

118TH CONGRESS  
2D SESSION

# H. R. 1767

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IN THE SENATE OF THE UNITED STATES

MAY 1, 2024

Received; read twice and referred to the Committee on Veterans' Affairs

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## AN ACT

To amend title 38, United States Code, to provide that educational assistance paid under Department of Veterans Affairs educational assistance programs to an individual who pursued a program or course of education that was suspended or terminated for certain reasons shall not be charged against the entitlement of the individual, 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,*

1 **SECTION 1. SHORT TITLE.**

2       This Act may be cited as the “Student Veteran Ben-  
3 efit Restoration Act”.

4 **SEC. 2. TREATMENT BY DEPARTMENT OF VETERANS AF-**  
5                   **FAIRS OF EDUCATIONAL INSTITUTIONS THAT**  
6                   **VIOLATE CERTAIN PROHIBITIONS ON ADVER-**  
7                   **TISING, SALES, AND ENROLLMENT PRAC-**  
8                   **TICES.**

9       (a) RESTORATION OF ENTITLEMENT.—Section 3696  
10 of title 38, United States Code, is amended—

11           (1) by redesignating subsections (i) through (l)  
12           as subsections (j) through (m), respectively; and

13           (2) by inserting after subsection (h) the fol-  
14           lowing new subsection (i):

15       “(i) RESTORATION OF ENTITLEMENT.—Upon a final  
16 determination by the Under Secretary for Benefits under  
17 subsection (g), including the results of any appeal under  
18 subsection (i), that an educational institution or the owner  
19 of an educational institution violated subsection (a), (c),  
20 or (d), the Secretary may determine that any payment of  
21 educational assistance to an individual who used, or was  
22 enticed to use, entitlement to educational assistance under  
23 chapter 30, 31, 32, 33, or 35 of this title, or chapter 1606  
24 or 1607 of title 10, to pursue a course or program of edu-  
25 cation at such educational institution during the time pe-  
26 riod when the violation occurred, and who, by reason of

1 such violation, was unable to continue such course or pro-  
2 gram at such educational institution or was deprived (in  
3 the determination of the Secretary) of the expected value  
4 of such used entitlement, is not—

5 “(1) charged against any entitlement to edu-  
6 cational assistance of the individual; or

7 “(2) counted against the aggregate period for  
8 which section 3695 of this title limits the receipt of  
9 educational assistance by such individual.”.

10 (b) REPAYMENT OF FUNDS.—

11 (1) IN GENERAL.—Subsection (h) of such sec-  
12 tion is amended—

13 (A) in paragraph (4), by striking “sub-  
14 section (i)” and inserting “subsection (j)”; and

15 (B) by adding at the end the following new  
16 paragraph:

17 “(5)(A) In addition to any other enforcement action  
18 taken under this subsection, upon a final determination  
19 by the Under Secretary for Benefits under subsection (g)  
20 that an educational institution or the owner of an edu-  
21 cational institution violated subsection (a) or (c), the Sec-  
22 retary shall require the educational institution to repay to  
23 the Secretary all amounts of educational assistance under  
24 chapter 30, 31, 32, 33, or 35 of this title, or chapter 1606  
25 or 1607 of title 10, paid to the educational institution by

1 or on behalf of an individual who pursued a course or pro-  
2 gram of education at the educational institution during  
3 the time period when the violation occurred.

4 “(B) As a condition of the approval of a course or  
5 program of education under this chapter, the educational  
6 institution offering the course or program shall agree that  
7 if Under Secretary of Benefits makes a final determina-  
8 tion under subsection (g) that the educational institution  
9 or the owner of the educational institution violated sub-  
10 section (a) or (c), the educational institution shall make  
11 the repayment required under subparagraph (A).

12 “(C) The Under Secretary shall establish a process  
13 for making a determination regarding the amount an edu-  
14 cational institution or an owner of an educational institu-  
15 tion is required to repay under subparagraph (A) in the  
16 case of a violation of subsection (a) or (c). Such process  
17 shall include—

18 “(i) clearly defined factors to be used to deter-  
19 mine the amount attributable to the violation, in-  
20 cluding the degree to which individuals enrolled in a  
21 program of education offered by the educational in-  
22 stitution using entitlement to educational assistance  
23 under chapter 30, 31, 32, 33, or 35 of this title or  
24 chapter 1606 or 1607 of title 10 suffered a loss due  
25 to the violation;

1           “(ii) a requirement that the Under Secretary  
2 provide notice to the educational institution or the  
3 owner of the educational institution that the Under  
4 Secretary is in the process of making such a deter-  
5 mination with respect to the educational institution  
6 or owner; and

7           “(iii) a procedure under which the educational  
8 institution or owner may provide such information to  
9 the Under Secretary as the educational institution or  
10 owner determines appropriate within a specified pe-  
11 riod of time outlined by the Secretary for purposes  
12 of informing such determination.

13           “(D) A determination made pursuant to subpara-  
14 graph (C) shall be—

15           “(i) made by the Under Secretary and may not  
16 be delegated; and

17           “(ii) subject to review under section 7104(a) of  
18 this title.”.

19           (2) DISAPPROVAL.—Section 3679 of title 38,  
20 United States Code, is amended by adding at the  
21 end the following new subsection:

22           “(g) Notwithstanding any other provision of this  
23 chapter, in the case of an educational institution that the  
24 Secretary determines is required to repay to the Secretary  
25 an amount under section 3696(h)(5) of this title and does

1 not repay such amount, the Secretary shall disapprove a  
2 course or program of education offered by the educational  
3 institution until the educational institution repays to the  
4 Secretary such amount.”.

5 (3) REINSTATEMENT.—Paragraph (2) of sub-  
6 section (k) of section 3696, as redesignated by sub-  
7 section (a)(1), is amended—

8 (A) in subparagraph (E)—

9 (i) by striking “that”; and

10 (ii) by striking “and” at the end;

11 (B) by redesignating subparagraph (F) as  
12 subparagraph (G); and

13 (C) by inserting after subparagraph (E)  
14 the following new subparagraph (F):

15 “(F) the educational institution repays any  
16 amount required to be repaid under subsection  
17 (h)(5); and”.

18 **SEC. 3. MODIFICATION OF CERTAIN HOUSING LOAN FEES.**

19 The loan fee table in section 3729(b)(2) of title 38,  
20 United States Code, is amended by striking “November

1 15, 2031” each place it appears and inserting “November  
2 29, 2031”.

Passed the House of Representatives April 30, 2024.

Attest:                   KEVIN F. MCCUMBER,  
*Clerk.*