

NAVY SEAL CHIEF PETTY OFFICER WILLIAM “BILL”  
MULDER (RET.) TRANSITION IMPROVEMENT ACT OF 2018

—————  
JULY 24, 2018.—Ordered to be printed  
—————

Mr. ROE of Tennessee, from the Committee on Veterans’ Affairs,  
submitted the following

R E P O R T

[To accompany H.R. 5649]

[Including cost estimate of the Congressional Budget Office]

The Committee on Veterans’ Affairs, to whom was referred the bill (H.R. 5649) to amend titles 10 and 38, United States Code, to amend the Social Security Act, and to direct the Secretaries of Veterans Affairs, Defense, Labor, and Homeland Security, and the Administrator of the Small Business Administration, to take certain actions to improve transition assistance to members of the Armed Forces who separate, retire, or are discharged from the Armed Forces, and for other purposes, having considered the same, report favorably thereon with an amendment and recommend that the bill as amended do pass.

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The amendment is as follows:

Strike all after the enacting clause and insert the following:

**SECTION 1. SHORT TITLE.**

This Act may be cited as the “Navy SEAL Chief Petty Officer William ‘Bill’ Mulder (Ret.) Transition Improvement Act of 2018”.

**SEC. 2. TABLE OF CONTENTS.**

The table of contents for this Act is as follows:

- Sec. 1. Short title.
- Sec. 2. Table of contents.
- Sec. 3. Definitions.

**TITLE I—IMPROVEMENTS TO TRANSITION ASSISTANCE**

- Sec. 101. Access for the Secretaries of Labor and Veterans Affairs to the Federal directory of new hires.
- Sec. 102. Pilot program for off-base transition training for veterans and spouses.
- Sec. 103. Grants for provision of transition assistance to members of the Armed Forces after separation, retirement, or discharge.
- Sec. 104. Study of community-based transition assistance programs for members of the Armed Forces after separation, retirement, or discharge.
- Sec. 105. One-year independent assessment of the effectiveness of TAP.
- Sec. 106. Longitudinal study on changes to TAP.

**TITLE II—EDUCATIONAL ASSISTANCE**

- Sec. 201. Improvements to assistance for certain flight training and other programs of education.
- Sec. 202. Elimination of the period of eligibility for the Vocational Rehabilitation and Employment program of the Department of Veterans Affairs.
- Sec. 203. Educational assistance during extended school closures due to natural disasters.

**SEC. 3. DEFINITIONS.**

In this Act:

- (1) The term “TAP” means the Transition Assistance Program under sections 1142 and 1144 of title 10, United States Code.
- (2) The term “military departments” has the meaning given that term in section 101 of title 10, United States Code.

**TITLE I—IMPROVEMENTS TO TRANSITION ASSISTANCE**

**SEC. 101. ACCESS FOR THE SECRETARIES OF LABOR AND VETERANS AFFAIRS TO THE FEDERAL DIRECTORY OF NEW HIRES.**

Section 453A(h) of the Social Security Act (42 U.S.C. 653a(h)) is amended by adding at the end the following new paragraph:

- “(4) VETERAN EMPLOYMENT.—The Secretaries of Labor and of Veterans Affairs shall have access to information reported by employers pursuant to subsection (b) of this section for purposes of tracking employment of veterans.”.

**SEC. 102. PILOT PROGRAM FOR OFF-BASE TRANSITION TRAINING FOR VETERANS AND SPOUSES.**

(a) EXTENSION OF PILOT PROGRAM.—Subsection (a) of section 301 of the Dignified Burial and Other Veterans’ Benefits Improvement Act of 2012 (Public Law 112–260; 10 U.S.C. 1144 note) is amended—

- (1) by striking “During the two-year period beginning on the date of the enactment of this Act, the” and inserting “During the five-year period beginning on the date of the enactment of the Navy SEAL Chief Petty Officer William ‘Bill’ Mulder (Ret.) Transition Improvement Act of 2018, the”; and
- (2) by striking “to assess the feasibility and advisability of providing such program to eligible individuals at locations other than military installations”.

(b) LOCATIONS.—Subsection (c) of such section is amended—

- (1) in paragraph (1), by striking “not less than three and not more than five States” and inserting “not less than 50 locations in States (as defined in section 101(20) of title 38, United States Code)”; and
- (2) in paragraph (2), by striking “at least two” and inserting “at least 20”.

(c) CONFORMING REPEAL.—Subsection (f) of such section is repealed.

**SEC. 103. GRANTS FOR PROVISION OF TRANSITION ASSISTANCE TO MEMBERS OF THE ARMED FORCES AFTER SEPARATION, RETIREMENT, OR DISCHARGE.**

(a) **IN GENERAL.**—The Secretary of Veterans Affairs shall make grants to eligible organizations for the provision of transition assistance to members of the Armed Forces who are separated, retired, or discharged from the Armed Forces, and spouses of such members.

(b) **USE OF FUNDS.**—The recipient of a grant under this section shall use the grant to provide to members of the Armed Forces and spouses described in subsection (a) resume assistance, interview training, job recruitment training, and related services leading directly to successful transition, as determined by the Secretary.

(c) **ELIGIBLE ORGANIZATIONS.**—To be eligible for a grant under this section, an organization shall submit to the Secretary an application containing such information and assurances as the Secretary, in consultation with the Secretary of Labor, may require.

(d) **PRIORITY FOR HUBS OF SERVICES.**—In making grants under this section, the Secretary shall give priority to an organization that provides multiple forms of services described in subsection (b).

(e) **AMOUNT OF GRANT.**—A grant under this section shall be in an amount that does not exceed 50 percent of the amount required by the organization to provide the services described in subsection (b).

(f) **DEADLINE.**—The Secretary shall carry out this section not later than six months after the effective date of this Act.

(g) **TERMINATION.**—The authority to provide a grant under this section shall terminate on the date that is five years after the date on which the Secretary implements the grant program under this section.

(h) **AUTHORIZATION OF APPROPRIATIONS.**—There is authorized to be appropriated \$10,000,000 to carry out this section.

**SEC. 104. STUDY OF COMMUNITY-BASED TRANSITION ASSISTANCE PROGRAMS FOR MEMBERS OF THE ARMED FORCES AFTER SEPARATION, RETIREMENT, OR DISCHARGE.**

(a) **STUDY.**—The Secretary of Veterans Affairs, in consultation with State entities that serve members of the Armed Forces who are retired, separated, or discharged from the Armed Forces, shall enter into an agreement with an appropriate non-Federal entity to carry out a study to identify community-based programs—

- (1) that provide transition assistance to such members; and
- (2) operated by nonprofit entities.

(b) **TRANSMISSION TO MEMBERS.**—The Secretary of Veterans Affairs shall transmit the list of programs identified under this section to the Secretary of Defense so the Secretaries of the military departments may provide information in the list to members of the Armed Forces who participate in TAP.

(c) **ONLINE PUBLICATION.**—The Secretary of Veterans Affairs shall publish the most recent version of the list of programs identified under this section on a public website of the Department of Veterans Affairs.

**SEC. 105. ONE-YEAR INDEPENDENT ASSESSMENT OF THE EFFECTIVENESS OF TAP.**

(a) **INDEPENDENT ASSESSMENT.**—Not later than 90 days after the date of the enactment of this Act, the Secretary of Veterans Affairs, in consultation with the covered officials, shall enter into an agreement with an appropriate entity with experience in adult education to carry out a one-year independent assessment of TAP, including—

- (1) the effectiveness of TAP for members of each military department during the entire military life cycle;
- (2) the appropriateness of the TAP career readiness standards;
- (3) a review of information that is provided to the Department of Veterans Affairs under TAP, including mental health data;
- (4) whether TAP effectively addresses the challenges veterans face entering the civilian workforce and in translating experience and skills from military service to the job market;
- (5) whether TAP effectively addresses the challenges faced by the families of veterans making the transition to civilian life;
- (6) appropriate metrics regarding TAP outcomes for members of the Armed Forces one year after separation, retirement, or discharge from the Armed Forces;
- (7) what the Secretary, in consultation with the covered officials, veterans service organizations, and organizations described in section 203(a) of this Act, determine to be successful outcomes for TAP;
- (8) whether members of the Armed Forces achieve successful outcomes for TAP, as determined under paragraph (7);
- (9) how the Secretary and the covered officials provide feedback to each other regarding such outcomes;

(10) recommendations for the Secretaries of the military departments regarding how to improve outcomes for members of the Armed Forces after separation, retirement, and discharge; and

(11) other topics the Secretary and the covered officials determine would aid members of the Armed Forces as they transition to civilian life.

(b) REPORT.—Not later than 90 days after the completion of the independent assessment under subsection (a), the Secretary and the covered officials, shall submit to the Committees on Veterans' Affairs of the Senate and House of Representatives and the Committees on Armed Services of the Senate and House of Representatives—

(1) the findings and recommendations (including recommended legislation) of the independent assessment prepared by the entity described in subsection (a); and

(2) responses of the Secretary and the covered officials to the findings and recommendations described in paragraph (1).

(c) COVERED OFFICIALS DEFINED.—In this section, the term “covered officials” is comprised of—

(1) the Secretary of Defense;

(2) the Secretary of Labor;

(3) the Administrator of the Small Business Administration; and

(4) the Secretaries of the military departments.

**SEC. 106. LONGITUDINAL STUDY ON CHANGES TO TAP.**

(a) STUDY.—Not later than 90 days after the date of the enactment of this Act, the Secretary of Veterans Affairs, in consultation with the Secretaries of Defense and Labor and the Administrator of the Small Business Administration, shall conduct a five-year longitudinal study regarding TAP on three separate cohorts of members of the Armed Forces who have separated from the Armed Forces, including—

(1) a cohort that has attended TAP counseling as implemented on the date of the enactment of this Act;

(2) a cohort that attends TAP counseling after the Secretaries of Defense and Labor implement changes recommended in the report under section 205(b) of this Act; and

(3) a cohort that has not attended TAP counseling.

(b) PROGRESS REPORTS.—Not later than 90 days after the day that is one year after the date of the initiation of the study under subsection (a) and annually thereafter for the three subsequent years, the Secretaries of Veterans Affairs, Defense, and Labor, and the Administrator of the Small Business Administration, shall submit to the Committees on Veterans' Affairs of the Senate and House of Representatives and the Committees on Armed Services of the Senate and House of Representatives a progress report of activities under the study during the immediately preceding year.

(c) FINAL REPORT.—Not later than 180 days after the completion of the study under subsection (a), the Secretaries of Veterans Affairs, Defense, and Labor, and the Administrator of the Small Business Administration, shall submit to the Committees on Veterans' Affairs of the Senate and House of Representatives and the Committees on Armed Services of the Senate and House of Representatives a report of final findings and recommendations based on the study.

(d) ELEMENTS.—The final report under subsection (c) shall include information regarding the following:

(1) The percentage of each cohort that received unemployment benefits during the study.

(2) The numbers of months members of each cohort were employed during the study.

(3) Annual starting and ending salaries of members of each cohort who were employed during the study.

(4) How many members of each cohort enrolled in an institution of higher learning, as that term is defined in section 3452(f) of title 38, United States Code.

(5) The academic credit hours, degrees, and certificates obtained by members of each cohort during the study.

(6) The annual income of members of each cohort.

(7) The total household income of members of each cohort.

(8) How many members of each cohort own their principal residences.

(9) How many dependents that members of each cohort have.

(10) The percentage of each cohort that achieves a successful outcome for TAP, as determined under section 205(a)(6) of this Act.

(11) Other criteria the Secretaries and the Administrator of the Small Business Administration determine appropriate.

## TITLE II—EDUCATIONAL ASSISTANCE

### SEC. 201. IMPROVEMENTS TO ASSISTANCE FOR CERTAIN FLIGHT TRAINING AND OTHER PROGRAMS OF EDUCATION.

(a) USE OF ENTITLEMENT FOR PRIVATE PILOT'S LICENSES.—Section 3034(d) of title 38, United States Code, is amended—

(1) in paragraph (1) by striking the semicolon and inserting the following: “and is required for the course of education being pursued (including with respect to a dual major, concentration, or other element of a degree); and”;

(2) by striking paragraph (2); and

(3) by redesignating paragraph (3) as paragraph (2).

(b) ACCELERATED PAYMENTS FOR FLIGHT TRAINING.—Section 3313 of such title is amended by adding at the end the following new subsection:

“(k) ACCELERATED PAYMENTS FOR CERTAIN FLIGHT TRAINING.—

“(1) PAYMENTS.—An individual enrolled in a program of education pursued at a vocational school or institution of higher learning in which flight training is required to earn the degree being pursued (including with respect to a dual major, concentration, or other element of such a degree) may elect to receive accelerated payments of amounts for tuition and fees determined under subsection (c). The amount of each accelerated payment shall be an amount equal to twice the amount for tuition and fee so determined under such subsection, but the total amount of such payments may not exceed the total amount of tuition and fees for the program of education. The amount of monthly stipends shall be determined in accordance with such subsection (c) and may not be accelerated under this paragraph.

“(2) EDUCATIONAL COUNSELING.—An individual may make an election under paragraph (1) only if the individual receives educational counseling under section 3697A(a) of this title.

“(3) CHARGE AGAINST ENTITLEMENT.—The number of months of entitlement charged an individual for accelerated payments made pursuant to paragraph (1) shall be determined at the rate of two months for each month in which such an accelerated payment is made.”.

(c) FLIGHT TRAINING AT PUBLIC INSTITUTIONS.—Subsection (c)(1)(A) of such section 3313 is amended—

(1) in clause (i)—

(A) by redesignating subclauses (I) and (II) as items (aa) and (bb), respectively;

(B) by striking “In the case of a program of education pursued at a public institution of higher learning” and inserting “(I) Subject to subclause (II), in the case of a program of education pursued at a public institution of higher learning not described in clause (ii)(II)(bb)”;

(C) by adding at the end the following new subclause:

“(II) In determining the actual net cost for in-State tuition and fees pursuant to subclause (I), the Secretary may not pay for tuition and fees relating to flight training.”; and

(2) in clause (ii)—

(A) in subclause (I), by redesignating items (aa) and (bb) as subitems (AA) and (BB), respectively;

(B) in subclause (II), by redesignating items (aa) and (bb) as subitems (AA) and (BB), respectively;

(C) by redesignating subclauses (I) and (II) as items (aa) and (bb), respectively;

(D) by striking “In the case of a program of education pursued at a non-public or foreign institution of higher learning” and inserting “(I) In the case of a program of education described in subclause (II)”;

(E) by adding at the end the following new subclause:

“(II) A program of education described in this subclause is any of the following:

“(aa) A program of education pursued at a non-public or foreign institution of higher learning.

“(bb) A program of education pursued at a public institution of higher learning in which flight training is required to earn the degree being pursued (including with respect to a dual major, concentration, or other element of such a degree).”.

(d) CERTAIN PROGRAMS OF EDUCATION CARRIED OUT UNDER CONTRACT.—Section 3313(c)(1)(A)(ii)(II) of title 38, United States Code, as added by subsection (c)(2)(E), is amended by adding at the end the following new item:

“(cc) A program of education pursued at a public institution of higher learning in which the public institution of higher learning enters into a contract or agreement with an entity (other than another public institution of higher learning) to provide such program of education or a portion of such program of education.”.

(e) APPLICATION.—

(1) IN GENERAL.—Except as provided by paragraph (2), the amendments made by this section shall apply with respect to a quarter, semester, or term, as applicable, commencing on or after the date of the enactment of this Act.

(2) SPECIAL RULE FOR CURRENT STUDENTS.—In the case of an individual who, as of the date of the enactment of this Act, is using educational assistance under chapter 33 of title 38, United States Code, to pursue a course of education that includes a program of education described in item (bb) or (cc) of section 3313(c)(1)(A)(ii)(II) of title 38, United States Code, as added by subsections (c) and (d), respectively, the amendment made by such subsection shall apply with respect to a quarter, semester, or term, as applicable, commencing on or after the date that is two years after the date of the enactment of this Act.

**SEC. 202. ELIMINATION OF THE PERIOD OF ELIGIBILITY FOR THE VOCATIONAL REHABILITATION AND EMPLOYMENT PROGRAM OF THE DEPARTMENT OF VETERANS AFFAIRS.**

(a) IN GENERAL.—Section 3103 of title 38, United States Code, is repealed.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 31 of such title is amended by striking the item relating to section 3103.

