement were utilized under  
14      the provisions of chapter 30 of this title, or chapter  
15      107, 1606, or 1607 of title 10, as applicable).

16              “(f) *ADDITIONAL POST-9/11 ASSISTANCE FOR MEM-*  
17 *BERS HAVING MADE CONTRIBUTIONS TOWARD GI BILL.*—

18              “(1) *ADDITIONAL ASSISTANCE.*—In the case of  
19      an individual making an election under subsection  
20      (a) who is described by subparagraph (A), (C), or (E)  
21      of paragraph (1) of that subsection, the amount of  
22      educational assistance payable to the individual  
23      under this chapter 33 as a monthly stipend payable  
24      under paragraph (1)(B) of section 3313(c) of this  
25      title, or under paragraphs (2) through (7) of that sec-

1        *tion (as applicable), shall be the amount otherwise*  
2        *payable as a monthly stipend under the applicable*  
3        *paragraph increased by the amount equal to—*

4                *“(A) the total amount of contributions to-*  
5                *ward basic educational assistance made by the*  
6                *individual under section 3011(b) or 3012(c) of*  
7                *this title, as of the date of the election, multiplied*  
8                *by*

9                *“(B) the fraction—*

10                *“(i) the numerator of which is—*

11                        *“(I) the number of months of enti-*  
12                        *tlement to basic educational assistance*  
13                        *under chapter 30 of this title remain-*  
14                        *ing to the individual at the time of the*  
15                        *election; plus*

16                        *“(II) the number of months, if*  
17                        *any, of entitlement under such chapter*  
18                        *30 revoked by the individual under*  
19                        *subsection (c)(1); and*

20                        *“(ii) the denominator of which is 36*  
21                        *months.*

22                *“(2) MONTHS OF REMAINING ENTITLEMENT FOR*  
23                *CERTAIN INDIVIDUALS.—In the case of an individual*  
24                *covered by paragraph (1) who is described by sub-*  
25                *section (a)(1)(E), the number of months of entitlement*

1       to basic educational assistance remaining to the indi-  
2       vidual for purposes of paragraph (1)(B)(i)(II) shall  
3       be 36 months.

4               “(3) *TIMING OF PAYMENT.*—The amount payable  
5       with respect to an individual under paragraph (1)  
6       shall be paid to the individual together with the last  
7       payment of the monthly stipend payable to the indi-  
8       vidual under paragraph (1)(B) of section 3313(c) of  
9       this title, or under subsections (b) through (g) of that  
10      section (as applicable), before the exhaustion of the in-  
11      dividual’s entitlement to educational assistance under  
12      this chapter.

13              “(g) *CONTINUING ENTITLEMENT TO ADDITIONAL AS-*  
14      *SISTANCE FOR CRITICAL SKILLS OR SPECIALITY AND ADDI-*  
15      *TIONAL SERVICE.*—An individual making an election  
16      under subsection (a)(1) who, at the time of the election, is  
17      entitled to increased educational assistance under section  
18      3015(d) of this title, or section 16131(i) of title 10, or sup-  
19      plemental educational assistance under subchapter III of  
20      chapter 30 of this title, shall remain entitled to such in-  
21      creased educational assistance or supplemental educational  
22      assistance in the utilization of entitlement to educational  
23      assistance under this chapter, in an amount equal to the  
24      quarter, semester, or term, as applicable, equivalent of the  
25      monthly amount of such increased educational assistance

1 *or supplemental educational assistance payable with respect*  
2 *to the individual at the time of the election.*

3 “(h) *ALTERNATIVE ELECTION BY SECRETARY.*—

4 “(1) *IN GENERAL.*—*In the case of an individual*  
5 *who, on or after October 1, 2014, submits to the Sec-*  
6 *retary an election under this section that the Sec-*  
7 *retary determines is clearly against the interests of*  
8 *the individual, the Secretary may make an alter-*  
9 *native election on behalf of the individual that the*  
10 *Secretary determines is in the best interests of the in-*  
11 *dividual.*

12 “(2) *NOTICE.*—*If the Secretary makes an elec-*  
13 *tion on behalf of an individual under this subsection,*  
14 *the Secretary shall notify the individual by not later*  
15 *than seven days after making such election and shall*  
16 *provide the individual with a 30-day period, begin-*  
17 *ning on the date of the individual’s receipt of such*  
18 *notice, during which the individual may modify or*  
19 *revoke the election made by the Secretary on the indi-*  
20 *vidual’s behalf. The Secretary shall include, as part*  
21 *of such notice, a clear statement of why the alter-*  
22 *native election made by the Secretary is in the best*  
23 *interests of the individual as compared to the election*  
24 *submitted by the individual. The Secretary shall pro-*

1        *vide the notice required under this paragraph by elec-*  
2        *tronic means whenever possible.*

3        “(i) *IRREVOCABILITY OF ELECTIONS.*—*An election*  
4        *under subsection (a) or (c)(1) is irrevocable.”.*

5        (b) *CLERICAL AMENDMENT.*—*The table of sections at*  
6        *the beginning of such chapter is amended by adding at the*  
7        *end the following new item:*

      “3326. *Election to receive educational assistance.”.*

8        (c) *CONFORMING REPEAL.*—*Subsection (c) of section*  
9        *5003 of the Post-9/11 Veterans Educational Assistance Act*  
10       *of 2008 (Public Law 110–252; 38 U.S.C. 3301 note) is here-*  
11       *by repealed.*

12       **SEC. 9. CENTRALIZED REPORTING OF VETERAN ENROLL-**  
13                                **MENT BY CERTAIN GROUPS, DISTRICTS, AND**  
14                                **CONSORTIUMS OF EDUCATIONAL INSTITU-**  
15                                **TIONS.**

16        (a) *IN GENERAL.*—*Section 3684(a) is amended—*

17                                (1) *in paragraph (1), by inserting “32, 33,”*  
18        *after “31,”; and*

19                                (2) *by adding at the end the following new para-*  
20        *graph:*

21                                “(4) *For purposes of this subsection, the term ‘edu-*  
22        *cational institution’ may include a group, district, or con-*  
23        *sortium of separately accredited educational institutions lo-*  
24        *cated in the same State that are organized in a manner*

1 *that facilitates the centralized reporting of the enrollments*  
2 *in such group, district, or consortium of institutions.”.*

3 (b) *EFFECTIVE DATE.*—*The amendments made by sub-*  
4 *section (a) shall apply with respect to reports submitted on*  
5 *or after the date of the enactment of this Act.*

6 **SEC. 10. EXTENSION OF LOAN GUARANTY FEE FOR CERTAIN**  
7 **SUBSEQUENT LOANS.**

8 (a) *EXTENSION.*—*Section 3729(b)(2)(B) is amended—*

9 (1) *in clause (i), by striking “October 1, 2017”*  
10 *and inserting “October 1, 2018”; and*

11 (2) *in clause (ii), by striking “October 1, 2017”*  
12 *and inserting “October 1, 2018”.*

13 **SEC. 11. MORTGAGE PROTECTION FOR MEMBERS OF THE**  
14 **ARMED FORCES, SURVIVING SPOUSES, AND**  
15 **CERTAIN VETERANS.**

16 (a) *MEMBERS OF THE ARMED FORCES, SURVIVING*  
17 *SPOUSES, AND CERTAIN DISABLED VETERANS.*—

18 (1) *IN GENERAL.*—*Title III of the*  
19 *Servicemembers Civil Relief Act (50 U.S.C. App. 501*  
20 *et seq.) is amended by inserting after section 303 the*  
21 *following new section:*

1 **“SEC. 303A. MORTGAGES AND TRUST DEEDS OF CERTAIN**  
2 **SERVICEMEMBERS, SURVIVING SPOUSES,**  
3 **AND DISABLED VETERANS.**

4 *“(a) MORTGAGE AS SECURITY.—This section applies*  
5 *only to an obligation on real or personal property owned*  
6 *by a covered individual that—*

7 *“(1) originated at any time and for which the*  
8 *covered individual is still obligated; and*

9 *“(2) is secured by a mortgage, trust deed, or*  
10 *other security in the nature of a mortgage.*

11 *“(b) STAY OF PROCEEDINGS.—*

12 *“(1) IN GENERAL.—In accordance with sub-*  
13 *section (d)(1), in a judicial action pending or in a*  
14 *nonjudicial action commenced during a covered time*  
15 *period to enforce an obligation described in subsection*  
16 *(a), a court—*

17 *“(A) may, after a hearing and on its own*  
18 *motion, stay the proceedings until the end of the*  
19 *covered time period; and*

20 *“(B) shall, upon application by a covered*  
21 *individual, stay the proceedings until the end of*  
22 *the covered time period.*