**SEC. 203. EDUCATIONAL ASSISTANCE DURING EXTENDED SCHOOL CLOSURES DUE TO NATURAL DISASTERS.**

Section 3680 of title 38, United States Code, is amended by adding at the end the following new subsection:

“(h) SCHOOL CLOSURE DURING NATURAL DISASTERS.—

“(1) IN GENERAL.—An individual described in paragraph (2) shall be entitled to a monthly stipend in the amount to which the individual would be entitled were the individual pursuing a course of education at an institution of higher education through resident training but for a school closure described under paragraph (4).

“(2) INDIVIDUAL DESCRIBED.—An individual described in this paragraph is an individual pursuing a course of education at an institution of higher education using educational assistance under chapter 32, 33, 34, or 35 of this title, who—

“(A) is forced to discontinue pursuing such course at such institution by reason of a school closure described under paragraph (4); and

“(B) opts to—

“(i) pursue that course of education solely by distance learning; or

“(ii) pursue an alternative course of education solely by distance learning.

“(3) DURATION.—The duration of the monthly stipends payable to an individual under paragraph (1) shall be the shorter of the following:

“(A) The period of time necessary to complete the quarter, semester, term or academic period during which the school closure described in paragraph (4) occurs.

“(B) Four months.

“(4) SCHOOL CLOSURE.—A school closure described in this paragraph is the closure of an institution of higher education—

“(A) by reason of a natural disaster;

“(B) for a period of time that—

“(i) the institution confirms will last for four weeks or longer; or

“(ii) the institution describes as indefinite and that endures for a period of four weeks or longer; and

“(C) that the Secretary confirms is covered for purposes of this subsection.

“(5) NATURAL DISASTER DEFINED.—In this subsection, the term ‘natural disaster’ means a specific weather event or earth process, including a hurricane, tornado, wildfire or forest fire, earthquake, avalanche, mudslide, hailstorm, thunderstorm, lightning storm, freeze, blizzard, sinkhole, or other disastrous event that occurs as a result of such an event or process, that the President or the governor of a State declares a natural disaster.

“(6) NO CHARGE TO ENTITLEMENT.—No charge shall be made to the entitlement of any individual to educational assistance under chapter 32, 33, 34, or 35 of this title by reason of a payment under this subsection.”.

## PURPOSE AND SUMMARY

H.R. 5649, as amended, the Navy SEAL Chief Petty Officer William “Bill” Mulder (Ret.) Transition Improvement Act of 2018, would make improvements to the Transition Assistance Program (TAP) to improve long term outcomes of participants, provide educational assistance for veterans impacted by natural disaster, eliminate the current 12-year delimiting date for use of the Vocational Rehabilitation and Employment (VR&E) benefits, and make changes to flight training provided through the Post-9/11 GI Bill. Representative Jodey Arrington of Texas introduced H.R. 5649 on April 27, 2018.

## BACKGROUND AND NEED FOR LEGISLATION

The Transition Assistance Program is a joint program of the Departments of Defense (DoD), Department of Veterans Affairs (VA), Department of Labor (DoL) and the Small Business Administration (SBA) that provides transition training and assistance to departing servicemembers. The goal of this program is to help servicemembers and their families successfully transition from military to civilian life. With the passage of the VOW to Hire Heroes Act of 2011 (P.L. 112–56), all but a few servicemembers are required to participate in the TAP program. While the program has been around for many years, the current iteration is called Transition GPS (Goals, Plan, and Success) and is a five-day course. The first day of training is taught by DoD staff and contractors and focuses on financial counseling and training, beginning an individual transition plan, and service specific programing. The second, third and fourth days of training are taught by a DoL contractor and consist of the employment workshop that focuses on employment trends, job search training, resume writing, mock interviews, use of LinkedIn, and other career services. The final day is taught by VA contractors and focuses on explaining the myriad of benefits that VA can provide servicemembers and their families when they become veterans.

There are also three additional two-day training tracks available to servicemembers that focus on accessing higher education, vocational training, and small business training. While these additional two-day tracks are optional, section 1144(f)(2) of title 10, United States Code (U.S.C.) requires that commanders allow servicemembers to attend these tracks if they wish to participate.

Once a servicemember has completed TAP, they must complete their individual transition plan and meet what DoD calls the “career readiness standards.” These standards are based on servicemember’s plan for when they leave the military and if the readiness standards are not met, DoD is required to provide a “warm handover” to other agencies to help the servicemember receive additional services to meet the career readiness standards.

In order to review the progress of this program and improve a servicemember’s transition to civilian life, the Subcommittee on Economic Opportunity held three bipartisan roundtables in 2018 with representatives from all parties interested in improving TAP, including: VA, DoL, DoD, each of the military services, veteran service organizations, and community non-profits that provide tran-

sition services to veterans. These diverse points of view informed the text of the first title of this bill.

TITLE I—IMPROVEMENTS TO TRANSITION ASSISTANCE

*Section 101. Access for the Secretaries of Labor and Veterans Affairs to the Federal Directory of New Hires*

The Department of Labor's Veterans Employment and Training Service (VETS) is responsible for providing grants to states to fund workforce development staff that specifically assist veterans with job placement and training. Despite the use of state wage records by state workforce agencies, there has never been an accurate way to track if the services provided state staffs result in positive employment outcomes for veterans. The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (P.L. 104–193) created the National Directory of New Hires that was designed to use state employment and unemployment data and Federal agencies' data to help state agencies track down non-custodial parents who owe child support. Employers across the country are required to notify the new hires directory when they hire a new employee. This requirement makes this directory the most up to date system for tracking employment in the country.

This section would give VETS and VA access to this data system which would allow these departments the ability to track, in real time, when a participant in VETS and VA program receives a new job. This will help improve programs and provide better accountability of services being provided by both VETS and other readjustment benefits provided by VA. Additionally, this would complement other sections of this bill that are working towards providing a realistic view of employment outcomes that may or may not result from TAP training.

*Section 102. Pilot Program for Off-Base Transition Training for Veterans and Spouses*

Section 1144 of title 10, (U.S.C.) sets out the requirement that all but a few servicemembers participate in the TAP program. This requirement was enacted as part of the VOW to Hire Heroes Act of 2011 (P.L. 112–56). However prior to this requirement, only the United States Marine Corps mandated such training, and consequently there are entire generations of veterans who may have been unable use the TAP training to help them successfully transition. The Committee believes that veterans, even those that received TAP training as part of their transition, could benefit from the updated GPS curriculum especially as it relates to new employment search training and new veterans benefits. The problem becomes that by in large once a servicemember transitions out of the military it can become difficult for them to return to military installations to receive TAP training. In 2013, Congress recognized that it could be beneficial for veterans to access TAP training at off-base locations and authorized VETS to conduct a two-year pilot program to teach such training, in either three or four states. The pilot program consisted of the three-day DoL employment workshop and information regarding VA benefits.

In its review of the pilot program, the Government Accountability Office (GAO) concluded that where the pilot program was of-

ferred the state workforce staff believed it was beneficial but, VETS' poor design of the pilot and low participation rates made it difficult for them to make a clear conclusion on its value. GAO stated that VETS' design of the pilot, "leaves unanswered key questions about the need for the program, the pilot's role amid other federal programs, and the goals and objectives for measuring its progress."<sup>1</sup> Despite VETS' poor implementation of this pilot program, the Committee believes off-base TAP training is worth re-examining. Therefore, this section would authorize VETS to conduct a new five-year pilot program to teach TAP classes at off-base locations. The Committee hopes that VETS will take the recommendations from the GAO's review of the last pilot program and prioritize funding to conduct this program. The Committee also believes that former military spouses could also benefit from training provided at off-based locations.

*Sec. 103. Grants for Provision of Treatment Assistance to Members of the Armed Forces After Separation, Retirement, or Discharge*

One of the key takeaways from the Subcommittee on Economic Opportunity's roundtables relating to improvements to TAP and transition was the wealth of resources that are available to transitioning servicemembers at the local level from non-governmental sources. The Subcommittee heard from community providers from Cincinnati, OH, Tampa, FL, Jacksonville, FL, and Colorado Springs, CO about innovative programs that provide transition services to servicemembers, and in some cases act as a clearing house or one-stop-shop to connect servicemembers to existing resources within a community. The Committee believes these types of programs can be important as they are able to provide transition training and services to a servicemember on a more individualized level than the government training provided by TAP. In order to support these programs, this section would authorize VA to set up a five-year and \$10 million pilot program that would provide grants to eligible community providers to provide transition training and services. To ensure that these programs are truly innovative programs from the community, the section would further require that funds provided by this section would only be able to cover 50% of the cost of transition training and services being provided by this grant. Finally, the section would require that VA give priority of grant funds authorized by this section to organizations that act as a hub or provide multiple types of services to transitioning servicemembers. The Committee believes this pilot program will help provide funding to these innovative programs that help veterans and is worth the investment to examine if funding such programs will result in long term outcomes for servicemembers.

*Section 104. Study of Community-Based Transition Assistance Programs for Members of the Armed Forces after Separation, Retirement, or Discharge*

The most common complaint by community providers at the aforementioned TAP and Transition roundtables was the inability of these programs to gain access to a list of servicemembers who were transitioning to their community. While providing names and

<sup>1</sup> <https://www.gao.gov/assets/680/671459.pdf>.

addresses to these community providers raised questions about the servicemember's privacy, there was consensus among the participants of these roundtables that there would be a benefit in DoD being able to provide a list of community providers for a servicemember to access when they transition to a community. To address this issue, this section would authorize VA to contract with a non-Federal entity to conduct a study to identify community-based programs that provide transition training. VA would be required to place the list created by this study online and also submit the list to DoD so they can provide it to transitioning servicemembers. The Committee believes that this is the first step in helping community-based programs be recognized for their innovative programs and also inform servicemembers coming to their community about the programs that exist to help with their successful transition to civilian life.

*Section 105. One-Year Independent Assessment of the Effectiveness of TAP*

While the curriculum of the TAP has changed over the years, each new iteration has been created and reviewed by government employees and to the Committee's knowledge there has never been a true independent review of the curriculum to see if the training is really meeting the needs of servicemembers to provide a seamless transition to civilian life. To address this issue, this section would require VA, in consultation with DoD, DoL, SBA, and the military services to contract with an appropriate entity with experience in adult education to conduct a one year independent assessment of TAP. This assessment would examine: the effectiveness of the military life cycle, appropriateness of the career readiness standards, review of information provided by VA in TAP, including mental health data, and a review of what successful outcomes measures of TAP should be and if servicemembers are meeting this standard. Not later than 90 days following this study, the departments would be required to submit a report to the House and Senate Committees on Veterans' Affairs and Armed Services on the findings and recommendations of this assessment. The Committee believes that this independent assessment is critical to judging the performance of TAP and believes the requirement to define realistic outcomes will help inform future policy changes to this program.

*Section 106. Longitudinal Study on Changes to TAP*

While TAP has been in existence for decades, serious questions remain on what type of direct impact the training had on a servicemember's transition. For too long VA, DoL, and DoD have relied on anecdotal evidence and reliance on exit surveys where servicemembers concluded they were more prepared for transition than before to track performance of this program. While such surveys and evidence are helpful data points, there has never been a study that tracked the long term outcomes of TAP training. To address this issue, this section would authorize VA to conduct an extensive five year longitudinal study on outcomes of TAP participants. The study will examine the outcomes of those who received TAP training before the enactment of the changes in this bill, compared to those who took the new version of TAP following this bill's enactment, and finally to those who did not receive TAP training.

The Committee believes that this longitudinal study will enable policy makers to measure the long term outcomes of TAP and provide data to make future changes if the study suggests they are warranted.

TITLE II—EDUCATIONAL ASSISTANCE

*Section 201. Improvements to Assistance for Certain Flight Training and Other Programs of Education*

Section 102 of the Post-9/11 Veterans Educational Assistance Improvements Act of 2010 (P.L. 111–377) modified the Post-9/11 G.I. Bill so that students attending a public institution of higher learning under the Post-9/11 G.I. Bill are eligible to receive the total net cost of in-state tuition and fees after the application of any waiver of tuition and fees and any scholarship, or other Federal, State, institutional, or employer-based aid or assistance. If a student is attending a non-public institution of higher learning, he/she is eligible for the lesser of the actual net cost for tuition and fees after the application of any waiver or scholarships or \$23,805. This cap is also subject to an annual Cost-of-Living-Adjustment increase. This was a change from the original Post-9/11 G.I. Bill that set the cap on tuition and fees at up to the highest in-state tuition rate in a state regardless whether the student was attending a public or non-public institution of higher learning.

At the Subcommittee on Economic Opportunity oversight hearing on November 19, 2014, entitled, “The Role of State Approving Agencies in Ensuring Quality Education Programs for Veterans,” the National Association of State Approving Agencies (NASAA) testified that they were concerned that changes made to the Post-9/11 G.I. Bill were encouraging some public institutions to contract with third party flight schools for expensive flight or helicopter training. Since these private flight schools are now under the umbrella of public schools, there was no limit to what they could charge for tuition and fees since the statute only requires that schools charge the in-state tuition rate. Consequently, some veterans were receiving GI Bill benefits totaling well over \$100,000 for flight training, far exceeding what would be received if the private school cap of \$23,805 were applied.

As part of its legislative package presented to the Subcommittee at this hearing, NASAA recommended that the Subcommittee try to rein in this extravagant spending and place a cap on flight training at public institutions. This same sentiment was echoed at this hearing, and subsequent hearings during the 115th Congress, by VA and witnesses representing several leading veteran service organizations. In its written statement, during the Subcommittee on Economic Opportunity hearing on November 11, 2014, VA expressed concern that many public schools were using P.L. 111–377 to get around the current cap on vocational flight training, stating:

There has been a significant increase in flight training centers, specifically those that offer helicopter training, which have contracted with public IHLs to offer flight-related degrees. Sometimes these programs charge higher prices than those that would be charged if the student had chosen to attend the vocational flight school for the same training. This practice allows the flight schools to receive

payments above the academic year tuition and fee cap imposed by statute, which is currently \$11,562.86. If those same classes are included in a public IHL degree program, VA can pay up to 100 percent of the in-state tuition and fee charges. This does not appear to be consistent with the intent of Congress as it relates to flight programs.

VA also included a legislative proposal in its FY 2016, FY 2018, and FY2019 budget submissions to place the same cap on flight training as is currently in place for private, non-profit, and for-profit institutions. As a result of the proposal from VA, as well as concerns expressed by NASAA and veterans groups, section 201 would place a cap on flight training for tuition and fee payments at public schools at \$23,805, the same cap that is in place for all private for-profit and non-profit institutions; this cap would also be subject to the cost of living adjustment. This section would also prohibit students from taking flight training at a public institution as an elective course and would grandfather students currently in flight training programs for two years following enactment. The Committee believes this grandfather clause is important to cover current students who enrolled in these programs with the understanding that their tuition and fees would be completely paid for under the Post-9/11 G.I. Bill. The section also subjects all programs that are contracted out by a public school to a third party to this same cap.

The Committee does not propose this cap lightly and understands that this would change the way that some flight schools are paid for through the Post-9/11 G.I. Bill. The Committee, however, is concerned that the sharp growth in these programs and the undeniable increase in the cost of flight training following the enactment of P.L. 111-377 shows that there have been some who have found this loophole in the law and exploited it.

As confirmation of this exploitation, data provided by VA to the Committee, between FY 2013 and FY 2014, show that the number of students taking flight training increased by only 171 students, or 9 percent, yet the total cost to taxpayers for this program grew by \$37 million, or 87 percent, during this same period. These data also show that in one case in FY 2014, VA paid over \$534,000 in tuition and flight payments for one student that year. In a story in *The Los Angeles Times* on March 15, 2015, entitled, "U.S. Taxpayers Stuck with the Tab as Helicopter Flight Schools Exploit GI Bill Loophole," the owner of one of these schools essentially admitted to exploiting the loophole by stating, "Because there was no cap, we started to one-up each other . . . You kind of end up with an arms race."<sup>2</sup> While the Committee understands that many of the past abuses in this program have been curtailed due to enforcement of existing regulations by VA, there is still no statutory limitation that keeps programs like these or other industries from taking advantage of this loophole in the future. The Committee believes that paying these unrestrained costs was never the intent of the Post-9/11 G.I. Bill. By implementing this cap Congress would be curbing further potential abuse of this program and leveling the

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<sup>2</sup> <http://www.latimes.com/nation/la-me-adv-gbill-20150315-story.html#page.>

playing field for this program with the cap on tuition and fee payments authorized for private schools.