23 *“(2) OBLIGATION TO STOP PROCEEDINGS.—Upon*  
24 *receipt of notice provided under subsection (d)(1), a*  
25 *mortgagee, trustee, or other creditor seeking to fore-*  
26 *close on real property secured by an obligation cov-*

1        *ered by this section using any judicial or nonjudicial*  
2        *proceedings shall immediately stop any such pro-*  
3        *ceeding until the end of the covered time period.*

4        *“(c) SALE OR FORECLOSURE.—A sale, judicial or non-*  
5        *judicial foreclosure, or seizure of property for a breach of*  
6        *an obligation described in subsection (a) that is not stayed*  
7        *under subsection (b) shall not be valid during a covered*  
8        *time period except—*

9                *“(1) upon a court order granted before such sale,*  
10        *judicial or nonjudicial foreclosure, or seizure with a*  
11        *return made and approved by the court; or*

12                *“(2) if made pursuant to an agreement as pro-*  
13        *vided in section 107.*

14        *“(d) NOTICE REQUIRED.—*

15                *“(1) IN GENERAL.—To be covered under this sec-*  
16        *tion, a covered individual shall provide to the mort-*  
17        *gagee, trustee, or other creditor written notice that*  
18        *such individual is so covered.*

19                *“(2) MANNER.—Written notice under paragraph*  
20        *(1) may be provided electronically.*

21                *“(3) TIME.—Notice provided under paragraph*  
22        *(1) shall be provided during the covered time period.*

23                *“(4) CONTENTS.—With respect to a servicemem-*  
24        *ber described in subsection (g)(1)(A), notice shall in-*  
25        *clude—*



1           “(A) a copy of the servicemember’s official  
2           military orders, or any notification, certifi-  
3           cation, or verification from a servicemember’s  
4           commanding officer that provides evidence of  
5           servicemember’s eligibility for special pay as de-  
6           scribed in subsection (g)(1)(A); or

7           “(B) an official notice using a form de-  
8           signed under paragraph (5).

9           “(5) OFFICIAL FORMS.—

10           “(A) IN GENERAL.—The Secretary of De-  
11           fense shall design and distribute an official De-  
12           partment of Defense form that can be used by an  
13           individual to give notice under paragraph (1).

14           “(B) USE OF OFFICIAL FORM NOT RE-  
15           QUIRED.—Failure by any individual to use a  
16           form designed or distributed under subparagraph  
17           (A) to provide notice shall not make such provi-  
18           sion of notice invalid.

19           “(e) AGGREGATE DURATION.—The aggregate duration  
20           for which a covered individual (except a servicemember de-  
21           scribed in subsection (g)(1)(A)) may be covered under this  
22           section is one year.

23           “(f) MISDEMEANOR.—A person who knowingly makes  
24           or causes to be made a sale, foreclosure, or seizure of prop-  
25           erty that is prohibited by subsection (c), or who knowingly

1 *attempts to do so, shall be fined as provided in title 18,*  
2 *United States Code, or imprisoned for not more than one*  
3 *year, or both.*

4 “(g) *DEFINITIONS.—In this section:*

5 “(1) *COVERED INDIVIDUAL.—The term ‘covered*  
6 *individual’ means the following individuals:*

7 “(A) *A servicemember who is or was eligible*  
8 *for hostile fire or imminent danger special pay*  
9 *under section 310 of title 37, United States Code,*  
10 *during a period of military service.*

11 “(B) *A servicemember placed on convales-*  
12 *cent status, including a servicemember trans-*  
13 *ferred to the temporary disability retired list*  
14 *under section 1202 or 1205 of title 10, United*  
15 *States Code.*

16 “(C) *A veteran who was medically dis-*  
17 *charged and retired under chapter 61 of title 10,*  
18 *United States Code, except for a veteran de-*  
19 *scribed in section 1207 of such title.*

20 “(D) *A surviving spouse (as defined in sec-*  
21 *tion 101(3) of title 38, United States Code, and*  
22 *in accordance with section 103 of such title) of*  
23 *a servicemember who died while in military*  
24 *service if such spouse is the successor in interest*  
25 *to property covered under subsection (a).*

1           “(2) *COVERED TIME PERIOD.*—*The term ‘covered*  
2 *time period’ means the following time periods:*

3           “(A) *With respect to a servicemember who*  
4 *is or was eligible for hostile fire or imminent*  
5 *danger special pay under section 310 of title 37,*  
6 *United States Code, during a period of military*  
7 *service, during the period beginning on the first*  
8 *day on which the servicemember is or was eligi-*  
9 *ble for such special pay during such period of*  
10 *military service and ending on the date that is*  
11 *one year after the last day of such period of mili-*  
12 *tary service.*

13           “(B) *With respect to a servicemember de-*  
14 *scribed in paragraph (1)(B), during the one-year*  
15 *period beginning on the date on which the serv-*  
16 *icemember is placed on convalescent status or*  
17 *transferred to the temporary disability retired*  
18 *list under section 1202 or 1205 of title 10,*  
19 *United States Code.*

20           “(C) *With respect to a veteran described in*  
21 *paragraph (1)(C), during the one-year period be-*  
22 *ginning on the date of the retirement of such vet-*  
23 *eran.*

24           “(D) *With respect to a surviving spouse of*  
25 *a servicemember as described in paragraph*

1           (1)(D), during the one-year period beginning on  
2           the date on which the spouse receives notice of  
3           the death of the servicemember.”.

4           (2) *CLERICAL AMENDMENT.*—The table of con-  
5           tents in section 1(b) of such Act is amended by insert-  
6           ing after the item relating to section 303 the following  
7           new item:

          “Sec. 303A. *Mortgages and trust deeds of certain servicemembers, surviving spouses, and disabled veterans.*”.

8           (3) *CONFORMING AMENDMENT.*—Section 107 of  
9           the *Servicemembers Civil Relief Act (50 U.S.C. App.*  
10          *517)* is amended by adding at the end the following:

11          “(e) *OTHER INDIVIDUALS.*—For purposes of this sec-  
12          tion, the term ‘servicemember’ includes any covered indi-  
13          vidual under section 303A.”.

14          (b) *INCREASED CIVIL PENALTIES FOR MORTGAGE VIO-*  
15          *LATIONS.*—Paragraph (3) of section 801(b) of the  
16          *Servicemembers Civil Relief Act (50 U.S.C. App. 597(b)(3))*  
17          is amended to read as follows:

18                  “(3) to vindicate the public interest, assess a  
19          civil penalty—

20                          “(A) with respect to a violation of section  
21                          207, 303, or 303A regarding real property—

22                                  “(i) in an amount not exceeding  
23                                  \$110,000 for a first violation; and

1                   “(i) in an amount not exceeding  
2                   \$220,000 for any subsequent violation; and  
3                   “(B) with respect to any other violation of  
4                   this Act—

5                   “(i) in an amount not exceeding  
6                   \$55,000 for a first violation; and

7                   “(ii) in an amount not exceeding  
8                   \$110,000 for any subsequent violation.”.

9                   (c) *CREDIT DISCRIMINATION*.—Section 108 of such Act  
10                  (50 U.S.C. App. 518) is amended—

11                  (1) by striking “Application by” and inserting  
12                  “(a) *APPLICATION OR RECEIPT*.—Application by”;  
13                  and

14                  (2) by adding at the end the following new sub-  
15                  section:

16                  “(b) *ELIGIBILITY*.—In addition to the protections  
17                  under subsection (a), an individual who is entitled to any  
18                  right or protection provided under this Act may not be de-  
19                  nied or refused credit or be subject to any other action de-  
20                  scribed under paragraphs (1) through (6) of subsection (a)  
21                  solely by reason of such entitlement.”.

22                  (d) *EFFECTIVE DATE*.—Section 303A of the  
23                  *Servicemembers Civil Relief Act*, as added by subsection (a),  
24                  and the amendments made by this section, shall take effect  
25                  on October 1, 2014.

1 **SEC. 12. TREATMENT OF RELOCATION FOR ACTIVE DUTY**  
2 **FOR PURPOSES OF MORTGAGE REFINANCING.**

3 (a) *IN GENERAL.*—*Title III of the Servicemembers*  
4 *Civil Relief Act (50 U.S.C. App. 531 et seq.) is amended*  
5 *by inserting after section 303A, as added by section*  
6 *11(a)(1), the following new section:*