The Committee also recognizes that the cost of flight training at some institutions can be significantly higher than the proposed private school cap. To ensure that flight training is still an option for veterans, this section would also eliminate the current prohibition on using GI Bill funds to pay for training that leads to a private pilot's license. By lifting this prohibition, this section would remove a barrier to entry to aviation careers while still keeping the requirements that such training be used towards a goal of receiving training towards a vocation in aviation and not be used as elective training. The Committee has been told by the flight industry that most flight training programs can be completed in two years. To help meet the higher cost of flight training and meet this compressed timeline, this section would also authorize student veterans to accelerate their payments under the Post-9/11 G.I. Bill for flight training. This means that the students could choose to condense their 36 months of eligibility into 18 months and the amount of tuition and fees that VA would pay per year would be double the private school cap. The section would require that a veteran received educational counseling provided by VA under section 3697A(a) of title 38, U.S.C. to ensure they understand the ramifications of their decision to accelerate their benefits.

Data provided to the Committee on flight training under the Post-9/11 G.I. bill in FY 2016, indicates that even if the cap on tuition and fees were in place, over 60 percent of all students would not have been negatively impacted by the proposed cap and 87 percent would be covered by the accelerated payment option if they completed their training in two traditional academic years or 18 months. The Committee believes that these two provisions will help alleviate the cost of flight training with the new cap on tuition and fees for flight training that would be put in place by this section.

*Section 202. Elimination of the Period of Eligibility for Vocational Rehabilitation and Employment Program of the Department of Veterans Affairs*

Section 3103 of title 38, U.S.C. requires that subsistence allowance payments and benefits paid through the VR&E program expire 12 years following a participant's discharge from active duty. The section also authorizes for the delimiting date to be waived for various reasons including if the veteran's disability has prevented the veterans from beginning a program, a VR&E counselor determines that the veteran's disability is so severe that they are not suitable for employment and should be provided independent living services, if a VR&E counselor determines that the veteran has a serious employment handicap, or if the veteran was unable to complete their program due to being called up for active duty under certain sets of orders authorized by title 10, U.S.C. Despite these waivers, there are certain instances where a veteran would run up against the current 12 year delimiting date for VR&E benefits. Section 202 would eliminate the 12 year delimiting date for all beneficiaries. The Committee believes that by removing this barrier Congress would ensure that all service-connected veterans who qualify for VR&E have the ample time to use this benefit to help them overcome their barrier to employment or independent living.

The Committee also believes this change is appropriate as it would bring VR&E benefits in line with the Harry W. Colmery Veterans Educational Assistance Act of 2017 (P.L. 115–247), also known as the Forever GI Bill, which eliminated the delimiting date for G.I. Bill benefits for certain veterans.

*Section 203. Educational Assistance During Extended School Closures Due to Natural Disasters*

When a natural disaster, such as Hurricane Harvey which hit Texas and other locations in 2017, hits a community it can be difficult for some brick and mortar schools and training programs to remain open. When these schools close, student veterans lose their living stipends under the Post-9/11 G.I. Bill because they are no longer attending school. For many student veterans this can be challenging as the living stipend payment was their only source of income. In order to begin receiving a living stipend again many are turning to online schools to continue their studies. However, under current law if a student is using the GI Bill completely online they only receive half of the national average living stipend. Section 203 would address this problem and would authorize a veteran impacted by a natural disaster to receive their full living stipend for up to four months or when the brick and mortar school reopens, whichever happens first. The Committee believes this section would allow the student veteran, who presumably is also dealing with the aftereffects of the natural disaster, to not have their living stipends cut off and help ensure their success and retention in school or training.

#### HEARINGS

On October 11, 2017, the Subcommittee on Economic Opportunity conducted a legislative hearing on several bills pending before the subcommittee including draft legislation that is similar to section 103 of H.R. 5649, as amended.

The following witnesses testified:

The Honorable John H. Rutherford, U.S. House of Representatives, 4th District, Florida; The Honorable James A. Himes, U.S. House of Representatives, 4th District, Connecticut; The Honorable Martha McSally, U.S. House of Representatives, 2nd District, Arizona; The Honorable Ro Khanna, U.S. House of Representatives, 17th District, California; MG Robert M. Worley II USAF (Ret.), Director of the Education Service, Veterans Benefit Administration of the U.S. Department of Veterans Affairs who was accompanied by Mr. Jeffrey London, Director of the Loan Guaranty Service, Veterans Benefits Administration of the U.S. Department of Veterans Affairs; Mr. John Kamin, Assistant Director of the Veteran Employment and Education, The American Legion; and Mr. William Hubbard, Vice President of Government Affairs, Student Veterans of America.

Statements for the record were submitted by:

The Honorable Lee M. Zeldin, U.S. House of Representatives, 1st District, New York; and Helicopter Association International.

On March 20, 2018, the Subcommittee on Economic Opportunity held a legislative hearing on several bills pending before the Sub-

committee including bills which are incorporated in section 203 of H.R. 5649, as amended.

The following witnesses testified:

The Honorable Gus Bilirakis, U.S. House of Representatives, 12th District, Florida; The Honorable Brad Wenstrup, U.S. House of Representatives, 2nd District, Ohio; The Honorable Ted Poe, U.S. House of Representatives, 2nd District, Texas; The Honorable Luke Messer, U.S. House of Representatives 6th District, Indiana; The Honorable Steve Russell, U.S. House of Representatives, 5th District, Oklahoma; MG Robert M. Worley II, USAF (Ret.), Director, Education Service, Veterans Benefit Administration, U.S. Department of Veterans Affairs who was accompanied by Mr. Jeffrey London, Director, Loan Guaranty Service, Veterans Benefits Administration, U.S. Department of Veterans Affairs; Mr. John J. Kamin, Assistant Director, Veterans Employment and Education Division, The American Legion; Ms. Ashlynn Haycock, Manager, Education Services, Tragedy Assistance Program for Survivors; and Mr. William Hubbard, Vice President of Government Affairs, Student Veterans of America.

Statements for the record were submitted by:

The Honorable Steve Chabot, U.S. House of Representatives, 1st District, Ohio; the U.S. Department of Labor; the National Association of State Approving Agencies; and the National Association of Veterans' Programs Administrators.

On May 23, 2018, the Subcommittee on Economic Opportunity held a legislative hearing on several bills pending before the Subcommittee including bills which are incorporated in sections 101, 102, 103, 104, 105, and 106 of H.R. 5649, as amended.

The following witnesses testified:

The Honorable Julia Brownley, U.S. House of Representatives, 26th District, California; The Honorable Scott Peters, U.S. House of Representatives, 52nd District, California; The Honorable Brad Wenstrup, U.S. House of Representatives, 2nd District, Ohio; The Honorable Cheri Bustos, U.S. House of Representatives, 17th District, Illinois; The Honorable Ryan Costello, U.S. House of Representatives, 6th District, Pennsylvania; Ms. Margarita Devlin, Principal Deputy Under Secretary for Benefits, Veterans Benefits Administration, U.S. Department of Veterans Affairs; Mr. John Kamin, Assistant Director, Veterans Employment and Education Division, The American Legion; Ms. Lauren Augustine, Vice President of Government Affairs, Student Veterans of America; and Ms. Rebecca Burgess, Program Manager, Program on American Citizenship, American Enterprise Institute.

Statements for the record were submitted by:

U.S. Department of Defense; U.S. Department of Justice; Tragedy Assistance Program for Survivors; and Paralyzed Veterans of America

#### SUBCOMMITTEE CONSIDERATION

There was no Subcommittee consideration of H.R. 5649, as amended.

## COMMITTEE CONSIDERATION

On July 12, 2018, the full Committee met in open markup session, a quorum being present, and ordered H.R. 5649, as amended, to be reported favorably to the House of Representatives by voice vote. During consideration of the bill, the following amendment was considered and agreed to by voice vote:

An amendment in the nature of a substitute offered by Representative Roe of Tennessee, which combined the provisions related to improving transition assistance programs and benefits, providing additional educational assistance for veterans impacted by a natural disaster, elimination of the delimitating date for use of VR&E benefits, and making changes to GI Bill eligibility for flight training.

## COMMITTEE VOTES

In compliance with clause 3(b) of rule XIII of the Rules of the House of Representatives, there were no recorded votes taken on amendments or in connection with ordering H.R. 5649, as amended, reported to the House. A motion by Representative Tim Walz of Minnesota to report H.R. 5649, as amended, favorably to the House of Representatives was adopted by voice vote.

## COMMITTEE OVERSIGHT FINDINGS

In compliance with clause 3(c)(1) of rule XIII and clause (2)(b)(1) of rule X of the Rules of the House of Representatives, the Committee's oversight findings and recommendations are reflected in the descriptive portions of this report.

## STATEMENT OF GENERAL PERFORMANCE GOALS AND OBJECTIVES

In accordance with clause 3(c)(4) of rule XIII of the Rules of the House of Representatives, the Committee's performance goals and objectives are to improve the transition of servicemembers from military to civilian life and make changes to VR&E and Post-9/11 GI bill benefits.

## NEW BUDGET AUTHORITY, ENTITLEMENT AUTHORITY, AND TAX EXPENDITURES

In compliance with clause 3(c)(2) of rule XIII of the Rules of the House of Representatives, the Committee adopts as its own the estimate of new budget authority, entitlement authority, or tax expenditures or revenues contained in the cost estimate prepared by the Director of the Congressional Budget Office pursuant to section 402 of the Congressional Budget Act of 1974.

## EARMARKS AND TAX AND TARIFF BENEFITS

H.R. 5649, as amended, does not contain any Congressional earmarks, limited tax benefits, or limited tariff benefits as defined in clause 9 of rule XXI of the Rules of the House of Representatives.

## COMMITTEE COST ESTIMATE

The Committee adopts as its own the cost estimate on H.R. 5649, as amended, prepared by the Director of the Congressional Budget

Office pursuant to section 402 of the Congressional Budget Act of 1974.

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

Pursuant to clause 3(c)(3) of rule XIII of the Rules of the House of Representatives, the following is the cost estimate for H.R. 5649, as amended, provided by the Director of the Congressional Budget Office pursuant to section 402 of the Congressional Budget Act of 1974:

U.S. CONGRESS,  
CONGRESSIONAL BUDGET OFFICE,  
*Washington, DC, July 19, 2018.*

Hon. PHIL ROE, M.D.,  
*Chairman, Committee on Veterans' Affairs,  
House of Representatives, Washington, DC.*

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for H.R. 5649, the Navy SEAL Chief Petty Officer William 'Bill' Mulder (Ret.) Transition Improvement Act of 2018.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is David Newman.

Sincerely,

MARK P. HADLEY  
(For Keith Hall, Director).

Enclosure.

*H.R. 5649—Navy SEAL Chief Petty Officer William 'Bill' Mulder  
(Ret.) Transition Improvement Act of 2018*

Summary: Enacting H.R. 5649 would affect several programs of the Department of Veterans Affairs (VA) that provide education benefits. On net, CBO estimates that enacting the bill would decrease direct spending for those benefits by \$125 million over the 2019–2028 period.

In addition, H.R. 5649 would authorize grants for programs that help separating military personnel prepare for civilian life. It also would require two studies of similar programs that are administered by the federal government. In total, CBO estimates that implementing the bill would cost \$16 million over the 2019–2023 period, assuming appropriation of the necessary amounts.

Pay-as-you-go procedures apply because enacting H.R. 5649 would affect direct spending. The bill would not affect revenues.

CBO estimates that enacting H.R. 5649 would not increase net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2029.

H.R. 5649 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA).

Estimated cost to the Federal Government: The estimated budgetary effect of H.R. 5649 is shown in Table 1. The costs of the legislation fall within budget function 700 (veterans benefits and services).

TABLE 1.—ESTIMATED BUDGETARY EFFECTS OF H.R. 5649, THE NAVY SEAL CHIEF PETTY OFFICER WILLIAM ‘BILL’ MULDER (RET.) TRANSITION IMPROVEMENT ACT OF 2018

	By fiscal year, in millions of dollars—												
	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2019– 2023	2019– 2028
	INCREASES OR DECREASES (–) IN DIRECT SPENDING												
Estimated Budget Authority .....	0	–1	*	–4	–9	–12	–18	–20	–20	–21	–22	–25	–125
Estimated Outlays .....	0	–1	*	–4	–9	–12	–18	–20	–20	–21	–22	–25	–125
	INCREASES IN SPENDING SUBJECT TO APPROPRIATION												
Estimated Authorization Level .....	0	5	3	3	3	3	0	0	0	0	0	17	17
Estimated Outlays .....	0	4	3	3	3	3	1	0	0	0	0	16	17

Details may not add to totals because of rounding; \* = between –\$500,000 and \$500,000.

Basis of estimate: For this estimate, CBO assumes that the estimated amounts will be appropriated each year, that outlays will follow historical spending patterns for affected programs, and that the bill will be enacted at the start of fiscal year 2019.

Enacting H.R. 5649 would affect several VA programs that provide education benefits. On net, CBO estimates that enacting the bill would decrease direct spending for those benefits by \$125 million over the 2019–2028 period (see Table 2).

*Direct spending for flight training*

Under the Post-9/11 GI Bill, VA pays for up to 36 months (or four academic years) of educational expenses for eligible veterans and military personnel at institutions of higher learning. The department pays an amount equal to the actual tuition and fees charged to in-state residents for those attending public institutions, and up to a maximum annual amount for those at private institutions (\$22,805 for the 2017–2018 academic year). Beneficiaries also are entitled to receive a book stipend of up to \$1,000 per year, and if they are attending school more than half time, a monthly housing allowance. When the tuition and fees exceed the benefit, and if the school agrees to defray part of the excess costs, beneficiaries can receive matching assistance for the remaining costs from VA under the Yellow Ribbon GI Education Enhancement Program (YRP). VA makes payments for tuition and fees directly to the educational institutions.

TABLE 2.—ESTIMATE OF THE EFFECTS ON DIRECT SPENDING OF H.R. 5649, THE NAVY SEAL CHIEF PETTY OFFICER WILLIAM ‘BILL’ MULDER (RET.) TRANSITION IMPROVEMENT ACT OF 2018

	By fiscal year, in millions of dollars—												
	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2019– 2023	2019– 2028
<b>INCREASES OR DECREASES (–) IN DIRECT SPENDING</b>													
Flight Training:													
Estimated Budget Authority .....	0	–2	–1	–5	–10	–13	–19	–21	–21	–22	–23	–31	–137
Estimated Outlays .....	0	–2	–1	–5	–10	–13	–19	–21	–21	–22	–23	–31	–137
Education Assistance During School Closures:													
Estimated Budget Authority .....	0	1	1	1	1	1	1	1	1	1	1	5	10
Estimated Outlays .....	0	1	1	1	1	1	1	1	1	1	1	5	10
Vocational Rehabilitation:													
Estimated Budget Authority .....	0	*	*	*	*	*	*	*	*	*	*	1	2
Estimated Outlays .....	0	*	*	*	*	*	*	*	*	*	*	1	2
Total Changes in Direct Spending:													
Estimated Budget Authority .....	0	–1	*	–4	–9	–12	–18	–20	–20	–21	–22	–25	–125
Estimated Outlays .....	0	–1	*	–4	–9	–12	–18	–20	–20	–21	–22	–25	–125

Details may not sum to totals because of rounding; \* = between -\$500,000 and \$500,000.

Section 201 of the bill would impose a cap equal to that for tuition and fees at private institutions on such payments for programs at public institutions that involve flight training. It also would allow beneficiaries in such programs to accelerate usage of their entitlement by receiving two months' worth of tuition and fees each month for up to 18 months. On net, enacting section 201 would decrease direct spending by \$137 million over the 2019–2028 period, CBO estimates.

**Maximum Payment for Tuition and Fees.** Capping payments for flight training would reduce outlays for tuition and fees by \$246 million over the 2019–2028 period. That effect would be partially offset by increased payments under the YRP of \$55 million. In total, net direct spending would decline by \$191 million over the 2019–2028 period as a result of the new cap, CBO estimates.

Flight-training programs require significant expenditures for aircraft purchases, equipment maintenance, aviation fuel, and insurance. In 2016, the last year for which data is currently available, VA paid an average of \$28,000 in tuition and fees for beneficiaries enrolled in flight-training programs at public institutions. However, payments for some people were significantly higher; tuition and fees exceeded \$100,000 for 10 percent of recipients. In that year, the maximum benefit for tuition and fees at private institutions was \$21,805.

Enacting section 201 would only reduce payments for students at public institutions whose tuition exceeds the new cap. In 2016, about 900 students had tuition and fees that exceeded the \$21,085 limit applicable to private institutions for that year; the average cost for those students was about \$44,000, a difference of \$22,900. That gap would increase annually because flight-training costs and the new cap would both increase with inflation. The difference between the cap and the average cost for students whose tuition and fees exceeded the cap would average \$31,000 over the next 10 years.

Students who are enrolled in flight-training programs before enactment of H.R. 5649 would not see their education benefits reduced until a term that begins two years after the date of enactment. Accounting for all those changes, CBO estimates that payments to schools would decline by about \$246 million over the 2019–2028 period as a result of the new cap.

However, the savings realized by capping tuition payments would be partially offset because some students would be eligible for additional assistance under the Yellow Ribbon Program. The YRP provides additional payments for some students who face tuition and fees above what VA will typically cover. Institutions participating in the YRP agree to cover a portion of the difference between the tuition charged and the amount that VA would otherwise pay. VA then matches that financial assistance, thereby reducing or eliminating students' out-of-pocket expenses.

Using data from VA on payments under the YRP, CBO expects that about 50 percent of the institutions affected by the new cap on flight-training costs would make qualifying contributions under the YRP. Those contributions would cover about 45 percent of the difference between the listed amount for tuition and fees and the cap on VA's payments for those costs. Thus, reductions in benefit payments for flight training would be about 20 percent less than

what they would be in the absence of the Yellow Ribbon Program. The increase in VA's matching payments under the YRP would total about \$55 million over the 2019–2028 period, CBO estimates.

**Accelerated Payments.** Section 201 also would allow students using the Post-9/11 GI Bill for flight training to receive up to twice the new cap on the monthly benefit of tuition and fees (equal to \$45,600 for the 2017–2018 academic year) for half as many months. Payments would be the lesser of that maximum amount or actual tuition and fees. Beneficiaries who elect to receive payments at that accelerated rate would be charged two months of their 36-month entitlement for each month they receive that larger amount. Thus, a beneficiary who chooses to accelerate payments for every month would exhaust their benefit in 18 months. The monthly housing allowances and book stipends must be taken at the same time as the payments for tuition and fees and would not accelerate under the bill; thus, individuals who choose to receive the accelerated payments for tuition and fees would lose up to 18 months of housing and book allowances. CBO expects that some beneficiaries who elect to accelerate payments for tuition and fees would receive more in total benefits, while others would receive less. Additionally, some beneficiaries who accelerate payments would receive more benefits over the next 10 years than they would under current law regardless of whether the total amount of benefit they receive increases or decreases under this provision. On net, providing the option to accelerate payments for tuition and fees would increase costs relative to the proposed cap on tuition and fees and would thus reduce the direct spending savings of the tuition cap by \$54 million over the 2019–2028 period.

*Students at Two-Year Institutions.* Approximately 50 percent of beneficiaries in flight-training programs attend two-year programs at institutions such as community colleges. Students who complete those programs earn an associate's degree and the certifications necessary to become a commercial pilot. Because they would have the necessary credentials to become pilots after 18 academic months, CBO estimates that under current law students in those programs would not use all of their remaining 18 months of Post-9/11 GI Bill benefits. CBO expects that, on average, those individuals would use the equivalent of 9 additional months of benefits after completing the flight-training program, or 27 months in total.

Under section 201, students at institutions whose tuition costs would exceed the new cap would have a strong incentive to choose the higher payments because they typically would complete the program within two academic years (18 months). Students at two-year programs who elect to accelerate their benefits could receive the equivalent of 36 months of tuition and fees and 18 months of allowances. Under current law, those students would have received an average of 27 months of all payments.

CBO expects half the students at two-year institutions would opt to accelerate payments; about 225 students a year would receive an average of \$16,000 more if they choose to accelerate payments. Additionally, the savings from the shifted tuition payments and forgone housing and book stipends of students who first elect to receive accelerated payments in 2027 and 2028 would occur after 2028 and are thus not part of this estimate. In total, accelerated payments for students in two-year programs would cost \$39 million

over the 2019–2028 period, relative to the savings from the tuition cap.

*Students at Four-Year Institutions.* The students at four-year institutions have less incentive to accelerate receipt of their benefits. CBO expects that most of those students would use all 36 months of benefits available to them under current law. Thus, beneficiaries who elect to accelerate payments would not see a significant change in the total amount paid for tuition and fees, but they would lose up to 18 months of housing allowances and book stipends. However, accelerating payments would reduce students' out-of-pocket costs initially. CBO expects that about 25 percent of students in four-year programs (about 100 students a year) whose costs would exceed the new cap on payments would choose to accelerate their tuition benefits; those students would receive accelerated payments for a period, but would forgo an average of \$25,000 in total benefits.

Over the budget window, higher spending in earlier years would be almost entirely offset by lower spending in later years. After five years, the annual savings from shifted and forgone payments would exceed the annual costs accelerated payments. Like students at two-year institutions, the savings from the shifted and forgone benefits of students who first elect to receive the higher payments in 2027 and 2028 would occur after 2028 and are thus not part of this estimate. On net, those changes would reduce direct spending by \$1 million over the 2019–2028 period, relative to the savings from the tuition cap.

*Students in Nondegree Programs.* Under Section 201, students in flight training programs that do not lead to a degree also would be able to accelerate payment of tuition and fees. Current law caps payment for those programs at \$13,527 for 2018. Very few beneficiaries in those programs receive the monthly housing allowance, so there is little disincentive to accelerating payments. However, only about 15 percent of students in those programs have tuition and fee costs at or near the current law cap, so few are likely to need to accelerate payments. CBO expects that about 90 such students a year would choose to accelerate payments and that those students would have used another nine months of their remaining benefits under current law. On net, those students would receive roughly \$17,000 more in benefits. As a result, direct spending would increase by \$16 million over the 2019–2028 period relative to the savings from the tuition cap, CBO estimates.

#### *Other direct spending*

Two other provisions would affect direct spending. CBO estimates that in total those provisions would increase direct spending by \$12 million over the 2019–2023 period.

*Education Assistance during School Closures.* Section 203 would authorize VA to provide additional education assistance to certain people who receive such benefits through the Post-9/11 GI Bill or through several VA education programs.

In the event that educational institutions temporarily close as a result of a natural disaster such as a hurricane, VA continues to pay allowances to beneficiaries enrolled in those institutions for up to four weeks. Under section 203, VA would continue to pay those allowances for up to four months if the institution expects to be

closed for more than four weeks and the beneficiary chooses to continue the program of education (or a substitute program) solely through distance learning. The beneficiary's entitlement to education assistance (a total of 36 months) would not be charged for the additional payments for housing allowances or for the cost of the online program.

VA does not have information about the number of beneficiaries who continued to receive allowances during closures under current law, but the department has identified several thousand individuals who attended institutions that were located in areas that had been affected by significant natural disasters over the last two years. CBO expects that relatively few institutions would remain closed for more than four weeks and that beneficiaries residing in those areas would be unlikely to enroll in substitute programs during the temporary closure. However, CBO expects that each year roughly 300 beneficiaries would receive two additional months of allowances at an average cost of \$1,500 per month. The cost of those allowances would increase direct spending by \$10 million over the 2019–2028 period.

**Vocational Rehabilitation.** During the 12-year period after they separate from the military, veterans with service-connected disabilities that limit or prevent them from being employed can receive vocational rehabilitation services such as education, job training, and physical therapy from VA. The costs of those services are paid from mandatory appropriations. Section 202 would remove the 12-year limit on those benefits.

Under current law, the Department of Veterans Affairs has broad authority to provide such benefits after the 12-year period, particularly for veterans who have a serious employment handicap, or who have been prevented from obtaining such services during the 12-year period for any of a number of reasons. Thus, CBO expects that most veterans who need vocational rehabilitation after 12 years from their separation dates would receive those benefits under current law. However, under this provision, a small number of veterans would receive more benefits than they would have under current law. The costs for those veterans who receive additional benefits as a result of enacting section 202 would be insignificant in each year and would total \$2 million over the 2019–2028 period, CBO estimates.

#### *Spending subject to appropriation*

H.R. 5649 would authorize grants for programs that help separating military personnel prepare for civilian life. It also would require two studies of the Transition Assistance Program. The bill would make several modifications to the program that CBO expects would have insignificant costs. In total, CBO estimates that implementing the bill would cost \$16 million over the 2019–2023 period, assuming appropriation of the necessary amounts (see Table 3).

**Grants.** Section 103 would require VA to provide \$10 million in grants over a 5-year period to organizations that help former military service members and their spouses prepare for civilian employment. Such assistance includes resume preparation, interview training, and related employment services. Based on historical spending patterns, CBO estimates that providing those grants would cost \$9 million over the 2019–2023 period.

Longitudinal Study. Section 106 would require VA to conduct a 5-year longitudinal study on transition assistance for newly separated members of the armed forces. The study would compare the outcomes of transition assistance between three cohorts of veterans: those who received the training before the enactment of H.R. 5649, those who receive the training after enactment, and those who do not receive the training.

The bill also would require periodical reports to the Congress documenting the progress and results of the study. Using information from VA on the resources needed to conduct longitudinal studies, CBO estimates that implementing this section would cost \$5 million over the 2019–2023 period, assuming appropriation of the necessary amounts.

TABLE 3.—ESTIMATE OF THE EFFECTS ON SPENDING SUBJECT TO APPROPRIATION OF H.R. 5649, THE NAVY SEAL CHIEF PETTY OFFICER WILLIAM ‘BILL’ MULDER (RET.) TRANSITION IMPROVEMENT ACT OF 2018

	By fiscal year, in millions of dollars—						
	2018	2019	2020	2021	2022	2023	2019–2023
<b>Grants:</b>							
Authorization Level .....	0	2	2	2	2	2	10
Estimated Outlays .....	0	1	2	2	2	2	9
<b>Longitudinal Study:</b>							
Authorization Level .....	0	1	1	1	1	1	5
Estimated Outlays .....	0	1	1	1	1	1	5
<b>Independent Assessment:</b>							
Estimated Authorization Level .....	0	2	0	0	0	0	2
Estimated Outlays .....	0	2	*	0	0	0	2
<b>Total Changes in Spending Subject to Appropriation:</b>							
Estimated Authorization Level .....	0	5	3	3	3	3	17
Estimated Outlays .....	0	4	3	3	3	3	16

Details may not sum to totals because of rounding; \* = between zero and \$500,000.

Independent Assessment. Section 105 would require VA to enter into an agreement with a nongovernment entity with experience in adult education to assess the effectiveness of several aspects of the Transition Assistance Program. Using information from VA about studies of similar size and scope, CBO estimates that implementing this section would cost \$2 million over the 2019–2023 period.

Pay-As-You-Go considerations: The Statutory Pay-As-You-Go Act of 2010 establishes budget-reporting and enforcement procedures for legislation affecting direct spending or revenues. The net changes in outlays that are subject to those pay-as-you-go procedures are shown in the following table.

CBO ESTIMATE OF PAY-AS-YOU-GO EFFECTS FOR H.R. 5649 AS ORDERED REPORTED BY THE HOUSE COMMITTEE ON VETERANS’ AFFAIRS ON JULY 12, 2018

	By fiscal year, in millions of dollars—												
	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2018–2023	2018–2028
<b>NET INCREASE OR DECREASE (–) IN THE DEFICIT</b>													
Statutory Pay-As-You-Go Impact .....	0	–1	0	–4	–9	–12	–18	–20	–20	–21	–22	–25	–125

Increase in long-term direct spending and deficits: CBO estimates that enacting H.R. 5649 would not increase net direct spend-

ing or on-budget deficits in any of the four consecutive 10-year periods beginning in 2029.

Mandates: H.R. 5649 contains no intergovernmental or private-sector mandates as defined in UMRA.

Estimate prepared by: Federal Costs: Ann E. Futrell and David Newman; Mandates: Andrew Laughlin.

Estimate reviewed by: Sarah Jennings, Chief, Defense, International Affairs, and Veterans' Affairs Unit; Leo Lex, Deputy Assistant Director for Budget Analysis.

#### FEDERAL MANDATES STATEMENT

The Committee adopts as its own the estimate of Federal mandates regarding H.R. 5649, as amended, prepared by the Director of the Congressional Budget Office pursuant to section 423 of the Unfunded Mandates Reform Act.

#### ADVISORY COMMITTEE STATEMENT

No advisory committees within the meaning of section 5(b) of the Federal Advisory Committee Act would be created by H.R. 5649, as amended.

#### STATEMENT OF CONSTITUTIONAL AUTHORITY

Pursuant to Article I, section 8 of the United States Constitution, H.R. 5649, as amended, is authorized by Congress' power to "provide for the common Defense and general Welfare of the United States."

#### APPLICABILITY TO LEGISLATIVE BRANCH

The Committee finds that H.R. 5649, as amended, does not relate to the terms and conditions of employment or access to public services or accommodations within the meaning of section 102(b)(3) of the Congressional Accountability Act.

## EXCHANGE OF COMMITTEE CORRESPONDENCE

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**U.S. House of Representatives**  
 COMMITTEE ON VETERANS' AFFAIRS

ONE HUNDRED FIFTEENTH CONGRESS  
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 WASHINGTON, DC 20515  
<http://veterans.house.gov>

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 DEMOCRATIC STAFF DIRECTOR

July 16, 2018

The Honorable Kevin Brady  
 Chairman, House Ways and Means Committee  
 U.S. House of Representatives  
 Washington, D.C. 20515

Dear Mr. Chairman:

On July 12, 2018, the Committee on Veterans' Affairs ordered reported H.R. 5649, as amended, the *Navy SEAL Chief Petty Officer William "Bill" Mulder (Ret.) Transition Improvement Act of 2018*. The bill was referred to the House Veterans' Affairs Committee with additional referrals to the House Ways and Means Committee and the House Armed Services Committee. Based on our previous consultation, we intend to request H.R. 5649, as amended, be scheduled for floor consideration.

To expedite floor consideration, I ask that you forego further consideration of H.R. 5649, as amended. This in no way affects your jurisdiction over the subject matter of the bill, and it will not serve as precedent for future referrals. In addition, should a conference on the bill be necessary, I would support your request to have the House Ways and Means Committee represented on the conference committee. Finally, I would be pleased to include this letter and any response in the bill report filed by the Committee on H.R. 5649, as amended, as well as in the *Congressional Record* during floor consideration to memorialize our understanding.

Thank you for your consideration of my request.

Sincerely,



David P. Roe, M.D.  
 Chairman

cc: The Honorable Paul D. Ryan, Speaker  
 The Honorable Tim Walz  
 The Honorable Richard Neal  
 The Honorable Thomas J. Wickham, Parliamentarian

## Congress of the United States

## U.S. House of Representatives

COMMITTEE ON WAYS AND MEANS

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MINORITY CHIEF OF STAFF

July 17, 2018

The Honorable David P. Roe, M.D.  
Chairman  
Committee on Veterans' Affairs  
335 Cannon House Office Building  
Washington, DC 20515

Dear Chairman Roe,

Thank you for your July 16, 2018 letter regarding H.R. 5649, the "Navy SEAL Chief Petty Officer William "Bill" Mulder (Ret.) Transition Improvement Act of 2018" which was ordered favorably reported to the House on July 12, 2018.

As a result of your having consulted with us on provisions in H.R. 5649 that fall within the Rule X jurisdiction of the Committee on Ways and Means, I agree to waive formal consideration of this bill so that it may move expeditiously to the floor. The Committee on Ways and Means takes this action with the mutual understanding that we do not waive any jurisdiction over the subject matter contained in this or similar legislation, and the Committee will be appropriately consulted and involved as the bill or similar legislation moves forward so that we may address any remaining issues that fall within our jurisdiction. The Committee also reserves the right to seek appointment of an appropriate number of conferees to any House-Senate conference involving this or similar legislation, and requests your support for such request.

Finally, would ask that a copy of our exchange of letters on this matter be included in the Congressional Record during floor consideration of H.R. 5649.

Sincerely,

Kevin Brady  
Chairmancc: The Honorable Paul Ryan, Speaker  
The Honorable Richard E. Neal  
The Honorable Tim Walz  
Thomas J. Wickham, Jr., Parliamentarian

## STATEMENT ON DUPLICATION OF FEDERAL PROGRAMS

Pursuant to clause 3(c)(5) of rule XIII of the Rules of the House of Representatives, the Committee finds that no provision of H.R. 5649, as amended, establishes or reauthorizes a program of the Federal Government known to be duplicative of another Federal program, a program that was included in any report from the Government Accountability Office to Congress pursuant to section 21 of Public Law 111–139, or a program related to a program identified in the most recent Catalog of Federal Domestic Assistance.

## DISCLOSURE OF DIRECTED RULEMAKING

Pursuant to section 3(i) of H. Res. 5, 115th Cong. (2017), the Committee estimates that H.R. 5649, as amended, contains no directed rulemaking that would require the Secretary to prescribe regulations.

## SECTION-BY-SECTION ANALYSIS OF THE LEGISLATION

*Section 1. Short title*

Section 1 of the bill would cite the short title of the bill to be the “Navy SEAL Chief Petty Officer William ‘Bill’ Mulder (Ret.) Transition Improvement Act of 2016”

*Section 2. Table of contents*

Section 2 of the bill sets the table of contents.

*Section 101. Access for the Secretaries of Labor and Veterans Affairs to the Federal Directory of New Hires*

Section 101 would amend section 453A(h) of the Social Security Act (42 U.S.C. 653a(h)) by adding a new paragraph (4) that would authorize VA and DoL to access the information provided by the Federal Directory of New Hires for tracking veteran employment outcomes.

*Section 102. Pilot program for off-base transition training for veterans and spouses*

Section 102(a) would amend subsection 301(a) of the Dignified Burial and Other Veterans’ Benefits Improvement Act of 2012 (P.L. 112–260) to reauthorize the pilot program to offer TAP at off-base locations. The section would strike “during the two year period beginning on the date of enactment of this Act, the” and inserting an authorization to conduct the pilot program for five years after enactment of this section. Additionally this subsection would strike, “to assess the feasibility and advisability of providing such program to eligible individuals at locations other than military installations.”

Section 102(b) would also amend section 301(c) by striking the limitation on the use of this pilot at “not less than three and not more than five states” and inserting “not less than 50 locations in States (as defined in section 101(20) of title 38, U.S.C. In addition this subparagraph would further amend section 301(c)(2) of this act by striking “at least two” and inserting “at least 20” referring to the requirement that when DoL chooses locations for the pilot program, at least 20 should have high veteran unemployment.

Section 102(c) would repeal section 301(f) which required a report of the Comptroller General on the pilot program that is reauthorized by this section.

*Section 103. Grants for provision of transition assistance to members of the Armed Forces after separation, retirement, or discharge*

Section 103(a) would authorize VA to make grants to eligible organizations to provide transition assistance to transitioning servicemembers, veterans, retirees, and their spouses.

Section 103(b) would require that grantees who are provided funding under this section, must spend the money on training to transitioning servicemembers and their spouses for résumé assistance, interview training, job recruitment training, and related services leading directly to successful transition, as determined by VA.

Section 103(c) would require that in order to gain eligibility for grant funding provided by this section the grantee would be required to submit an application containing such information and assurances as the Secretary of VA, in consultation with DoL, may require.

Section 103(d) would require that VA, when making grants under this section, provide priority to an organization that provides multiple forms of services as described in subsection 103(b).

Section 103(e) would authorize that a grant made under this section may not exceed more than 50 percent of the cost to a grantee of providing services listed in subsection 103(b).

Section 103(f) would require VA to carry out this section not later than six months after the effective date of this section.

Section 103(g) would require that the provision of this section terminate five years after VA implements this section.

Section 103(h) would authorize \$10 million to be appropriated to carry out this section.

*Section 104. Study of community-based transition assistance programs for members of the Armed Forces after separation, retirement, or discharge*

Section 104(a) would require VA, in consultation with state entities who serve veterans, to contract with an appropriate non-Federal entity to carry out a study to identify community based programs that provide transition assistance to servicemembers and/or veterans and are operated by non-profit entities.

Section 104(b) would require VA to submit the list of programs identified by section 104(a) to DoD so the secretaries of the military departments may provide this information to servicemembers during TAP.

Section 104(c) would require VA to publish the most recent version of programs identified under this section on a public VA website.

*Section 105. One-year independent assessment of the effectiveness of TAP*

Section 105(a) would require that no later than 90 days after enactment of this section, VA, in consultation with covered officials, enter into an agreement with an appropriate entity, with experience in adult education, to carry out a one-year assessment of TAP.

Such an assessment would include: (1) the effectiveness of TAP for members of each military department during the entire military life cycle; (2) the appropriateness of the TAP career readiness standards; (3) a review of information that is provided by VA under TAP, including mental health data; (4) whether TAP effectively addresses the challenges veterans face when entering the civilian workforce and translates experience and skills from military service to the job market; (5) whether TAP effectively addresses the challenges faced by families when making the transition to civilian life; (6) appropriate metrics regarding TAP outcomes for members of the Armed Forces one year after leaving active duty; (7) what VA, in consultation with covered officials, veteran service organizations, and organizations described by section 203(a) of this bill, determine to be successful outcomes of TAP; (8) whether servicemembers meet the requirements set forth by section 105(a)(7); (9) how VA and the covered officials provide feedback to each other regarding such outcomes; (10) recommendations from the Secretaries of the military departments on how to improve TAP; and (11) other topics that VA and covered officials determine would aid servicemembers as they transition to civilian life.

Section 105(b) would require that no later than 90 days following the completion of the report required by section 105(a), VA and covered officials must submit a report to the House and Senate Committees on Veterans' Affairs and Armed Services on the findings and recommendations of the independent assessment prepared by the entity described in section 105(a). This report would be required to include responses by VA to covered officials to the findings and recommendations of the independent assessment.

Section 105(c) would define covered officials as: the Secretary of Defense, Secretary of Labor, Administrator of the Small Business Administration, and Secretaries of the military departments.

*Section 106. Longitudinal study on changes to TAP*

Section 106(a) would require that no later than 90 days after enactment of this section VA, in consultation with DoD, DoL, and SBA, begin to conduct a five-year longitudinal study of TAP on three separate cohorts of transitioning servicemembers. These cohorts would include: (1) servicemembers who have attended TAP as implemented on date of enactment; (2) servicemembers who attend TAP after VA and DoL have implemented changes to TAP as required by section 105 of this bill; and (3) servicemembers who didn't attend TAP.

Section 106(b) would require that no later than 90 days after the date that is one year after the initiation of the study required by section 106(a), and annually thereafter for three years, VA, DoD, DoL, and SBA submit a progress report on the results of the study from the previous year to the House and Senate Committees on Veterans' Affairs and Armed Services.

Section 106(c) would require that not later than 180 days after the completion of the study required by section 106(a), VA, DoD, DoL, and SBA submit a final report on the finding recommendations from this study to the House and Senate Committees on Veterans' Affairs and Armed Services.

Section 106(d) would require that the final report including information on the following: (1) the percentage of each cohort that re-

ceived unemployment benefits during the study; (2) the number of months members of each cohort were employed during this study; (3) the annual starting and ending salaries of members of each cohort who were employed during the study; (4) how many members of each cohort enrolled in an institution of higher learning as defined by section 3452(f) of title 38, U.S.C.; (5) the academic credit hours, degrees, and certificates obtained by members of each cohort during the study; (6) the annual income of members of each cohort; (7) the total household income of members of each cohort; (8) how many members of each cohort own their principal residences; (9) how many dependents that members of each cohort have; (10) the percentage of each cohort that achieves a successful TAP outcome as defined by section 205(a)(6) of this bill; and (11) other criteria the Secretaries of VA, DoD, and DoL along with the Administrator of the Small Business Administration determine appropriate.

*Section 201. Improvements to assistance for certain flight training and other programs of education*

Section 201(a) would amend section 3034(d) of title 38, U.S.C. to remove the prohibition on the use the of G.I. Bill funds to pay for training that leads to a private pilot's license.

Section 201(b) would amend section 3313 by adding a new subsection (k).

The new 3313(k)(1) would authorize that participants using educational assistance through chapter 33 of title 38, U.S.C. for flight training at an institute of higher learning or vocational school may elect to receive accelerated tuition and fee payments that would be equal to double the amount authorized by section 3313(c) or the cap on tuition and fees at a non-public institution of higher learning. This payment would not be allowed to exceed the total cost of tuition and fees for the flight training program. This subsection would also clarify that living stipend payments would not be accelerated by this change. The new section 3313(k)(2) would require that before a participant makes an election to accelerate training through this section they would have to receive educational counseling under section 3697A(a) of title 38, U.S.C. The new section 3313(k)(3) would authorize that the charge against the participant's entitlement to educational assistance will be charged at a cost of two months for each month the accelerated payment is made.

Section 201(c) would amend section 3313(c)(1)(A) of title 38, U.S.C., to subject flight training at public schools to the cap on tuition and fees established by 3313(c)(1)(A)(ii) of title 38, U.S.C. Under this provision, students would not be allowed to take flight training courses unless the training is specifically required to obtain their degree.

Section 201(d) would amend section 3313(c)(1)(A)(ii)(II) of title 38, U.S.C., as added by the previous section to subject any program of education pursued at a public institution of higher learning in which the school enters into a contract or agreement with another entity to provide the program of education, or a portion of the program, to the cap established by 3313(c)(1)(A)(ii)(II) of title 38, U.S.C.

Section 201(e) would require that the changes that would be made by this section apply to any quarter, semester, or term com-

mencing on or after enactment of the bill and that the new rules would not go into effect for current students that would be impacted by this section for two additional years following enactment.

*Section 202. Elimination of the period of eligibility for the vocational rehabilitation and employment program of the Department of Veterans Affairs*

Section 202(a) would repeal section 3103 of title 38, U.S.C. that placed restrictions on the amount of time a participant had to complete their VR&E program following their discharge from active duty.

Section 202(b) amends the table of contents for chapter 31 of title 38, U.S.C. as it relates to section 202(a) of this bill.

*Section 203. Educational assistance during extended school closures due to natural disasters*

Section 203 would amend section 3680 of title 38, U.S.C. by adding a new subparagraph (h).

The new 3680(h)(1) would require that an individual described in paragraph (2) would be entitled to a living stipend in the amount to which the individual would be entitled were they still attending an institution of higher learning but for a school closure as described by paragraph (4).

The new section 3680(h)(2) would define an eligible individual as one who is pursuing a course of education at an institution of higher learning through chapters 32, 33, 34, or 35 who is forced to discontinue pursuing such course as a result of closure as defined by paragraph (4) and opts to pursue a course of education or alternative course solely by distance learning.

The new section 3680(h)(3) would set the duration of monthly payments payable to eligible individuals to be the shorter of the time to complete the quarter, semester, term or academic period during which the school closure occurred or four months.

The new section 3680(h)(4) defines a “school closure” under this section as a closure by reason of natural disaster for a period the institution confirms will last four weeks or longer or as described by the institution as indefinite, and that VA confirms is covered for purposes of this subsection.

The new section 3680(h)(5) would define the term “natural disaster” as a specific weather event or earth process including a hurricane, tornado, wildfire or forest fire, earthquake, avalanche, mudslide, hailstorm, thunderstorm, lightning storm, freeze, blizzard, sinkhole, or other natural disaster event that occurs as an event or process, that the President or governor of a State declares a natural disaster.

The new section 3680(h)(6) would require that no charge shall be made against entitlement to any individual by reason of this section using chapters 32, 33, 34, and 35 of title 38, U.S.C.

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3(e) of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic,

and existing law in which no change is proposed is shown in roman):

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3(e) of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, and existing law in which no change is proposed is shown in roman):

**SOCIAL SECURITY ACT**

\* \* \* \* \*

**TITLE IV—GRANTS TO STATES FOR AID AND SERVICES TO NEEDY FAMILIES WITH CHILDREN AND FOR CHILD-WELFARE SERVICES**

\* \* \* \* \*

**PART D—CHILD SUPPORT AND ESTABLISHMENT OF PATERNITY**

\* \* \* \* \*

**SEC. 453A. STATE DIRECTORY OF NEW HIRES.**

(a) **ESTABLISHMENT.**—

(1) **IN GENERAL.**—

(A) **REQUIREMENT FOR STATES THAT HAVE NO DIRECTORY.**—Except as provided in subparagraph (B), not later than October 1, 1997, each State shall establish an automated directory (to be known as the “State Directory of New Hires”) which shall contain information supplied in accordance with subsection (b) by employers on each newly hired employee.

(B) **STATES WITH NEW HIRE REPORTING LAW IN EXISTENCE.**—A State which has a new hire reporting law in existence on the date of the enactment of this section may continue to operate under the State law, but the State must meet the requirements of subsection (g)(2) not later than October 1, 1997, and the requirements of this section (other than subsection (g)(2)) not later than October 1, 1998.

(2) **DEFINITIONS.**—As used in this section:

(A) **EMPLOYEE.**—The term “employee”—

(i) means an individual who is an employee within the meaning of chapter 24 of the Internal Revenue Code of 1986; and

(ii) does not include an employee of a Federal or State agency performing intelligence or counterintelligence functions, if the head of such agency has determined that reporting pursuant to paragraph (1) with respect to the employee could endanger the safety of the employee or compromise an ongoing investigation or intelligence mission.

(B) **EMPLOYER.**—

(i) IN GENERAL.—The term “employer” has the meaning given such term in section 3401(d) of the Internal Revenue Code of 1986 and includes any governmental entity and any labor organization.

(ii) LABOR ORGANIZATION.—The term “labor organization” shall have the meaning given such term in section 2(5) of the National Labor Relations Act, and includes any entity (also known as a “hiring hall”) which is used by the organization and an employer to carry out requirements described in section 8(f)(3) of such Act of an agreement between the organization and the employer.

(C) NEWLY HIRED EMPLOYEE.—The term “newly hired employee” means an employee who—

(i) has not previously been employed by the employer; or

(ii) was previously employed by the employer but has been separated from such prior employment for at least 60 consecutive days.

(b) EMPLOYER INFORMATION.—

(1) REPORTING REQUIREMENT.—

(A) IN GENERAL.—Except as provided in subparagraphs (B) and (C), each employer shall furnish to the Directory of New Hires of the State in which a newly hired employee works, a report that contains the name, address, and social security number of the employee, the date services for remuneration were first performed by the employee, and the name and address of, and identifying number assigned under section 6109 of the Internal Revenue Code of 1986 to, the employer.

(B) MULTISTATE EMPLOYERS.—An employer that has employees who are employed in 2 or more States and that transmits reports magnetically or electronically may comply with subparagraph (A) by designating 1 State in which such employer has employees to which the employer will transmit the report described in subparagraph (A), and transmitting such report to such State. Any employer that transmits reports pursuant to this subparagraph shall notify the Secretary in writing as to which State such employer designates for the purpose of sending reports.

(C) FEDERAL GOVERNMENT EMPLOYERS.—Any department, agency, or instrumentality of the United States shall comply with subparagraph (A) by transmitting the report described in subparagraph (A) to the National Directory of New Hires established pursuant to section 453.

(2) TIMING OF REPORT.—Each State may provide the time within which the report required by paragraph (1) shall be made with respect to an employee, but such report shall be made—

(A) not later than 20 days after the date the employer hires the employee; or

(B) in the case of an employer transmitting reports magnetically or electronically, by 2 monthly transmissions (if necessary) not less than 12 days nor more than 16 days apart.

(c) REPORTING FORMAT AND METHOD.—Each report required by subsection (b) shall, to the extent practicable, be made on a W-4 form or, at the option of the employer, an equivalent form, and may be transmitted by 1st class mail, magnetically, or electronically.

(d) CIVIL MONEY PENALTIES ON NONCOMPLYING EMPLOYERS.—The State shall have the option to set a State civil money penalty which shall not exceed—

(1) \$25 per failure to meet the requirements of this section with respect to a newly hired employee; or

(2) \$500 if, under State law, the failure is the result of a conspiracy between the employer and the employee to not supply the required report or to supply a false or incomplete report.

(e) ENTRY OF EMPLOYER INFORMATION.—Information shall be entered into the data base maintained by the State Directory of New Hires within 5 business days of receipt from an employer pursuant to subsection (b).

(f) INFORMATION COMPARISONS.—

(1) IN GENERAL.—Not later than May 1, 1998, an agency designated by the State shall, directly or by contract, conduct automated comparisons of the social security numbers reported by employers pursuant to subsection (b) and the social security numbers appearing in the records of the State case registry for cases being enforced under the State plan.

(2) NOTICE OF MATCH.—When an information comparison conducted under paragraph (1) reveals a match with respect to the social security number of an individual required to provide support under a support order, the State Directory of New Hires shall provide the agency administering the State plan approved under this part of the appropriate State with the name, address, and social security number of the employee to whom the social security number is assigned, and the name and address of, and identifying number assigned under section 6109 of the Internal Revenue Code of 1986 to, the employer.

(g) TRANSMISSION OF INFORMATION.—

(1) TRANSMISSION OF WAGE WITHHOLDING NOTICES TO EMPLOYERS.—Within 2 business days after the date information regarding a newly hired employee is entered into the State Directory of New Hires, the State agency enforcing the employee's child support obligation shall transmit a notice to the employer of the employee directing the employer to withhold from the income of the employee an amount equal to the monthly (or other periodic) child support obligation (including any past due support obligation) of the employee, unless the employee's income is not subject to withholding pursuant to section 466(b)(3).

(2) TRANSMISSIONS TO THE NATIONAL DIRECTORY OF NEW HIRES.—

(A) NEW HIRE INFORMATION.—Within 3 business days after the date information regarding a newly hired employee is entered into the State Directory of New Hires, the State Directory of New Hires shall furnish the information to the National Directory of New Hires.

(B) WAGE AND UNEMPLOYMENT COMPENSATION INFORMATION.—The State Directory of New Hires shall, on a quarterly basis, furnish to the National Directory of New Hires

information concerning the wages and unemployment compensation paid to individuals, by such dates, in such format, and containing such information as the Secretary of Health and Human Services shall specify in regulations.

(3) BUSINESS DAY DEFINED.—As used in this subsection, the term “business day” means a day on which State offices are open for regular business.

(h) OTHER USES OF NEW HIRE INFORMATION.—

(1) LOCATION OF CHILD SUPPORT OBLIGORS.—The agency administering the State plan approved under this part shall use information received pursuant to subsection (f)(2) to locate individuals for purposes of establishing paternity and establishing, modifying, and enforcing child support obligations, and may disclose such information to any agent of the agency that is under contract with the agency to carry out such purposes.

(2) VERIFICATION OF ELIGIBILITY FOR CERTAIN PROGRAMS.—A State agency responsible for administering a program specified in section 1137(b) shall have access to information reported by employers pursuant to subsection (b) of this section for purposes of verifying eligibility for the program.

(3) ADMINISTRATION OF EMPLOYMENT SECURITY AND WORKERS’ COMPENSATION.—State agencies operating employment security and workers’ compensation programs shall have access to information reported by employers pursuant to subsection (b) for the purposes of administering such programs.

(4) VETERAN EMPLOYMENT.—*The Secretaries of Labor and of Veterans Affairs shall have access to information reported by employers pursuant to subsection (b) of this section for purposes of tracking employment of veterans.*

\* \* \* \* \*

**DIGNIFIED BURIAL AND OTHER VETERANS’ BENEFITS  
IMPROVEMENT ACT OF 2012**

\* \* \* \* \*

**TITLE III—OTHER MATTERS**

**SEC. 301. OFF-BASE TRANSITION TRAINING FOR VETERANS AND THEIR SPOUSES.**

(a) PROVISION OF OFF-BASE TRANSITION TRAINING.—**[**During the two-year period beginning on the date of the enactment of this Act, **the]** *During the five-year period beginning on the date of the enactment of the Navy SEAL Chief Petty Officer William “Bill” Mulder (Ret.) Transition Improvement Act of 2018,* the Secretary of Labor shall provide the Transition Assistance Program under section 1144 of title 10, United States Code, to eligible individuals at locations other than military installations **[**to assess the feasibility and advisability of providing such program to eligible individuals at locations other than military installations**].**

(b) ELIGIBLE INDIVIDUALS.—For purposes of this section, an eligible individual is a veteran or the spouse of a veteran.

(c) LOCATIONS.—

(1) NUMBER OF STATES.—The Secretary shall carry out the training under subsection (a) in **[not less than three and not more than five States]** *not less than 50 locations in States (as defined in section 101(20) of title 38, United States Code)* selected by the Secretary for purposes of this section.

(2) SELECTION OF STATES WITH HIGH UNEMPLOYMENT.—Of the States selected by the Secretary under paragraph (1), **[at least two]** *at least 20* shall be States with high rates of unemployment among veterans.

(3) NUMBER OF LOCATIONS IN EACH STATE.—The Secretary shall provide training under subsection (a) to eligible individuals at a sufficient number of locations within each State selected under this subsection to meet the needs of eligible individuals in such State.

(4) SELECTION OF LOCATIONS.—The Secretary shall select locations for the provision of training under subsection (a) to facilitate access by participants and may not select any location on a military installation other than a National Guard or reserve facility that is not located on an active duty military installation.

(d) INCLUSION OF INFORMATION ABOUT VETERANS BENEFITS.—The Secretary shall ensure that the training provided under subsection (a) generally follows the content of the Transition Assistance Program under section 1144 of title 10, United States Code.

(e) ANNUAL REPORT.—Not later than March 1 of any year during which the Secretary provides training under subsection (a), the Secretary shall submit to Congress a report on the provision of such training.

**[(f) COMPTROLLER GENERAL REPORT.—Not later than 180 days after the termination of the one-year period described in subsection (a), the Comptroller General of the United States shall submit to Congress a report on the training provided under such subsection. The report shall include the evaluation of the Comptroller General regarding the feasibility and advisability of carrying out off-base transition training at locations nationwide.]**

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**TITLE 38, UNITED STATES CODE**

\* \* \* \* \*

**PART III—READJUSTMENT AND RELATED BENEFITS**

\* \* \* \* \*

**CHAPTER 30—ALL-VOLUNTEER FORCE EDUCATIONAL ASSISTANCE PROGRAM**

\* \* \* \* \*

SUBCHAPTER IV—TIME LIMITATION FOR USE OF ELIGIBILITY AND ENTITLEMENT; GENERAL AND ADMINISTRATIVE PROVISIONS

\* \* \* \* \*

**§ 3034. Program administration**

(a)(1) Except as otherwise provided in this chapter, the provisions of sections 3470, 3471, 3474, 3476, 3482(g), 3483, and 3485 of this title and the provisions of subchapters I and II of chapter 36 of this title (with the exception of sections 3680(c), 3680(f), 3686(a), and 3687) shall be applicable to the provision of educational assistance under this chapter.

(2) The term “eligible veteran”, as used in the provisions of the sections enumerated in paragraph (1) of this subsection, shall be deemed to include an individual who is eligible for educational assistance under this chapter.

(3) The Secretary may, without regard to the application to this chapter of so much of the provisions of section 3471 of this title as prohibit the enrollment of an eligible veteran in a program of education in which the veteran is “already qualified”, and pursuant to such regulations as the Secretary shall prescribe, approve the enrollment of such individual in refresher courses (including courses which will permit such individual to update knowledge and skills or be instructed in the technological advances which have occurred in the individual’s field of employment during and since the period of such veteran’s active military service), deficiency courses, or other preparatory or special education or training courses necessary to enable the individual to pursue an approved program of education.

(b) Regulations prescribed by the Secretary of Defense under this chapter shall be uniform for the Armed Forces under the jurisdiction of the Secretary of a military department.

(c) Payment of educational assistance allowance in the case of an eligible individual pursuing a program of education under this chapter on less than a half-time basis shall be made in a lump-sum amount for the entire quarter, semester, or term not later than the last day of the month immediately following the month in which certification is received from the educational institution that such individual has enrolled in and is pursuing a program at such institution. Such lump-sum payment shall be computed at the rate determined under section 3032(b) of this title.

(d) The Secretary may approve the pursuit of flight training (in addition to a course of flight training that may be approved under section 3680A(b) of this title) by an individual entitled to basic educational assistance under this chapter if—

(1) such training is generally accepted as necessary for the attainment of a recognized vocational objective in the field of aviation【;】 *and is required for the course of education being pursued (including with respect to a dual major, concentration, or other element of a degree); and*

【(2) the individual possesses a valid private pilot certificate and meets, on the day the individual begins a course of flight training, the medical requirements necessary for a commercial pilot certificate; and】

[(3)] (2) the flight school courses are approved by the Federal Aviation Administration and are offered by a certified pilot school that possesses a valid Federal Aviation Administration pilot school certificate.

(e)(1) In the case of a member of the Armed Forces who participates in basic educational assistance under this chapter, the Secretary shall furnish the information described in paragraph (2) to each such member. The Secretary shall furnish such information as soon as practicable after the basic pay of the member has been reduced by \$1,200 in accordance with section 3011(b) or 3012(c) of this title and at such additional times as the Secretary determines appropriate.

(2) The information referred to in paragraph (1) is information with respect to the benefits, limitations, procedures, eligibility requirements (including time-in-service requirements), and other important aspects of the basic educational assistance program under this chapter, including application forms for such basic educational assistance under section 5102 of this title.

(3) The Secretary shall furnish the forms described in paragraph (2) and other educational materials to educational institutions, training establishments, and military education personnel, as the Secretary determines appropriate.

(4) The Secretary shall use amounts appropriated for readjustment benefits to carry out this subsection and section 5102 of this title with respect to application forms under that section for basic educational assistance under this chapter.

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**CHAPTER 31—TRAINING AND REHABILITATION FOR VETERANS WITH SERVICE-CONNECTED DISABILITIES**

Sec.

3100. Purposes.

\* \* \* \* \*

3103. Periods of eligibility.]

\* \* \* \* \*

**§ 3103. Periods of eligibility**

[(a) Except as provided in subsection (b), (c), (d), or (e) of this section, a rehabilitation program may not be afforded to a veteran under this chapter after the end of the twelve-year period beginning on the date of such veteran's discharge or release from active military, naval, or air service.

[(b)(1) In any case in which the Secretary determines that a veteran has been prevented from participating in a vocational rehabilitation program under this chapter within the period of eligibility prescribed in subsection (a) of this section because a medical condition of such veteran made it infeasible for such veteran to participate in such a program, the twelve-year period of eligibility shall not run during the period of time that such veteran was so prevented from participating in such a program, and such period of eligibility shall again begin to run on the first day following such veteran's recovery from such condition on which it is reasonably feasible, as determined under regulations which the Secretary shall prescribe, for such veteran to participate in such a program.

[(2) In any case in which the Secretary determines that a veteran has been prevented from participating in a vocational rehabilitation program under this chapter within the period of eligibility prescribed in subsection (a) of this section because—

[(A) such veteran had not met the requirement of a discharge or release from active military, naval, or air service under conditions other than dishonorable before (i) the nature of such discharge or release was changed by appropriate authority, or (ii) the Secretary determined, under regulations prescribed by the Secretary, that such discharge or release was under conditions other than dishonorable, or

[(B) such veteran's discharge or dismissal was, under section 5303 of this title, a bar to benefits under this title before the Secretary made a determination that such discharge or dismissal is not a bar to such benefits,

the twelve-year period of eligibility shall not run during the period of time that such veteran was so prevented from participating in such a program.

[(3) In any case in which the Secretary determines that a veteran has been prevented from participating in a vocational rehabilitation program under this chapter within the period of eligibility prescribed in subsection (a) of this section because such veteran had not established the existence of a service-connected disability rated at 10 percent or more, the twelve-year period of eligibility shall not run during the period such veteran was so prevented from participating in such a program.

[(c) In any case in which the Secretary determines that a veteran is in need of services to overcome a serious employment handicap, such veteran may be afforded a vocational rehabilitation program after the expiration of the period of eligibility otherwise applicable to such veteran if the Secretary also determines, on the basis of such veteran's current employment handicap and need for such services, that an extension of the applicable period of eligibility is necessary for such veteran and—

[(1) that such veteran had not previously been rehabilitated to the point of employability;

[(2) that such veteran had previously been rehabilitated to the point of employability but (A) the need for such services had arisen out of a worsening of such veteran's service-connected disability that precludes such veteran from performing the duties of the occupation for which such veteran was previously trained in a vocational rehabilitation program under this chapter, or (B) the occupation for which such veteran had been so trained is not suitable in view of such veteran's current employment handicap and capabilities; or

[(3) under regulations which the Secretary shall prescribe, that an extension of the period of eligibility of such veteran is necessary to accomplish the purposes of a rehabilitation program for such veteran.

[(d) In any case in which the Secretary has determined that a veteran's disability or disabilities are so severe that the achievement of a vocational goal currently is not reasonably feasible, such veteran may be afforded a program of independent living services and assistance in accordance with the provisions of section 3120 of this title after the expiration of the period of eligibility otherwise

applicable to such veteran if the Secretary also determines that an extension of the period of eligibility of such veteran is necessary for such veteran to achieve maximum independence in daily living.

[(e)(1) The limitation in subsection (a) shall not apply to a rehabilitation program described in paragraph (2).

[(2) A rehabilitation program described in this paragraph is a rehabilitation program pursued by a veteran under section 3102(b) of this title.

[(f) In any case in which the Secretary has determined that a veteran was prevented from participating in a vocational rehabilitation program under this chapter within the period of eligibility otherwise prescribed in this section as a result of being ordered to serve on active duty under section 688, 12301(a), 12301(d), 12301(g), 12302, 12304, 12304a, or 12304b of title 10, such period of eligibility shall not run for the period of such active duty service plus four months.]

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## CHAPTER 33—POST-9/11 EDUCATIONAL ASSISTANCE

\* \* \* \* \*

### SUBCHAPTER II—EDUCATIONAL ASSISTANCE

\* \* \* \* \*

#### § 3313. Programs of education leading to a degree pursued at institutions of higher learning on more than half-time basis

(a) PAYMENT.—The Secretary shall pay to each individual entitled to educational assistance under this chapter who is pursuing an approved program of education (other than a program covered by subsections (e) and (f)) the amounts specified in subsection (c) to meet the expenses of such individual's subsistence, tuition, fees, and other educational costs for pursuit of such program of education.

(b) APPROVED PROGRAMS OF EDUCATION.—A program of education is an approved program of education for purposes of this chapter if the program of education is approved for purposes of chapter 30 (including approval by the State approving agency concerned).

(c) AMOUNT OF EDUCATIONAL ASSISTANCE.—The amounts payable under this subsection for pursuit of an approved program of education leading to a degree at an institution of higher learning (as that term is defined in section 3452(f)) are amounts as follows:

(1) In the case of an individual entitled to educational assistance under this chapter by reason of paragraph (1), (2), or (9) of section 3311(b), amounts as follows:

(A) An amount equal to the following:

(i) [In the case of a program of education pursued at a public institution of higher learning] (I) Subject to subclause (II), in the case of a program of education pursued at a public institution of higher learning not described in clause (ii)(II)(bb), the actual net cost for in-State tuition and fees assessed by the institution for the program of education after the application of—

**[(I)]** *(aa)* any waiver of, or reduction in, tuition and fees; and

**[(II)]** *(bb)* any scholarship, or other Federal, State, institutional, or employer-based aid or assistance (other than loans and any funds provided under section 401(b) of the Higher Education Act of 1965 (20 U.S.C. 1070a(b))) that is provided directly to the institution and specifically designated for the sole purpose of defraying tuition and fees.

*(II)* *In determining the actual net cost for in-State tuition and fees pursuant to subclause (I), the Secretary may not pay for tuition and fees relating to flight training.*

(ii) **[In the case of a program of education pursued at a non-public or foreign institution of higher learning]** *(I)* *In the case of a program of education described in subclause (II), the lesser of—*

**[(I)]** *(aa)* the actual net cost for tuition and fees assessed by the institution for the program of education after the application of—

**[(aa)]** *(AA)* any waiver of, or reduction in, tuition and fees; and

**[(bb)]** *(BB)* any scholarship, or other Federal, State, institutional, or employer-based aid or assistance (other than loans and any funds provided under section 401(b) of the Higher Education Act of 1965) that is provided directly to the institution and specifically designated for the sole purpose of defraying tuition and fees; or

**[(II)]** *(bb)* the amount equal to—

**[(aa)]** *(AA)* for the academic year beginning on August 1, 2011, \$17,500; or

**[(bb)]** *(BB)* for an academic year beginning on any subsequent August 1, the amount for the previous academic year beginning on August 1 under this subclause, as increased by the percentage increase equal to the most recent percentage increase determined under section 3015(h).

*(II)* *A program of education described in this subclause is any of the following:*

*(aa)* *A program of education pursued at a non-public or foreign institution of higher learning.*

*(bb)* *A program of education pursued at a public institution of higher learning in which flight training is required to earn the degree being pursued (including with respect to a dual major, concentration, or other element of such a degree).*

*(cc)* *A program of education pursued at a public institution of higher learning in which the public institution of higher learning enters into a contract or agreement with an entity (other than another public institution of higher learning) to provide*

*such program of education or a portion of such program of education.*

(B) A monthly stipend in an amount as follows:

(i) Except as provided in clauses (ii) and (iii), for each month an individual pursues a program of education on more than a half-time basis, a monthly housing stipend equal to the product of—

(I) the monthly amount of the basic allowance for housing payable under section 403 of title 37 for a member with dependents in pay grade E-5 residing in the military housing area that encompasses all or the majority portion of the ZIP code area in which is located the campus of the institution of higher learning where the individual physically participates in a majority of classes, multiplied by

(II) the lesser of—

(aa) 1.0; or

(bb) the number of course hours borne by the individual in pursuit of the program of education, divided by the minimum number of course hours required for full-time pursuit of the program of education, rounded to the nearest multiple of 10.

(ii) In the case of an individual pursuing a program of education at a foreign institution of higher learning on more than a half-time basis, for each month the individual pursues the program of education, a monthly housing stipend equal to the product of—

(I) the national average of the monthly amount of the basic allowance for housing payable under section 403 of title 37 for a member with dependents in pay grade E-5, multiplied by

(II) the lesser of—

(aa) 1.0; or

(bb) the number of course hours borne by the individual in pursuit of the program of education, divided by the minimum number of course hours required for full-time pursuit of the program of education, rounded to the nearest multiple of 10.

(iii) In the case of an individual pursuing a program of education solely through distance learning on more than a half-time basis, a monthly housing stipend equal to 50 percent of the amount payable under clause (ii) if the individual were otherwise entitled to a monthly housing stipend under that clause for pursuit of the program of education.

(iv) For the first month of each quarter, semester, or term, as applicable, of the program of education pursued by the individual, a lump sum amount for books, supplies, equipment, and other educational costs with respect to such quarter, semester, or term in the amount equal to—

(I) \$1,000, multiplied by

(II) the fraction which is the portion of a complete academic year under the program of education that such quarter, semester, or term constitutes.

(2) In the case of an individual entitled to educational assistance under this chapter by reason of section 3311(b)(3), amounts equal to 90 percent of the amounts that would be payable to the individual under paragraph (1) for the program of education if the individual were entitled to amounts for the program of education under paragraph (1) rather than this paragraph.

(3) In the case of an individual entitled to educational assistance under this chapter by reason of section 3311(b)(4), amounts equal to 80 percent of the amounts that would be payable to the individual under paragraph (1) for the program of education if the individual were entitled to amounts for the program of education under paragraph (1) rather than this paragraph.

(4) In the case of an individual entitled to educational assistance under this chapter by reason of section 3311(b)(5), amounts equal to 70 percent of the amounts that would be payable to the individual under paragraph (1) for the program of education if the individual were entitled to amounts for the program of education under paragraph (1) rather than this paragraph.

(5) In the case of an individual entitled to educational assistance under this chapter by reason of section 3311(b)(6), amounts equal to 60 percent of the amounts that would be payable to the individual under paragraph (1) for the program of education if the individual were entitled to amounts for the program of education under paragraph (1) rather than this paragraph.

(6) In the case of an individual entitled to educational assistance under this chapter by reason of section 3311(b)(7), amounts equal to 50 percent of the amounts that would be payable to the individual under paragraph (1) for the program of education if the individual were entitled to amounts for the program of education under paragraph (1) rather than this paragraph.

(7) In the case of an individual entitled to educational assistance under this chapter by reason of section 3311(b)(8), amounts equal to 40 percent of the amounts that would be payable to the individual under paragraph (1) for the program of education if the individual were entitled to amounts for the program of education under paragraph (1) rather than this paragraph.

(d) FREQUENCY OF PAYMENT.—

(1) QUARTER, SEMESTER, OR TERM PAYMENTS.—Payment of the amounts payable under subsection (c)(1)(A), and of similar amounts payable under paragraphs (2) through (7) of subsection (c), for pursuit of a program of education shall be made for the entire quarter, semester, or term, as applicable, of the program of education.

(2) MONTHLY PAYMENTS.—Payment of the amount payable under subsection (c)(1)(B), and of similar amounts payable

under paragraphs (2) through (7) of subsection (c), for pursuit of a program of education shall be made on a monthly basis.

(3) REGULATIONS.—The Secretary shall prescribe in regulations methods for determining the number of months (including fractions thereof) of entitlement of an individual to educational assistance under this chapter that are chargeable under this chapter for an advance payment of amounts under paragraphs (1) and (2) for pursuit of a program of education on a quarter, semester, term, or other basis.

(e) PROGRAMS OF EDUCATION PURSUED ON ACTIVE DUTY.—

(1) IN GENERAL.—Educational assistance is payable under this chapter for pursuit of an approved program of education leading to a degree while on active duty.

(2) AMOUNT OF ASSISTANCE.—The amounts of educational assistance payable under this chapter to an individual pursuing a program of education leading to a degree while on active duty are as follows:

(A) Subject to subparagraph (C), an amount equal to the lesser of—

(i) in the case of a program of education pursued at a public institution of higher learning, the actual net cost for in-State tuition and fees assessed by the institution for the program of education after the application of—

(I) any waiver of, or reduction in, tuition and fees; and

(II) any scholarship, or other Federal, State, institutional, or employer-based aid or assistance (other than loans and any funds provided under section 401(b) of the Higher Education Act of 1965 (20 U.S.C. 1070a(b))) that is provided directly to the institution and specifically designated for the sole purpose of defraying tuition and fees;

(ii) in the case of a program of education pursued at a non-public or foreign institution of higher learning, the lesser of—

(I) the actual net cost for tuition and fees assessed by the institution for the program of education after the application of—

(aa) any waiver of, or reduction in, tuition and fees; and

(bb) any scholarship, or other Federal, State, institutional, or employer-based aid or assistance (other than loans and any funds provided under section 401(b) of the Higher Education Act of 1965) that is provided directly to the institution and specifically designated for the sole purpose of defraying tuition and fees; or

(II) the amount equal to—

(aa) for the academic year beginning on August 1, 2011, \$17,500; or

(bb) for an academic year beginning on any subsequent August 1, the amount for the previous academic year beginning on

August 1 under this subclause, as increased by the percentage increase equal to the most recent percentage increase determined under section 3015(h); or

(iii) the amount of the charges of the educational institution as elected by the individual in the manner specified in section 3014(b)(1).

(B) Subject to subparagraph (C), for the first month of each quarter, semester, or term, as applicable, of the program of education pursued by the individual, a lump sum amount for books, supplies, equipment, and other educational costs with respect to such quarter, semester, or term in the amount equal to—

(i) \$1,000, multiplied by (ii) the fraction of a complete academic year under the program of education that such quarter, semester, or term constitutes.

(C) In the case of an individual entitled to educational assistance by reason of paragraphs (3) through (8) of section 3311(b), the amounts payable to the individual pursuant to subparagraphs (A)(i), (A)(ii), and (B) shall be the amounts otherwise determined pursuant to such subparagraphs multiplied by the same percentage applicable to the monthly amounts payable to the individual under paragraphs (2) through (7) of subsection (c).

(3) QUARTER, SEMESTER, OR TERM PAYMENTS.—Payment of the amount payable under paragraph (2) for pursuit of a program of education shall be made for the entire quarter, semester, or term, as applicable, of the program of education.

(4) MONTHLY PAYMENTS.—For each month (as determined pursuant to the methods prescribed under subsection (d)(3)) for which amounts are paid an individual under this subsection, the entitlement of the individual to educational assistance under this chapter shall be charged at the rate of one month for each such month.

(f) PROGRAMS OF EDUCATION PURSUED ON HALF-TIME BASIS OR LESS.—

(1) IN GENERAL.—Educational assistance is payable under this chapter for pursuit of an approved program of education on half-time basis or less whether a program of education pursued on active duty, a program of education leading to a degree, or a program of education other than a program of education leading to a degree.

(2) AMOUNT OF ASSISTANCE.—The educational assistance payable under this chapter to an individual pursuing a program of education covered by this subsection on half-time basis or less is the amounts as follows:

(A) The amount equal to the lesser of—

(i) the actual net cost for in-State tuition and fees assessed by the institution of higher learning for the program of education after the application of—

(I) any waiver of, or reduction in, tuition and fees; and

(II) any scholarship, or other Federal, State, institutional, or employer-based aid or assistance (other than loans and any funds provided under

section 401(b) of the Higher Education Act of 1965 (20 U.S.C. 1070a(b))) that is provided directly to the institution and specifically designated for the sole purpose of defraying tuition and fees; or

(ii) the maximum amount that would be payable to the individual for the program of education under paragraph (1)(A) of subsection (c), or under the provisions of paragraphs (2) through (7) of subsection (c) applicable to the individual, for the program of education if the individual were entitled to amounts for the program of education under subsection (c) rather than this subsection.

(B) A stipend in an amount equal to the amount of the appropriately reduced amount of the lump sum amount for books, supplies, equipment, and other educational costs otherwise payable to the individual under subsection (c).

(3) QUARTER, TERM, OR SEMESTER PAYMENTS.—Payment of the amounts payable to an individual under paragraph (2) for pursuit of a program of education on half-time basis or less shall be made for the entire quarter, semester, or term, as applicable, of the program of education.

(4) MONTHLY PAYMENTS.—For each month (as determined pursuant to the methods prescribed under subsection (d)(3)) for which amounts are paid an individual under this subsection, the entitlement of the individual to educational assistance under this chapter shall be charged at a percentage of a month equal to—

(A) the number of course hours borne by the individual in pursuit of the program of education involved, divided by

(B) the number of course hours for full-time pursuit of such program of education.

(g) PROGRAMS OF EDUCATION OTHER THAN PROGRAMS OF EDUCATION LEADING TO A DEGREE.—

(1) IN GENERAL.—Educational assistance is payable under this chapter for pursuit of an approved program of education other than a program of education leading to a degree at an institution other than an institution of higher learning (as that term is defined in section 3452(f)).

(2) PURSUIT ON HALF-TIME BASIS OR LESS.—The payment of educational assistance under this chapter for pursuit of a program of education otherwise described in paragraph (1) on a half-time basis or less is governed by subsection (f).

(3) AMOUNT OF ASSISTANCE.—The amounts of educational assistance payable under this chapter to an individual entitled to educational assistance under this chapter who is pursuing an approved program of education covered by this subsection are as follows:

(A) In the case of an individual enrolled in a program of education (other than a program described in subparagraphs (B) through (D)) in pursuit of a certificate or other non-college degree, the following:

(i) Subject to clause (iv), an amount equal to the lesser of—

(I) the actual net cost for in-State tuition and fees assessed by the institution concerned for the program of education after the application of—

(aa) any waiver of, or reduction in, tuition and fees; and

(bb) any scholarship, or other Federal, State, institutional, or employer-based aid or assistance (other than loans and any funds provided under section 401(b) of the Higher Education Act of 1965 (20 U.S.C. 1070a(b))) that is provided directly to the institution and specifically designated for the sole purpose of defraying tuition and fees; or

(II) the amount equal to—

(aa) for the academic year beginning on August 1, 2011, \$17,500; or

(bb) for an academic year beginning on any subsequent August 1, the amount for the previous academic year beginning on August 1 under this subclause, as increased by the percentage increase equal to the most recent percentage increase determined under section 3015(h).

(ii) Except in the case of an individual pursuing a program of education on a half-time or less basis and subject to clause (iv), a monthly housing stipend equal to the product—

(I) of—

(aa) in the case of an individual pursuing resident training, the monthly amount of the basic allowance for housing payable under section 403 of title 37 for a member with dependents in pay grade E-5 residing in the military housing area that encompasses all or the majority portion of the ZIP code area in which is located the campus of the institution of where the individual physically participates in a majority of classes; or

(bb) in the case of an individual pursuing a program of education through distance learning, a monthly amount equal to 50 percent of the amount payable under item (aa), multiplied by (II) the lesser of—

(aa) 1.0; or

(bb) the number of course hours borne by the individual in pursuit of the program of education involved, divided by the minimum number of course hours required for full-time pursuit of such program of education, rounded to the nearest multiple of 10.

(iii) Subject to clause (iv), a monthly stipend in an amount equal to \$83 for each month (or pro rata amount for a partial month) of training pursued for books, supplies, equipment, and other educational costs.

(iv) In the case of an individual entitled to educational assistance by reason of paragraphs (3) through (8) of section 3311(b), the amounts payable pursuant to clauses (i), (ii), and (iii) shall be the amounts otherwise determined pursuant to such clauses multiplied by the same percentage applicable to the monthly amounts payable to the individual under paragraphs (2) through (7) of subsection (c).

(B) In the case of an individual pursuing a full-time program of apprenticeship or other on-job training, amounts as follows:

(i) Subject to clauses (iii) and (iv), for each month the individual pursues the program of education, a monthly housing stipend equal to—

(I) during the first six-month period of the program, the monthly amount of the basic allowance for housing payable under section 403 of title 37 for a member with dependents in pay grade E-5 residing in the military housing area that encompasses all or the majority portion of the ZIP code area in which is located the employer at which the individual pursues such program;

(II) during the second six-month period of the program, 80 percent of the monthly amount of the basic allowance for housing payable as described in subclause (I);

(III) during the third six-month period of the program, 60 percent of the monthly amount of the basic allowance for housing payable as described in subclause (I);

(IV) during the fourth six-month period of such program, 40 percent of the monthly amount of the basic allowance for housing payable as described in subclause (I); and

(V) during any month after the first 24 months of such program, 20 percent of the monthly amount of the basic allowance for housing payable as described in subclause (I).

(ii) Subject to clauses (iii) and (iv), a monthly stipend in an amount equal to \$83 for each month (or pro rata amount for each partial month) of training pursued for books supplies, equipment, and other educational costs.

(iii) In the case of an individual entitled to educational assistance by reason of paragraphs (3) through (8) of sections 3311(b), the amounts payable pursuant to clauses (i) and (ii) shall be the amounts otherwise determined pursuant to such clauses multiplied by the same percentage applicable to the monthly amounts payable to the individual under paragraphs (2) through (7) of subsection (c).

(iv) In any month in which an individual pursuing a program of education consisting of a program of apprenticeship or other on-job training fails to complete 120 hours of training, the amount of monthly edu-

cational assistance allowance payable under clauses (i) and (iii) to the individual shall be limited to the same proportion of the applicable rate determined under this subparagraph as the number of hours worked during such month, rounded to the nearest eight hours, bears to 120 hours.

(C) In the case of an individual enrolled in a program of education consisting of flight training (regardless of the institution providing such program of education), an amount equal to—

(i) the lesser of—

(I) the actual net cost for in-State tuition and fees assessed by the institution concerned for the program of education after the application of—

(aa) any waiver of, or reduction in, tuition and fees; and

(bb) any scholarship, or other Federal, State, institutional, or employer-based aid or assistance (other than loans and any funds provided under section 401(b) of the Higher Education Act of 1965) that is provided directly to the institution and specifically designated for the sole purpose of defraying tuition and fees; or

(II) the amount equal to—

(aa) for the academic year beginning on August 1, 2011, \$10,000; or

(bb) for an academic year beginning on any subsequent August 1, the amount for the previous academic year beginning on August 1 under this subclause, as increased by the percentage increase equal to the most recent percentage increase determined under section 3015(h), multiplied by—

(ii) either—

(I) in the case of an individual entitled to educational assistance by reason of paragraphs (1), (2), or (9) of section 3311(b), 100 percent; or

(II) in the case of an individual entitled to educational assistance by reason of paragraphs (3) through (8) of section 3311(b), the same percentage as would otherwise apply to the monthly amounts payable to the individual under paragraphs (2) through (7) of subsection (c).

(D) In the case of an individual enrolled in a program of education that is pursued exclusively by correspondence (regardless of the institution providing such program of education), an amount equal to—

(i) the lesser of—

(I) the actual net cost for tuition and fees assessed by the institution concerned for the program of education after the application of—

(aa) any waiver of, or reduction in, tuition and fees; and

(bb) any scholarship, or other Federal, State, institutional, or employer-based aid or assistance (other than loans and any funds provided under section 401(b) of the Higher Education Act of 1965) that is provided directly to the institution and specifically designated for the sole purpose of defraying tuition and fees.

(II) the amount equal to—

(aa) for the academic year beginning on August 1, 2011, \$8,500; or

(bb) for an academic year beginning on any subsequent August 1, the amount for the previous academic year beginning on August 1 under this subclause, as increased by the percentage increase equal to the most recent percentage increase determined under section 3015(h), multiplied by—

(ii) either—

(I) in the case of an individual entitled to educational assistance by reason of paragraphs (1), (2), or (9) of section 3311(b), 100 percent; or

(II) in the case of an individual entitled to educational assistance by reason of paragraphs (3) through (8) of section 3311(b), the same percentage as would otherwise apply to the monthly amounts payable to the individual under paragraphs (2) through (7) of subsection (c).

(4) FREQUENCY OF PAYMENT.—

(A) QUARTER, SEMESTER, OR TERM PAYMENTS.—Payment of the amounts payable under paragraph (3)(A)(i) for pursuit of a program of education shall be made for the entire quarter, semester, or term, as applicable, of the program of education.

(B) MONTHLY PAYMENTS.—Payment of the amounts payable under paragraphs (3)(A)(ii) and (3)(B)(i) for pursuit of a program of education shall be made on a monthly basis.

(C) LUMP SUM PAYMENTS.—

(i) Payment for the amount payable under paragraphs (3)(A)(iii) and (3)(B)(ii) shall be paid to the individual for the first month of each quarter, semester, or term, as applicable, of the program education pursued by the individual.

(ii) Payment of the amount payable under paragraph (3)(C) for pursuit of a program of education shall be made upon receipt of certification for training completed by the individual and serviced by the training facility.

(D) QUARTERLY PAYMENTS.—Payment of the amounts payable under paragraph (3)(D) for pursuit of a program of education shall be made quarterly on a pro rata basis for the lessons completed by the individual and serviced by the institution.

(5) CHARGE AGAINST ENTITLEMENT FOR CERTIFICATE AND OTHER NON-COLLEGE DEGREE PROGRAMS.—

(A) IN GENERAL.—In the case of amounts paid under paragraph (3)(A)(i) for pursuit of a program of education, the charge against entitlement to educational assistance under this chapter of the individual for whom such payment is made shall be one month for each of—

(i) the amount so paid, divided by (ii) subject to subparagraph (B), the amount equal to one-twelfth of the amount applicable in the academic year in which the payment is made under paragraph (3)(A)(i)(II).

(B) PRO RATA ADJUSTMENT BASED ON CERTAIN ELIGIBILITY.—If the amount otherwise payable with respect to an individual under paragraph (3)(A)(i) is subject to a percentage adjustment under paragraph (3)(A)(iv), the amount applicable with respect to the individual under subparagraph (A)(ii) shall be the amount otherwise determined pursuant to such subparagraph subject to a percentage adjustment equal to the percentage adjustment applicable with respect to the individual under paragraph (3)(A)(iv).

(h) PAYMENT OF ESTABLISHED CHARGES TO EDUCATIONAL INSTITUTIONS.—Amounts payable under subsections (c)(1)(A) (and of similar amounts payable under paragraphs (2) through (7) of subsection (c)), (e)(2), and (f)(2)(A), and under subparagraphs (A)(i), (C), and (D) of subsection (g)(3), shall be paid directly to the educational institution concerned.

(i) DETERMINATION OF HOUSING STIPEND PAYMENTS FOR ACADEMIC YEARS.—Any monthly housing stipend payable under this section during the academic year beginning on August 1 of a calendar year shall be determined utilizing rates for basic allowances for housing payable under section 403 of title 37 in effect as of January 1 of such calendar year.

(j) DETERMINATION OF MONTHLY HOUSING STIPENDS DURING ACTIVE DUTY SERVICE.—For any month during which an individual who is entitled to a monthly housing stipend under this section is performing active duty service, the Secretary shall determine the amount of such stipend payable to such individual for such month on a pro rata basis for the period of such month during which the individual is not performing active duty service.

(k) ACCELERATED PAYMENTS FOR CERTAIN FLIGHT TRAINING.—

(1) PAYMENTS.—*An individual enrolled in a program of education pursued at a vocational school or institution of higher learning in which flight training is required to earn the degree being pursued (including with respect to a dual major, concentration, or other element of such a degree) may elect to receive accelerated payments of amounts for tuition and fees determined under subsection (c). The amount of each accelerated payment shall be an amount equal to twice the amount for tuition and fee so determined under such subsection, but the total amount of such payments may not exceed the total amount of tuition and fees for the program of education. The amount of monthly stipends shall be determined in accordance with such subsection (c) and may not be accelerated under this paragraph.*

(2) EDUCATIONAL COUNSELING.—*An individual may make an election under paragraph (1) only if the individual receives educational counseling under section 3697A(a) of this title.*

(3) *CHARGE AGAINST ENTITLEMENT.*—The number of months of entitlement charged an individual for accelerated payments made pursuant to paragraph (1) shall be determined at the rate of two months for each month in which such an accelerated payment is made.

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## CHAPTER 36—ADMINISTRATION OF EDUCATIONAL BENEFITS

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### SUBCHAPTER II—MISCELLANEOUS PROVISIONS

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#### § 3680. Payment of educational assistance or subsistence allowances

(a) PERIOD FOR WHICH PAYMENT MAY BE MADE.—Payment of educational assistance or subsistence allowances to eligible veterans or eligible persons pursuing a program of education or training, other than a program by correspondence, in an educational institution under chapter 31, 34, or 35 of this title shall be paid as provided in this section and, as applicable, in section 3108, 3482, 3491, or 3532 of this title. Such payments shall be paid only for the period of such veterans' or persons' enrollment in, and pursuit of, such program, but no amount shall be paid—

(1) to any eligible veteran or eligible person for any period when such veteran or person is not pursuing such veteran's or person's course in accordance with the regularly established policies and regulations of the educational institution, with the provisions of such regulations as may be prescribed by the Secretary pursuant to subsection (g) of this section, and with the requirements of this chapter or of chapter 34 or 35 of this title, but payment may be made for an actual period of pursuit of one or more unit subjects pursued for a period of time shorter than the enrollment period at the educational institution;

(2) to any eligible veteran or person for auditing a course; or

(3) to any eligible veteran or person for a course for which the grade assigned is not used in computing the requirements for graduation including a course from which the student withdraws unless—

(A) the eligible veteran or person withdraws because he or she is ordered to active duty; or

(B) the Secretary finds there are mitigating circumstances, except that, in the first instance of withdrawal (without regard to withdrawals described in subclause (A) of this clause) by the eligible veteran or person from a course or courses with respect to which the veteran or person has been paid assistance under this title, mitigating circumstances shall be considered to exist with respect to courses totaling not more than six semester hours or the equivalent thereof.

Notwithstanding the foregoing, the Secretary may, subject to such regulations as the Secretary shall prescribe, continue to pay allowances to eligible veterans and eligible persons enrolled in courses

set forth in clause (1) of this subsection during periods when schools are temporarily closed under an established policy based on an Executive order of the President or due to an emergency situation. However, the total number of weeks for which allowances may continue to be so payable in any 12-month period may not exceed 4 weeks.

(b) CORRESPONDENCE TRAINING CERTIFICATIONS.—No educational assistance allowance shall be paid to an eligible veteran or spouse or surviving spouse enrolled in and pursuing a program of education exclusively by correspondence until the Secretary shall have received—

(1) from the eligible veteran or spouse or surviving spouse a certificate as to the number of lessons actually completed by the veteran or spouse or surviving spouse and serviced by the educational institution; and

(2) from the training establishment a certification or an endorsement on the veteran's or spouse's or surviving spouse's certificate, as to the number of lessons completed by the veteran or spouse or surviving spouse and serviced by the institution.

(c) APPRENTICESHIP AND OTHER ON-JOB TRAINING.—No training assistance allowance shall be paid to an eligible veteran or eligible person enrolled in and pursuing a program of apprenticeship or other on-job training until the Secretary receives from the training establishment a certification that such veteran or person was enrolled in and pursuing a program of apprenticeship or other on-job training during such period.

(d) ADVANCE PAYMENT OF INITIAL EDUCATIONAL ASSISTANCE OR SUBSISTENCE ALLOWANCE.—(1) The educational assistance or subsistence allowance advance payment provided for in this subsection is based upon a finding by the Congress that eligible veterans and eligible persons may need additional funds at the beginning of a school term to meet the expenses of books, travel, deposits, and payment for living quarters, the initial installment of tuition, and the other special expenses which are concentrated at the beginning of a school term.

(2) Subject to the provisions of this subsection, and under regulations which the Secretary shall prescribe, an eligible veteran or eligible person shall be paid an educational assistance allowance or subsistence allowance, as appropriate, advance payment. Such advance payment shall be made in an amount equivalent to the allowance for the month or fraction thereof in which pursuit of the program will commence, plus the allowance for the succeeding month. In the case of a person on active duty, who is pursuing a program of education, the advance payment shall be in a lump sum based upon the amount payable for the entire quarter, semester, or term, as applicable. In no event shall an advance payment be made under this subsection to a veteran or person intending to pursue a program of education on less than a half-time basis. An advance payment may not be made under this subsection to any veteran or person unless the veteran or person requests such payment and the Secretary finds that the educational institution at which such veteran or person is accepted or enrolled has agreed to, and can satisfactorily, carry out the provisions of paragraphs (4)(B) and (C) and

(5) of this subsection. The application for advance payment, to be made on a form prescribed by the Secretary, shall—

(A) in the case of an initial enrollment of a veteran or person in an educational institution, contain information showing that the veteran or person (i) is eligible for educational benefits, (ii) has been accepted by the institution, and (iii) has notified the institution of such veteran's or person's intention to attend that institution; and

(B) in the case of a re-enrollment of a veteran or person, contain information showing that the veteran or person (i) is eligible to continue such veteran's or person's program of education or training and (ii) intends to re-enroll in the same institution, and, in either case, shall also state the number of semester or clock-hours to be pursued by such veteran or person.

(3) For purposes of the Secretary's determination whether any veteran or person is eligible for an advance payment under this section, the information submitted by the institution, the veteran or person, shall establish such veteran's or person's eligibility unless there is evidence in such veteran's or person's file in the processing office establishing that the veteran or person is not eligible for such advance payment.

(4) The advance payment authorized by paragraph (2) of this subsection shall, in the case of an eligible veteran or eligible person, be (A) drawn in favor of the veteran or person; (B) mailed to the educational institution listed on the application form for temporary care and delivery to the veteran or person by such institution; and (C) delivered to the veteran or person upon such veteran's or person's registration at such institution, but in no event shall such delivery be made earlier than thirty days before the program of education is to commence.

(5) Upon delivery of the advance payment pursuant to paragraph (4) of this subsection, the institution shall submit to the Secretary a certification of such delivery. If such delivery is not effected within thirty days after commencement of the program of education in question, such institution shall return such payment to the Secretary forthwith.

(e) RECOVERY OF ERRONEOUS PAYMENTS.—(1) Subject to paragraph (2), if an eligible veteran or eligible person fails to enroll in or pursue a course for which an educational assistance or subsistence allowance advance payment is made, the amount of such payment and any amount of subsequent payments which, in whole or in part, are due to erroneous information required to be furnished under subsection (d)(2) of this section, shall become an overpayment and shall constitute a liability of such veteran or person to the United States and may be recovered, unless waived pursuant to section 5302 of this title, from any benefit otherwise due such veteran or person under any law administered by the Department of Veterans Affairs or may be recovered in the same manner as any other debt due the United States.

(2) Paragraph (1) shall not apply to the recovery of an overpayment of an educational allowance or subsistence allowance advance payment to an eligible veteran or eligible person who fails to enroll in or pursue a course of education for which the payment is made if such failure is due to the death of the veteran or person.

(f) PAYMENTS FOR LESS THAN HALF-TIME TRAINING.—Payment of educational assistance allowance in the case of any eligible veteran or eligible person pursuing a program of education on less than a half-time basis shall be made in an amount computed for the entire quarter, semester, or term not later than the last day of the month immediately following the month in which certification is received from the educational institution that such veteran or person has enrolled in and is pursuing a program at such institution. Such lump sum payment shall be computed at the rate provided in section 3482(b) or 3532(a)(2) of this title, as applicable.

(g) DETERMINATION OF ENROLLMENT, PURSUIT, AND ATTENDANCE.—(1) The Secretary may, pursuant to regulations which the Secretary shall prescribe, determine and define with respect to an eligible veteran and eligible person the following:

(A) Enrollment in a course or program of education or training.

(B) Pursuit of a course or program of education or training.

(C) Attendance at a course or program of education or training.

(2) The Secretary may withhold payment of benefits to an eligible veteran or eligible person until the Secretary receives such proof as the Secretary may require of enrollment in and satisfactory pursuit of a program of education by the eligible veteran or eligible person. The Secretary shall adjust the payment withheld, when necessary, on the basis of the proof the Secretary receives.

(3) In the case of an individual other than an individual described in paragraph (4), the Secretary may accept the individual's monthly certification of enrollment in and satisfactory pursuit of a program of education as sufficient proof of the certified matters.

(4) In the case of an individual who has received an accelerated payment of basic educational assistance under section 3014A of this title during an enrollment period for a program of education, the Secretary may accept the individual's certification of enrollment in and satisfactory pursuit of the program of education as sufficient proof of the certified matters if the certification is submitted after the enrollment period has ended.

(h) SCHOOL CLOSURE DURING NATURAL DISASTERS.—

(1) IN GENERAL.—*An individual described in paragraph (2) shall be entitled to a monthly stipend in the amount to which the individual would be entitled were the individual pursuing a course of education at an institution of higher education through resident training but for a school closure described under paragraph (4).*

(2) INDIVIDUAL DESCRIBED.—*An individual described in this paragraph is an individual pursuing a course of education at an institution of higher education using educational assistance under chapter 32, 33, 34, or 35 of this title, who—*

*(A) is forced to discontinue pursuing such course at such institution by reason of a school closure described under paragraph (4); and*

*(B) opts to—*

*(i) pursue that course of education solely by distance learning; or*

*(ii) pursue an alternative course of education solely by distance learning.*

(3) *DURATION.*—The duration of the monthly stipends payable to an individual under paragraph (1) shall be the shorter of the following:

(A) The period of time necessary to complete the quarter, semester, term or academic period during which the school closure described in paragraph (4) occurs.

(B) Four months.

(4) *SCHOOL CLOSURE.*—A school closure described in this paragraph is the closure of an institution of higher education—

(A) by reason of a natural disaster;

(B) for a period of time that—

(i) the institution confirms will last for four weeks or longer; or

(ii) the institution describes as indefinite and that endures for a period of four weeks or longer; and

(C) that the Secretary confirms is covered for purposes of this subsection.

(5) *NATURAL DISASTER DEFINED.*—In this subsection, the term “natural disaster” means a specific weather event or earth process, including a hurricane, tornado, wildfire or forest fire, earthquake, avalanche, mudslide, hailstorm, thunderstorm, lightning storm, freeze, blizzard, sinkhole, or other disastrous event that occurs as a result of such an event or process, that the President or the governor of a State declares a natural disaster.

(6) *NO CHARGE TO ENTITLEMENT.*—No charge shall be made to the entitlement of any individual to educational assistance under chapter 32, 33, 34, or 35 of this title by reason of a payment under this subsection.

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