7 **“SEC. 303B. TREATMENT OF RELOCATION FOR ACTIVE DUTY**  
8 **FOR PURPOSES OF MORTGAGE REFINANCING.**

9 *“(a) TREATMENT OF ABSENCE FROM RESIDENCE DUE*  
10 *TO ACTIVE DUTY.—*

11 *“(1) IN GENERAL.—Subject to paragraph (2), if,*  
12 *at any time that a servicemember who is the mort-*  
13 *gagor under an existing mortgage does not reside in*  
14 *the residence that secures the existing mortgage be-*  
15 *cause of relocation described in subsection (c)(1)(B),*  
16 *such servicemember inquires about or applies for a*  
17 *covered refinancing mortgage, such servicemember*  
18 *shall be, for all purposes relating to the covered refi-*  
19 *nancing mortgage, including such inquiry or applica-*  
20 *tion and eligibility for and compliance with any un-*  
21 *derwriting criteria and standards regarding such cov-*  
22 *ered refinancing mortgage, considered to occupy the*  
23 *residence that secures the existing mortgage to be paid*  
24 *or prepaid by such covered refinancing mortgage as*  
25 *the principal residence of the servicemember during*  
26 *the period of any such relocation.*

1           “(2) *LIMITATION.*—Paragraph (1) shall not  
2           *apply with respect to a servicemember at any time if,*  
3           *during the five-year period preceding such time, the*  
4           *servicemember entered into a covered refinancing*  
5           *mortgage pursuant to this section.*

6           “(b) *MORTGAGES ORIGINATED BEFORE PERIOD MILI-*  
7           *TARY SERVICE.*—*If a covered refinancing mortgage is en-*  
8           *tered into pursuant to this section with respect to an exist-*  
9           *ing mortgage that originated before the period of the*  
10           *servicemember’s military service, such covered refinancing*  
11           *mortgage shall be deemed to be an obligation that originated*  
12           *before the period of the servicemember’s military service and*  
13           *for which the servicemember is still obligated for purposes*  
14           *of section 303(a)(1).*

15           “(c) *DEFINITIONS.*—*In this section:*

16           “(1) *EXISTING MORTGAGE.*—*The term ‘existing*  
17           *mortgage’ means a mortgage that is secured by a 1-*  
18           *to 4-family residence, including a condominium or a*  
19           *share in a cooperative ownership housing association,*  
20           *that was the principal residence of a servicemember*  
21           *for a period that—*

22                   “(A) *had a duration of 13 consecutive*  
23                   *months or longer; and*

24                   “(B) *ended upon the relocation of the serv-*  
25                   *icemember caused by the servicemember receiving*

1           *military orders for a permanent change of sta-*  
2           *tion or to deploy with a military unit, or as an*  
3           *individual in support of a military operation,*  
4           *for a period of not less than 90 days that did not*  
5           *allow the servicemember to continue to occupy*  
6           *such residence as a principal residence.*

7           “(2) *COVERED REFINANCING MORTGAGE.*—*The*  
8           *term ‘covered refinancing mortgage’ means any mort-*  
9           *gage—*

10                   “(A) *that is made for the purpose of paying*  
11                   *or prepaying, and extinguishing, the outstanding*  
12                   *obligations under an existing mortgage or mort-*  
13                   *gages; and*

14                   “(B) *that is secured by the same residence*  
15                   *that secured such existing mortgage or mort-*  
16                   *gages.”.*

17           “(b) *CLERICAL AMENDMENT.*—*The table of contents for*  
18           *such Act is amended by inserting after the item relating*  
19           *to section 303A the following new item:*

                  “*Sec. 303B. Treatment of relocation for active duty for purposes of mortgage refi-*  
                  *nancing.*”.

20           “(c) *EFFECTIVE DATE.*—*Section 303B of the*  
21           *Servicemembers Civil Relief Act, as added by subsection (a),*  
22           *and the amendments made by this section, shall take effect*  
23           *on October 1, 2014.*



1 **SEC. 13. REQUIREMENTS FOR LENDING INSTITUTIONS**  
2 **THAT ARE CREDITORS FOR OBLIGATIONS**  
3 **AND LIABILITIES COVERED BY THE**  
4 **SERVICEMEMBERS CIVIL RELIEF ACT.**

5 *Section 207 of the Servicemembers Civil Relief Act (50*  
6 *U.S.C. App. 527) is amended—*

7 *(1) by redesignating subsections (d) and (e) as*  
8 *subsections (e) and (f), respectively; and*

9 *(2) by inserting after subsection (c) the following*  
10 *new subsection (d):*

11 *“(d) LENDING INSTITUTION REQUIREMENTS.—*

12 *“(1) COMPLIANCE OFFICERS.—Each lending in-*  
13 *stitution subject to the requirements of this section*  
14 *shall designate an employee of the institution as a*  
15 *compliance officer who is responsible for ensuring the*  
16 *institution’s compliance with this section and for dis-*  
17 *tributing information to servicemembers whose obliga-*  
18 *tions and liabilities are covered by this section.*

19 *“(2) TOLL-FREE TELEPHONE NUMBER.—During*  
20 *any fiscal year, a lending institution subject to the re-*  
21 *quirements of this section that had annual assets for*  
22 *the preceding fiscal year of \$10,000,000,000 or more*  
23 *shall maintain a toll-free telephone number and shall*  
24 *make such telephone number available on the primary*  
25 *Internet website of the institution.”.*

1 **SECTION 14. PROTECTION OF CHILD CUSTODY ARRANGE-**  
2 **MENTS FOR PARENTS WHO ARE MEMBERS OF**  
3 **THE ARMED FORCES.**

4 (a) *CHILD CUSTODY PROTECTION.*—Title II of the  
5 *Servicemembers Civil Relief Act (50 U.S.C. App. 521 et*  
6 *seq.) is amended by adding at the end the following new*  
7 *section:*

8 **“SEC. 208. CHILD CUSTODY PROTECTION.**

9 “(a) *RESTRICTION ON TEMPORARY CUSTODY*  
10 *ORDER.*—If a court renders a temporary order for custodial  
11 responsibility for a child based solely on a deployment or  
12 anticipated deployment of a parent who is a servicemember,  
13 then the court shall require that, upon the return of the serv-  
14 icemember from deployment, the custody order that was in  
15 effect immediately preceding the temporary order shall be  
16 reinstated, unless the court finds that such a reinstatement  
17 is not in the best interest of the child, except that any such  
18 finding shall be subject to subsection (b).

19 “(b) *LIMITATION ON CONSIDERATION OF MEMBER’S*  
20 *DEPLOYMENT IN DETERMINATION OF CHILD’S BEST IN-*  
21 *TEREST.*—If a motion or a petition is filed seeking a per-  
22 manent order to modify the custody of the child of a service-  
23 member, no court may consider the absence of the service-  
24 member by reason of deployment, or the possibility of de-  
25 ployment, as the sole factor in determining the best interest  
26 of the child.

1           “(c) *NO FEDERAL JURISDICTION OR RIGHT OF ACTION*  
2 *OR REMOVAL.*—*Nothing in this section shall create a Fed-*  
3 *eral right of action or otherwise give rise to Federal juris-*  
4 *isdiction or create a right of removal.*

5           “(d) *PREEMPTION.*—*In any case where State law ap-*  
6 *plicable to a child custody proceeding involving a tem-*  
7 *porary order as contemplated in this section provides a*  
8 *higher standard of protection to the rights of the parent who*  
9 *is a deploying servicemember than the rights provided*  
10 *under this section with respect to such temporary order, the*  
11 *appropriate court shall apply the higher State standard.*

12           “(e) *DEPLOYMENT DEFINED.*—*In this section, the term*  
13 *‘deployment’ means the movement or mobilization of a serv-*  
14 *icemember to a location for a period of longer than 60 days*  
15 *and not longer than 540 days pursuant to temporary or*  
16 *permanent official orders—*

17                   “(1) *that are designated as unaccompanied;*

18                   “(2) *for which dependent travel is not author-*  
19 *ized; or*

20                   “(3) *that otherwise do not permit the movement*  
21 *of family members to that location.”.*

22           “(b) *CLERICAL AMENDMENT.*—*The table of contents in*  
23 *section 1(b) of such Act is amended by adding at the end*  
24 *of the items relating to title II the following new item:*

“208. *Child custody protection.*”.

Amend the title so as to read: “A bill make certain improvements in the laws administered by the Secretary of Veterans Affairs relating to benefits, and for other purposes.”.



**Union Calendar No. 152**

113<sup>TH</sup> CONGRESS  
1<sup>ST</sup> Session

**H. R. 2481**

[Report No. 113-207]

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**A BILL**

To amend title 38, United States Code, to codify and improve the election requirements for the receipt of educational assistance under the Post-9/11 Educational Assistance program of the Department of Veterans Affairs.

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SEPTEMBER 11, 2013

Reported with amendments, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed