Public Law 94-502
94th Congress

An Act

Oct. 15, 1976
[S. 969]

To amend title 38, United States Code, to set a termination date for veterans' educational benefits under chapters 34 and 36, to increase vocational rehabilitation subsistence allowances, educational and training assistance allowances, and special allowances paid to eligible veterans and persons under chapters 31, 34, and 35; to extend the basic educational assistance eligibility for veterans and for certain dependents from thirty-six to forty-five months; to improve and expand the special programs for educationally disadvantaged veterans and servicemen under chapter 34; to improve and expand the education loan program for veterans and persons eligible for benefits under chapter 34 or 35; to create a new chapter 32 (Post-Vietnam Era Veterans' Educational Assistance program) for those entering military service on or after January 1, 1977; to make other improvements in the educational assistance program; to clarify, codify, and strengthen the administration of educational benefits to prevent or reduce abuse; to promote the employment of veterans by improving and expanding the provisions governing the operation of Veterans' Employment Service; and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Veterans' Education and Employment Assistance Act of 1976".

Veterans' Education and Employment Assistance Act of 1976.
38 USC 101 note.

TITLE I—CHAPTER 31 DISABLED VETERANS' VOCATIONAL REHABILITATION RATE AND PROGRAM ADJUSTMENTS

SEC. 101. The table contained in section 1504(b) of title 38, United States Code, is amended to read as follows:

"Column I	Column II	Column III	Column IV	Column V
Type of training	No dependents	One dependent	Two dependents	More than two dependents
				The amount in column IV, plus the following for each dependent in excess of two:
Institutional:				
Full-time	$226	$280	$329	$24
Three-quarter-time	170	210	247	18
Half-time	113	140	165	12
Farm cooperative, apprentice, or other on-job training:				
Full-time	197	238	275	18".

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SEC. 102. Section 1503(c) of title 38, United States Code, is amended by striking out ", but not beyond ten years after such termination date, or June 30, 1975, whichever date is the later," and inserting in lieu thereof "when such action is determined by the Administrator to be necessary for such veteran based upon such veteran's disability and need for vocational rehabilitation,".

SEC. 103. Section 1511 of title 38, United States Code, is amended by adding at the end thereof the following: "Notwithstanding any other provision of law, the facilities of any agency of the United States, as designated in clause (3) of this section, may be used to provide unpaid training or work experience as part or all of a veteran's program of vocational rehabilitation when the Administrator determines such training or work experience to be necessary to accomplish vocational rehabilitation. While pursuing such training or work experience, an uncompensated veteran shall be deemed an employee of the United States for the purposes of the benefits of chapter 81 of title 5 but not for the purposes of laws administered by the Civil Service Commission.".

SEC. 104. Chapter 31 of title 38, United States Code, is amended—

38 USC 1502. (1) by striking out in the second sentence of section 1502(b) "him" and inserting in lieu thereof "the veteran";

38 USC 1503. (2) by striking out in subsections (a) and (b) of section 1503 "his", "he", and "him" each time they appear and inserting in lieu thereof "the veteran's", "the veteran", and "the veteran", respectively;

(3) by striking out in section 1503(c) "him" and "he" each time they appear and inserting in lieu thereof "the veteran" and by striking out "his" the first and second time it appears and inserting in lieu thereof "the veteran's" and "the veteran", respectively;

38 USC 1504. (4) by striking out in subsections (a) and (c) of section 1504 "his" and "him" and inserting in lieu thereof "the veteran's" and "the employer", respectively;

38 USC 1505. (5) by striking out in section 1505 "he" and "his" and inserting in lieu thereof "the Administrator" and "the veteran's", respectively;

38 USC 1507. (6) by striking out in section 1507 "him" and inserting in lieu thereof "the Administrator";

38 USC 1508. (7) by striking out in section 1508 "he" and inserting in lieu thereof "the Administrator";

38 USC 1509. (8) by striking out in section 1509(a) "him", "his", and "he" each time they appear and inserting in lieu thereof "the veteran", "the veteran's", and "the veteran", respectively;

(9) by striking out in section 1509(b) "he" and inserting in lieu thereof "the Administrator";

38 USC 1510. (10) by striking out in section 1510 "he" each time it appears and inserting in lieu thereof "such person"; and

38 USC 1511. (11) by striking out in section 1511 "he" and inserting in lieu thereof "the Administrator".

TITLE II—VETERANS' EDUCATION RATE AND PROGRAM ADJUSTMENTS

SEC. 201. Chapter 34 of title 38, United States Code, is amended—

38 USC 1682. (1) by amending the table contained in paragraph (1) of section 1682(a) to read as follows:

"Column I	Column II	Column III	Column IV	Column V
Type of program	No dependents	One dependent	Two dependents	More than two dependents
				The amount in column IV, plus the following for each dependent in excess of two:
Institutional:				
Full-time	$292	$347	$396	$24
Three-quarter-time	219	260	297	18
Half-time	146	174	198	12
Cooperative	235	276	313	18";

(2) by striking out in section 1682(b) "$270" and inserting in lieu thereof "$292"; 38 USC 1682.

(3) by amending the table contained in paragraph (2) of section 1682(c) to read as follows:

"Column I	Column II	Column III	Column IV	Column V
Basis	No dependents	One dependent	Two dependents	More than two dependents
				The amount in column IV, plus the following for each dependent in excess of two:
Full-time	$235	$276	$313	$18
Three-quarter-time	176	207	235	14
Half-time	118	138	157	9";

and

(4) by striking out in section 1696(b) "$270" and inserting in lieu thereof "$292". 38 USC 1696.

SEC. 202. Section 1652 of title 38, United States Code, is amended by adding at the end thereof the following new subsections:

"(f) For the purposes of this chapter and chapter 36 of this title, the term 'institution of higher learning' means a college, university, or similar institution, including a technical or business school, offering postsecondary level academic instruction that leads to an associate or higher degree if the school is empowered by the appropriate State education authority under State law to grant an associate or higher "Institution of higher learning." 38 USC 1770 *et seq.*

degree. When there is no State law to authorize the granting of a degree, the school may be recognized as an institution of higher learning if it is accredited for degree programs by a recognized accrediting agency. Such term shall also include a hospital offering educational programs at the postsecondary level without regard to whether the hospital grants a postsecondary degree.

"Standard college degree." 38 USC 1770 *et seq.*

"(g) For the purposes of this chapter and chapter 36 of this title, the term 'standard college degree' means an associate or higher degree awarded by (1) an institution of higher learning that is accredited as a collegiate institution by a recognized regional or national accrediting agency; or (2) an institution of higher learning that is a 'candidate' for accreditation as that term is used by the regional or national accrediting agencies; or (3) an institution of higher learning upon completion of a course which is accredited by an agency recognized to accredit specialized degree-level programs. For the purpose of this section, the accrediting agency must be one recognized by the Commissioner of Education under the provisions of section 1775 of this title.".

SEC. 203. Section 1661 of title 38, United States Code, is amended—

(1) by striking out in the second sentence of subsection (a) all after "period of" the second time it appears and inserting in lieu thereof "45 months (or the equivalent thereof in part-time educational assistance)."; and

(2) by amending subsection (c) to read as follows:

38 USC 1690, 1695.

"(c) Except as provided in subsection (b) and in subchapters V and VI of this chapter, no eligible veteran shall receive educational assistance under this chapter in excess of 45 months.".

Study. 38 USC 1501 note. 38 USC 1501, 1651, 1700, 1770. 38 USC 1673.

SEC. 204. (a) The Administrator shall carry out a study of the vocational objective programs approved for the enrollment of veterans and other eligible persons under chapters 31, 34, 35, and 36 of title 38, United States Code. The study shall include the extent to which such programs are in compliance with the applicable provisions of such chapters particularly the requirements of section 1673(a)(2) of that title.

(b) The findings and report of such study with respect to the provisions of section 1673(a)(2) of such title shall include, but shall not be limited to—

(1) the number of veterans and institutions submitting justification asserting compliance with the requirements of such section and the extent to which any courses were challenged or disqualified by a State approving agency or by the Veterans' Administration;

(2) the number of institutions and courses for which justification showing compliance with the requirements of such section was not submitted;

(3) the number of courses for which justification showing compliance with the requirements of this section was submitted and actively reviewed by either the appropriate State approving agency or by the Veterans' Administration;

(4) the extent to which courses subject to the requirements of such section have not been identified or surveyed;

(5) the extent to which vocational objective programs have been converted to degree programs following enactment of Public Law 93-508;

38 USC 1501 note.

(6) information as to completion rates of those courses submitting placement reports pursuant to such section;

(7) the extent to which justification submitted pursuant to such section disclosed invalid survey population;

(8) the extent to which justification submitted pursuant to such section disclosed improper exclusion of students who completed the course but did not take or pass a licensing examination given by the State;

(9) the extent to which justification submitted pursuant to such section disclosed improper exclusion of persons employed in other fields;

(10) the extent to which justification submitted pursuant to such section disclosed improper exclusion of persons as being in closely related occupations, when in fact they were not;

(11) the extent to which justification submitted pursuant to such section disclosed improper exclusion of some persons as not being available for employment;

(12) the extent to which there are deficiencies in basic procedures, instructions, and forms issued pursuant to such section; and

(13) the extent to which vocational objective programs are being pursued for avocational or recreational purposes.

(c) The Administrator shall report the results of the study carried out under this section to the Congress and the President not later than 180 days after the date of enactment of this Act and shall include in such report any recommendations for legislative or administrative action the Administrator deems appropriate.

Report to President and Congress.

SEC. 205. Section 1673 of title 38, United States Code, is amended—

(1) by striking out at the end of subsection (a)(2) "or";

(2) by striking out the period at the end of subsection (a)(3) and inserting in lieu thereof "; or";

(3) by adding at the end of subsection (a) a new clause (4) as follows:

"(4) any independent study program except one leading to a standard college degree."; and

(4) by amending subsection (d) to read as follows:

"(d) The Administrator shall not approve the enrollment of any eligible veteran, not already enrolled, in any course (other than one offered pursuant to subchapter V, any farm cooperative training course, or any course described in section 1789(b)(6) of this title) for any period during which the Administrator finds that more than 85 per centum of the students enrolled in the course are having all or part of their tuition, fees, or other charges paid to or for them by the educational institution, by the Veterans' Administration under this title and/or by grants from any Federal agency. The Administrator may waive the requirements of this subsection, in whole or in part, if the Administrator determines it to be in the interest of the eligible veteran and the Federal Government.".

SEC. 206. Section 1674 of title 38, United States Code, is amended by inserting immediately after the first sentence thereof the following: "Unless the Administrator finds there are mitigating circumstances, progress will be considered unsatisfactory at any time the eligible veteran is not progressing at a rate that will permit such veteran to graduate within the approved length of the course based on the training time as certified to the Veterans' Administration.".

SEC. 207. Section 1682 of title 38, United States Code, is amended by adding a new subsection (e) at the end thereof as follows:

"(e) The educational assistance allowance of an eligible veteran pursuing an independent study program which leads to a standard college degree shall be computed at the rate provided in subsection (b)(2) of this section. In those cases where independent study is combined with resident training and the resident training constitutes the major portion of such training, the maximum allowance may not exceed the full-time institutional allowance provided under subsection (a)(1) of this section.".

SEC. 208. Section 1685(b) of title 38, United States Code, is amended by adding at the end thereof the following: "In the event the veteran ceases to be a full-time student before completing such agreement, the veteran may, with the approval of the Administrator, be permitted to complete such agreement.".

Special supplementary assistance.

SEC. 209. Section 1692 of title 38, United States Code, is amended, by striking out in subsection (b) "$60" and "$720" and inserting in lieu thereof "$65" and "$780", respectively.

SEC. 210. Chapter 34 of title 38, United States Code, is amended—

38 USC 1652.

(1) by striking out in section 1652(e) "United States Code,";

(2) by striking out in subsections (a) and (b) of section 1681 "section 1780" and inserting in lieu thereof "chapter 36";

38 USC 1697A.

(3) by redesignating section 1697A as section 1698;

(4) by striking out in the table of sections at the beginning of such chapter "1697A" and inserting in lieu thereof "1698"; and

38 USC 1696.

(5) by amending section 1696 by inserting at the end thereof the following new subsection:

"(d) After October 31, 1976, no person other than a member of the Armed Forces described in section 1631(b) of this title shall be permitted to enroll, or re-enroll, in any course provided under the authority of this subchapter.".

38 USC 1631.

SEC. 211. Chapter 34 of title 38, United States Code, is amended—

38 USC 1652.

(1) by striking out in subsections (a) and (d) of section 1652 "he" and "wife" and inserting in lieu thereof "such individual" and "spouse", respectively;

38 USC 1661.

(2) by striking out in section 1661(a) "his" and "he" each time they appear and inserting in lieu thereof "the veteran's" and "the veteran", respectively;

38 USC 1662.

(3) by striking out in subsections (a), (b), and (d) of section 1662 "his" and "he" each time they appear and inserting in lieu thereof "the veteran's" and "the veteran", respectively;

38 USC 1663.

(4) by striking out in section 1663 "he" each time it appears and inserting in lieu thereof "the Administrator";

38 USC 1670.

(5) by striking out in section 1670 "him" each time it appears and inserting in lieu thereof "the veteran";

38 USC 1671.

(6) by striking out in section 1671 "he" the first time it appears and inserting in lieu thereof "the Administrator", by striking out "he" the second time it appears and inserting in lieu thereof "the veteran or person", and by striking out "his" each time it appears and inserting in lieu thereof "the veteran's or person's";

38 USC 1673.

(7) by striking out in section 1673(a) "he" and "his" and inserting in lieu thereof "the Administrator" and "the veteran's", respectively;

38 USC 1674.

(8) by striking out in section 1674 "his" and "he" each time they appear and inserting in lieu thereof "the veteran's" and "the Administrator", respectively;

(9) by striking out in section 1676 "his" and "he" and inserting in lieu thereof "the Administrator's" and "the Administrator", respectively; 38 USC 1676.

(10) by striking out in section 1681(a) "his" and inserting in lieu thereof "the veteran's"; 38 USC 1681.

(11) by striking out in section 1685(c) "he" and "his" each time they appear and inserting in lieu thereof "the Administrator" and "the veteran's", respectively; 38 USC 1685.

(12) by striking out in section 1691(a) "his" and "he" each time they appear and inserting in lieu thereof "the veteran's" and "the veteran", respectively; 38 USC 1691.

(13) by striking out in section 1696(a) "he" and inserting in lieu thereof "the Administrator"; and 38 USC 1696.

(14) by striking out in subsections (a) and (b) of section 1698 (as redesignated by section 211(3) of this Act) "he" and "his" and inserting in lieu thereof "the Administrator" and "such person's", respectively. 38 USC 1698.

TITLE III—CHAPTER 35 SURVIVORS' AND DEPENDENTS' EDUCATIONAL ASSISTANCE RATE AND PROGRAM ADJUSTMENTS

SEC. 301. Chapter 35 of title 38, United States Code, is amended—

(1) by striking out in section 1732(b) "$217" and inserting in lieu thereof "$235"; and 38 USC 1732.

(2) by amending subsection (a) of section 1742 to read as follows: 38 USC 1742.

"(a) While the eligible person is enrolled in and pursuing a full-time course of special restorative training, the parent or guardian shall be entitled to receive on behalf of such person a special training allowance computed at the basic rate of $292 per month. If the charges for tuition and fees applicable to any such course are more than $92 per calendar month, the basic monthly allowance may be increased by the amount that such charges exceed $92 a month, upon election by the parent or guardian of the eligible person to have such person's period of entitlement reduced by one day for each $9.76 that the special training allowance paid exceeds the basic monthly allowance.".

SEC. 302. Section 1701(a) of title 38, United States Code, is amended by adding at the end thereof the following new paragraphs: 38 USC 1701.

"(10) For the purposes of this chapter and chapter 36 of this title, the term 'institution of higher learning' means a college, university, or similar institution, including a technical or business school, offering postsecondary level academic instruction that leads to an associate or higher degree if the school is empowered by the appropriate State education authority under State law to grant an associate or higher degree. When there is no State law to authorize the granting of a degree, the school may be recognized as an institution of higher learning if it is accredited for degree programs by a recognized accrediting agency. Such term shall also include a hospital offering educational programs at the postsecondary level without regard to whether the hospital grants a postsecondary degree. "Institution of higher learning." 38 USC 1770 *et seq.*

"(11) For the purposes of this chapter and chapter 36 of this title, the term 'standard college degree' means an associate or higher degree awarded by (A) an institution of higher learning that is accredited as a collegiate institution by a recognized regional or national accrediting agency; or (B) an institution of higher learning that is a 'candidate' for accreditation as that term is used by the regional or national "Standard college degree." 38 USC 1770 *et seq.*

accrediting agencies; or (C) an institution of higher learning upon completion of a course which is accredited by an agency recognized to accredit specialized degree-level programs. For the purpose of this section, the accrediting agency must be one recognized by the Commissioner of Education under the provisions of section 1775 of this title.".

38 USC 1775.

SEC. 303. Section 1711 of title 38, United States Code, as amended—

(1) by striking out in subsection (a) "thirty-six" and inserting in lieu thereof "45"; and

(2) by striking out in subsection (b) "nine" and inserting in lieu thereof "12".

SEC. 304. Section 1712 of title 38, United States Code, is amended—

(1) by striking out in clauses (3) and (4) of subsection (a) "five" each time it appears and inserting in lieu thereof "8";

(2) by amending clause (5) of subsection (a) to read as follows:

"(5)(A) if such person is enrolled in an educational institution regularly operated on the quarter or semester system and such period ends during a quarter or semester, such period shall be extended to the end of the quarter or semester; or

"(B) if such person is enrolled in an educational institution operated on other than a quarter or semester system and such period ends after a major portion of the course is completed, such period shall be extended to the end of the course, or until 12 weeks have expired, whichever first occurs."; and

(3) by repealing subsection (d) and redesignating subsections (e), (f), and (g), as subsections (d), (e), and (f), respectively.

Application.

SEC. 305. Section 1713 of title 38, United States Code, is amended to read as follows:

"The parent or guardian of a person or the eligible person if such person has attained legal majority for whom educational assistance is sought under this chapter shall submit an application to the Administrator which shall be in such form and contain such information as the Administrator shall prescribe. If the Administrator finds that the person on whose behalf the application is submitted is an eligible person, the Administrator shall approve the application provisionally. The Administrator shall notify the parent or guardian or eligible person (if the person has attained legal majority) of the provisional approval or of the disapproval of the application.".

SEC. 306. Section 1723(a) of title 38, United States Code, is amended—

(1) by striking out at the end of clause (2) "or";

(2) by striking out at the end of clause (3) the period and inserting in lieu thereof "; or"; and

(3) by adding at the end thereof a new clause (4) as follows:

"(4) any independent study program except one leading to a standard college degree.".

Discontinuance for unsatisfactory progress.

SEC. 307. Section 1724 of title 38, United States Code, is amended by inserting immediately after the first sentence thereof the following: "Unless the Administrator finds there are mitigating circumstances, progress will be considered unsatisfactory at any time an eligible person is not progressing at a rate that will permit such person to graduate within the approved length of the course based on the training time as certified to the Veterans' Administration.".

Computation.

SEC. 308. Section 1732(c) of title 38, United States Code, is amended by adding a new paragraph (3) at the end thereof as follows:

"(3) The monthly educational assistance allowance to be paid on behalf of an eligible person pursuing an independent study program which leads to a standard college degree shall be computed at the rate prescribed in section 1682(e) of this title.".

SEC. 309. (a) The title of chapter 35 of title 38, United States Code, is amended by striking out

"CHAPTER 35—WAR ORPHANS' AND WIDOWS' EDUCATIONAL ASSISTANCE"

and inserting in lieu thereof

"CHAPTER 35—SURVIVORS' AND DEPENDENTS' EDUCATIONAL ASSISTANCE"

(b) The table of chapters at the beginning of title 38, United States Code, and the table of chapters at the beginning of part III of such title are each amended by striking out

"35. War Orphans' and Widows' Education Assistance..... 1700"

and inserting in lieu thereof

"35. Survivors' and Dependents' Educational Assistance..... 1700".

(c) Section 1731(a) is amended by striking out "section 1780" and inserting in lieu thereof "chapter 36". 38 USC 1731.

SEC. 310. Chapter 35 of title 38, United States Code, is amended—

(1) by striking out in section 1700 "widows", "wives", and "his" each time they appear and inserting in lieu thereof "surviving spouses", "spouses", and "the veteran's", respectively; 38 USC 1700.

(2) by striking out in section 1701(a) "widow" and "wife" each time they appear and inserting in lieu thereof "surviving spouse" and "spouse", respectively; 38 USC 1701.

(3) by striking out in section 1701(b) "his" and inserting in lieu thereof "the person's" and by striking out "himself";

(4) by striking out in section 1701(c) "his" each time it appears and inserting in lieu thereof "such person's" and by striking out "himself";

(5) by striking out in section 1701(d) "he" each time it appears and inserting in lieu thereof "such person";

(6) by striking out in section 1711(b) "she" the first time it appears and inserting in lieu thereof "the spouse", by striking out "her" each time it appears and inserting in lieu thereof "such person's", and by striking out "he or she" each time it appears and inserting in lieu thereof "such person"; 38 USC 1711.

(7) by striking out in section 1712(a) "him", "his", and "he" each time they appear and inserting in lieu thereof "the person", "the person's", and "the person", respectively; 38 USC 1712.

(8) by striking out in section 1712(c) "him", "he", "his" each time they appear and inserting in lieu thereof "such person", "such person", and "such person's", respectively;

(9) by striking out in subsections (e) and (f) of section 1712 (as redesignated by section 304(3) of this Act) "her" and "he" and inserting in lieu thereof "the" and "such person", respectively;

(10) by striking out in section 1720(a) "his" each time it appears and inserting in lieu thereof "such person's"; 38 USC 1720.

(11) by striking out in section 1721 "he" and inserting in lieu thereof "the Administrator"; 38 USC 1721.

38 USC 1723.

(12) by striking out in section 1723(a) "he" and "his" and inserting in lieu thereof "the Administrator" and "the person's", respectively;

(13) by striking out in section 1723(c) "his" and "he" and inserting in lieu thereof "the Administrator's" and "the Administrator", respectively;

(14) by striking out in section 1723(d) "his" each time it appears and inserting in lieu thereof "such person's";

38 USC 1724.

(15) by striking out in section 1724 "he" the first time it appears and inserting in lieu thereof "such person", by striking out "his" each time it appears and inserting in lieu thereof "the person's", and by striking out "he" the second time it appears and inserting in lieu thereof "the Administrator";

38 USC 1731.

(16) by striking out in section 1731(b) "his" and "he" and inserting in lieu thereof "the person's" and "the person", respectively;

38 USC 1733.

(17) by striking out in section 1733(a) "wife or widow" and "she" and inserting in lieu thereof "spouse or surviving spouse" and "such spouse", respectively;

(18) by striking out in section 1733(b) "he" and inserting in lieu thereof "such person";

38 USC 1734.

(19) by striking out in section 1734(b) "wife or widow" and inserting in lieu thereof "spouse or surviving spouse";

38 USC 1736.

(20) by striking out in section 1736 "he" and inserting in lieu thereof "the Administrator";

38 USC 1741.

(21) by striking out in section 1741(b) "he" and inserting in lieu thereof "the Administrator";

38 USC 1743.

(22) by striking out in subsections (a) and (b) of section 1743 "his" and "he" each time they appear and inserting in lieu thereof "the Administrator's" and "the Administrator", respectively;

38 USC 1761.

(23) by striking out in section 1761(a) "he" and inserting in lieu thereof "the Administrator"; and

38 USC 1763.

(24) by striking out in section 1763 "his" and inserting in lieu thereof "such person's".

TITLE IV—POST-VIETNAM ERA VETERANS' EDUCATIONAL ASSISTANCE ACT

Post-Vietnam Era Veterans' Educational Assistance Act of 1977.

SEC. 401. This title may be cited as the "Post-Vietnam Era Veterans' Educational Assistance Act of 1977".

38 USC 1601 note.

SEC. 402. Section 1652 of title 38, United States Code, is amended—

(1) by amending paragraph (1) of subsection (a) to read as follows:

"Eligible veteran."

"(1) The term 'eligible veteran' means any veteran who—

"(A) served on active duty for a period of more than 180 days, any part of which occurred after January 31, 1955, and before January 1, 1977, and was discharged or released therefrom under conditions other than dishonorable; or

"(B) contracted with the Armed Forces and was enlisted in or assigned to a reserve component prior to January 1, 1977, and as a result of such enlistment or assignment served on active duty for a period of more than 180 days, any part of which commenced within 12 months after January 1, 1977, and was discharged or released from such active duty under conditions other than dishonorable; or

"(C) was discharged or released from active duty, any part of which was performed after January 31, 1955, and before January 1, 1977, or following entrance into active service from an enlistment provided for under clause (B) of this paragraph, because of a service-connected disability."; and

(2) by inserting in subsection (a)(2) "or (B)" after "paragraph (1)(A)".

SEC. 403. (a) Section 1661(a) of title 38, United States Code, is amended by adding at the end thereof a new sentence as follows: "In the case of any person serving on active duty on December 31, 1976, or a person whose eligibility is based on section 1652(a)(1)(B) of this chapter, the ending date for computing such person's entitlement shall be the date of such person's first discharge or release from active duty after December 31, 1976.". 38 USC 1652.

(b) Section 1662 of title 38, United States Code, is amended by inserting at the end thereof the following new subsection:

"(e) No educational assistance shall be afforded any eligible veteran under this chapter or chapter 36 of this title after December 31, 1989.". 38 USC 1770 *et seq.*

SEC. 404. Part III of title 38, United States Code, is amended by inserting immediately after chapter 31 of such title a new chapter as follows:

"CHAPTER 32—POST-VIETNAM ERA VETERANS' EDUCATIONAL ASSISTANCE

"SUBCHAPTER I—PURPOSE; DEFINITIONS

"Sec.
"1601. Purpose.
"1602. Definitions.

"SUBCHAPTER II—ELIGIBILITY; CONTRIBUTIONS; AND MATCHING FUND

"1621. Eligibility.
"1622. Contributions; matching fund.
"1623. Refunds of contributions upon disenrollment.
"1624. Death of participant.
"1625. Discharge or release under conditions which would bar use of benefits.

"SUBCHAPTER III—ENTITLEMENT; DURATION

"1631. Entitlement; loan eligibility.
"1632. Duration; limitations.

"SUBCHAPTER IV—ADMINISTRATION

"1641. Requirements.
"1642. Reporting requirements.
"1643. Deposits; reports.

"Subchapter I—Purpose; Definitions

"§ 1601. Purpose 38 USC 1601.

"It is the purpose of this chapter (1) to provide educational assistance to those men and women who enter the Armed Forces after December 31, 1976, (2) to assist young men and women in obtaining an education they might not otherwise be able to afford, and (3) to promote and assist the all volunteer military program of the United States by attracting qualified men and women to serve in the Armed Forces.

38 USC 1602.

"§ 1602. Definitions

"For the purposes of this chapter—

"(1)(A) The term 'eligible veteran' means any veteran who (i) initially entered military service on or after January 1, 1977, served on active duty for a period of more than 180 days commencing on or after such date, and was discharged or released therefrom under conditions other than dishonorable, or (ii) initially entered military service on or after January 1, 1977, and was discharged or released from active duty after such date for a service-connected disability.

"(B) The requirement of discharge or release, prescribed in subparagraph (A), shall be waived in the case of any participant who has completed his or her first obligated period of active duty (which began after December 31, 1976) or 6 years of active duty (which began after December 31, 1976), whichever period is less.

"(C) For the purposes of subparagraphs (A) and (B), the term 'active duty' does not include any period during which an individual (i) was assigned full time by the Armed Forces to a civilian institution for a course of education which was substantially the same as established courses offered to civilians, (ii) served as a cadet or midshipman at one of the service academies, or (iii) served under the provisions of section 511(d) of title 10 pursuant to an enlistment in the Army National Guard or the Air National Guard, or as a Reserve for service in the Army Reserve, Naval Reserve, Air Force Reserve, Marine Corps Reserve, or Coast Guard Reserve.

"(2) The terms 'program of education' and 'educational institution' shall have the same meaning ascribed to them in sections 1652(b) and 1652(c), respectively, of this title.

38 USC 1652.

"(3) The term 'participant' is a person who is participating in the educational benefits program established under this chapter.

"Subchapter II—Eligibility; Contributions; and Matching Fund

38 USC 1621.

"§ 1621. Eligibility

"(a) Each person entering military service on or after January 1, 1977, shall have the right to enroll in the educational benefits program provided by this chapter (hereinafter in this chapter referred to as the 'program' except where the text indicates otherwise) at any time during such person's service on active duty. When a person elects to enroll in the program, such person must participate for at least 12 consecutive months before disenrolling or suspending participation.

"(b) The requirement for 12 consecutive months of participation required by subsection (a) of this section shall not apply when (1) the participant suspends participation or disenrolls from the program because of personal hardship as defined in regulations issued jointly by the Administrator and the Secretary of Defense (hereinafter in this chapter referred to as the 'Secretary'), or (2) the participant is discharged or released from active duty.

"(c) A participant shall be permitted to suspend participation or disenroll from the program at the end of any 12-consecutive-month period of participation. If participation is suspended, the participant shall be eligible to make additional contributions to the program under such terms and conditions as shall be prescribed by regulations issued jointly by the Administrator and the Secretary.

"(d) If a participant disenrolls from the program, such participant forfeits any entitlement to benefits under the program except as provided in subsection (e) of this section. A participant who disenrolls from the program is eligible for a refund of such participant's contributions as provided in section 1623 of this title.

"(e) A participant who has disenrolled may be permitted to reenroll in the program under such conditions as shall be prescribed jointly by the Administrator and the Secretary.

"§ 1622. Contributions; matching fund 38 USC 1622.

"(a) Each person electing to participate in the program shall agree to have a monthly deduction made from such person's military pay. Such monthly deduction shall be in any amount not less than $50 nor more than $75 except that the amount must be divisible by 5. Any such amount contributed by the participant or contributed by the Secretary pursuant to subsection (c) of this section shall be deposited in a deposit fund account entitled the 'Post—Vietnam Era Veterans Education Account' (hereinafter in this chapter referred to as the 'fund') to be established in the Treasury of the United States. Contributions made by the participant shall be limited to a maximum of $2,700.

"(b) Except as otherwise provided in this chapter, each monthly contribution made by a participant under subsection (a) shall entitle the participant to matching funds from the Veterans' Administration at the rate of $2 for each $1 contributed by the participant.

"(c) The Secretary is authorized to contribute to the fund of any participant such contributions as the Secretary deems necessary or appropriate to encourage persons to enter or remain in the Armed Forces. The Secretary is authorized to issue such rules and regulations as the Secretary deems necessary or appropriate to implement the provisions of this subsection. Rules and regulations.

"§ 1623. Refunds of contributions upon disenrollment 38 USC 1623.

"(a) Contributions made to the program by a participant may be refunded only after the participant has disenrolled from the program or as provided in section 1624.

"(b) If a participant disenrolls from the program prior to discharge or release from active duty, such participant's contributions will be refunded on the date of the participant's discharge or release from active duty or within 60 days of receipt of notice by the Administrator of the participant's discharge or disenrollment, except that refunds may be made earlier in instances of hardship or other good reason as prescribed in regulations issued jointly by the Administrator and the Secretary.

"(c) If a participant disenrolls from the program after discharge or release from active duty, the participant's contributions shall be refunded within 60 days of receipt of an application for a refund from the participant.

"(d) In the event the participant (1) dies while on active duty, (2) dies after discharge or release from active duty, or (3) disenrolls or is disenrolled from the program without having utilized any entitlement, the participant may have accrued under the program, or, in the event the participant utilizes part of such participant's entitlement and disenrolls or is disenrolled from the program, the amount contributed by the Secretary under the authority of section 1622(c) remaining in the fund shall be refunded to the Secretary.

"§ 1624. Death of participant 38 USC 1624.

"(a) If a participant dies, the amount of such participant's unused contributions to the fund shall be paid (1) to the beneficiary or beneficiaries designated by such participant under such participant's Servicemen's Group Life Insurance policy, or (2) to the participant's estate if no beneficiary has been designated under such policy or if the participant is not insured under the Servicemen's Group Life Insurance program.

"(b) If a participant dies after having been discharged or released from active duty and before using any or all of the contributions which the participant made to the fund, such unused contributions shall be paid as prescribed in subsection (a) of this section.

38 USC 1625.

"§ 1625. Discharge or release under conditions which would bar the use of benefits

"If a participant in the program is discharged or released from active duty under dishonorable conditions, such participant is automatically disenrolled and any contributions made by such participant shall be refunded to such participant on the date of such participant's discharge or release from active duty or within 60 days from receipt of notice by the Administrator of such discharge or release, whichever is later.

"Subchapter III—Entitlement; Duration

38 USC 1631.

"§ 1631. Entitlement; loan eligibility

"(a)(1) A participant shall be entitled to a maximum of 36 monthly benefit payments (or their equivalent in the event of part-time benefit payments).

"(2) The amount of the monthly payment to which any eligible veteran is entitled shall be ascertained by (A) adding all contributions made to the fund by the eligible veteran, (B) multiplying the sum by 3, (C) adding all contributions made to the fund for such veteran by the Secretary, and (D) dividing the sum by the lesser of 36 or the number of months in which contributions were made by such veteran.

"(3) Payment of benefits under this chapter may be made only for periods of time during which an eligible veteran is actually enrolled in and pursuing an approved program of education and, except as provided in paragraph (4), only after an eligible veteran has been discharged or released from active duty.

"(4) Payment of benefits under this chapter may be made after a participant has completed his or her first obligated period of active duty (which began after December 31, 1976), or 6 years of active duty (which began after December 31, 1976), whichever period is less.

"(b) Any enlisted member of the Armed Forces participating in the program shall be eligible to participate in the Predischarge Education Program (PREP), authorized by subchapter VI of chapter 34 of this title, during the last 6 months of such member's first enlistment.

38 USC 1681.

"(c) When an eligible veteran is pursuing either a program of education under this chapter by correspondence or a program of flight training, such eligible veteran's entitlement shall be charged at the rate of 1 month's entitlement for each month of benefits paid to the eligible veteran (computed on the basis of the formula provided in subsection (a)(2) of this section).

"(d) Eligible veterans participating in the program shall be eligible for education loans authorized by subchapter III of chapter 36 of this title in such amounts and on the same terms and conditions as provided in such subchapter, except that the term 'eligible veteran' as used in such subchapter shall be deemed to include 'eligible veteran' as defined in this chapter.

38 USC 1798.

38 USC 1632.

"§ 1632. Duration; limitations

"No educational assistance benefits shall be afforded an eligible veteran under this chapter beyond the date of 10 years after such veteran's last discharge or release from active duty. In the event an

eligible veteran has not utilized any or all of such veteran's entitlement by the end of the 10-year period, such eligible veteran is automatically disenrolled and any contributions made by such veteran remaining in the fund shall be refunded to the veteran following notice to the veteran and an application by the veteran for such refund. If no application is received within 1 year from date of notice, it will be presumed for the purposes of subsection (a) of section 725s of title 31, that the individual's whereabouts is unknown and the funds shall be transferred as directed in the last proviso of that subsection.

"Subchapter IV—Administration

"§ 1641. Requirements

38 USC 1641.

"The provisions of sections 1670, 1671, 1673, 1674, 1676, 1677, 1681(c), 1683, 1696, and 1698 of this title and the provisions of chapter 36 of this title, with the exception of sections 1777, 1780(c), and 1787, shall be applicable to the program.

38 USC 1770 *et seq.*

"§ 1642. Reporting requirements

38 USC 1642.

"The Administrator and the Secretary shall, within 90 days after the date of enactment of this chapter, submit to the Committees on Veterans' Affairs of the Senate and House of Representatives a joint report containing their respective plans for implementation of the program provided for in this chapter. The Administrator and the Secretary shall submit to such committees a report each year detailing the operations of the program during the preceding year. The first such annual report shall be submitted 15 months after the date of enactment of this section.

Report to congressional committees.

"§ 1643. Deposits; reports

38 USC 1643.

"Deductions made by the Department of Defense from the military pay of any participant shall be promptly transferred to the Administrator for deposit in the fund. The Secretary shall also submit to the Administrator a report each month showing the name, service number, and the amount of the deduction made from the military pay of each initial enrollee, any contribution made by the Secretary pursuant to section 1622(c), as well as any changes in each participant's enrollment and/or contribution. The report shall also include any additional information the Administrator and the Secretary deem necessary to administer this program. The Administrator shall maintain accounts showing contributions made to the fund by individual participants and by the Secretary as well as disbursements made from the fund in the form of benefits.".

Report to Administrator.

SEC. 405. The table of chapters at the beginning of title 38, United States Code, and the table of chapters at the beginning of part III of such title are each amended by inserting immediately below

"31. VOCATIONAL REHABILITATION ..... 1501"

the following:

"32. POST-VIETNAM ERA VETERANS' EDUCATIONAL ASSISTANCE ..... 1601".

SEC. 406. The provisions of this title shall become effective on January 1, 1977.

Effective date. 38 USC 1601 note.

SEC. 407. Section 725s(b) of title 31, United States Code, is amended by adding at the end thereof the following:

"(84) Post-Vietnam Era Veterans Education Account, Veterans' Administration."

SEC. 408. (a)(1) No individual on active duty in the Armed Forces may initially enroll in the educational assistance program provided

38 USC 1621 note.

for in chapter 32 of title 38, United States Code (as added by section 404 of this Act) after December 31, 1981, unless—

Recommendation to Congress.

(A) before June 1, 1981, the President submits to both Houses of Congress a written recommendation that such program continue to be open for new enrollments; and

(B) before the close of the 60-day period after the day on which the President submits to Congress the recommendation described in subparagraph (A), neither the House of Representatives nor the Senate adopts, by an affirmative vote of a majority of those present and voting in that House, a resolution which in substance disapproves such recommendation.

(2) For purposes of computing the 60-day period referred to in paragraph (1)(B), there shall be excluded—

(A) the days on which either House is not in session because of an adjournment of more than 3 days to a day certain or an adjournment of the Congress sine die, and

(B) any Saturday and Sunday, not excluded under the preceding subparagraph, when either House is not in session.

The recommendation referred to in paragraph (1)(A) shall be delivered to both Houses of Congress on the same day and shall be delivered to the Clerk of the House of Representatives if the House is not in session and to the Secretary of the Senate if the Senate is not in session.

(b) If new enrollments after December 31, 1981, in the educational assistance program provided for in such chapter 32 are authorized after the application of the provisions of subsection (a), then effective January 1, 1982, section 1622(b) of title 38, United States Code, is amended by striking out "Veterans' Administration" and inserting in lieu thereof "Department of Defense."

TITLE V—CHAPTER 36 EDUCATION LOAN AND PROGRAM ADMINISTRATION AMENDMENTS

SEC. 501. Chapter 36 of title 38, United States Code, is amended—

38 USC 1786.

(1) by striking out in section 1786(a)(2) "$270" and inserting in lieu thereof "$292"; and

(2) by amending the table contained in paragraph (1) of section 1787(b) to read as follows:

"Column I	Column II	Column III	Column IV	Column V
Periods of training	No dependents	One dependent	Two dependents	More than two dependents
				The amount in column IV, plus the following for each dependent in excess of two:
First 6 months	$212	$238	$260	$11
Second 6 months	159	185	207	11
Third 6 months	106	132	154	11
Fourth and any succeeding 6-month periods	53	79	101	11".

SEC. 502. (a) Section 1798 of title 38, United States Code, is amended—

(1) by striking out in subsection (b)(3) "$270" and "$600" and inserting in lieu thereof "$292" and "$1,500", respectively; and

(2) by amending clause (3) of subsection (d) to read as follows:

"(3) shall provide that the loan shall bear interest, on the unpaid balance of the loan, at a rate prescribed by the Administrator, at the time the loan is contracted for which rate shall be comparable to the rate of interest charged students at such time on loans insured by the Commissioner of Education, Department of Health, Education, and Welfare, under part B of title IV of the Higher Education Act of 1965, but in no event shall the rate so prescribed by the Administrator exceed the rate charged students on such insured loans, and shall provide that no interest shall accrue prior to the beginning date of repayment; and". 20 USC 1071.

(b) The amendments made by subsection (a) shall be effective with respect to loans made under section 1798 of title 38, United States Code, on and after October 1, 1976. 38 USC 1798 note.

SEC. 503. Section 1774 of title 38, United States Code, is amended—

(1) by adding at the end of subsection (a) thereof the following new sentence: "The Administrator may also reimburse such agencies for work performed by their subcontractors where such work has a direct relationship to the requirements of chapter 32, 34, 35, or 36 of this title, and has had the prior approval of the Administrator."; and *Ante*, p. 2393. 38 USC 1651, 1700, 1770.

(2) by amending subsection (b) to read as follows:

"(b) The allowance for administrative expenses incurred pursuant to subsection (a) of this section shall be paid in accordance with the following formula:

"Total salary cost reimbursable under this section	Allowable for administrative expense
$5,000 or less	$600.
Over $5,000 but not exceeding $10,000	$1,080.
Over $10,000 but not exceeding $35,000	$1,080 for the first $10,000 plus $1,000 for each additional $5,000 or fraction thereof.
Over $35,000 but not exceeding $40,000	$6,535.
Over $40,000 but not exceeding $75,000	$6,535 for the first $40,000 plus $865 for each additional $5,000 or fraction thereof.
Over $75,000 but not exceeding $80,000	$12,960.
Over $80,000	$12,960 for the first $80,000 plus $755 for each additional $5,000 or fraction thereof.".

SEC. 504. Section 1775 of title 38, United States Code, is amended—

(1) by striking out the period at the end of subsection (a) and inserting in lieu thereof "which must be certified as true and correct in content and policy by an authorized representative of the school. The catalog or bulletin must specifically state its progress requirements for graduation and must include as a minimum the information required by sections 1776(b) (6) and (7) of this title."; and

(2) by inserting before the period in the first sentence of subsection (b) the following: "and must include as a minimum (except for attendance) the requirements set forth in section 1776(c)(7) of this title".

SEC. 505. Section 1780(a) of title 38, United States Code, is amended—

(1) by striking out at the end of clause (1) "or";

(2) by striking out the period at the end of clause (2) and inserting in lieu thereof a semicolon; and

(3) by inserting immediately after clause (2) the following new clauses:

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

"(4) 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 the Administrator finds there are mitigating circumstances; or

"(5) to any eligible veteran or person for pursuit of a program of education exclusively by correspondence as authorized under section 1786 of this title or for the pursuit of a correspondence portion of a combination correspondence-residence course leading to a vocational objective where the normal period of time required to complete such correspondence course or portion is less the 6 months. A certification as to the normal period of time required to complete the course must be made to the Administrator by the educational institution.".

38 USC 1786.

SEC. 506. The last sentence of section 1780(a) of title 38, United States Code, is amended to read as follows: "Notwithstanding the foregoing, the Administrator may, subject to such regulations as the Administrator shall prescribe, continue to pay allowances to eligible veterans and eligible persons enrolled in courses set forth in clause (1) or (2) of this subsection—

"(A) during periods when the schools are temporarily closed under an established policy based upon an Executive order of the President or due to an emergency situation, and such periods shall not be counted as absences for the purposes of clause (2);

"(B) during periods between consecutive school terms where such veterans or persons transfer from one approved educational institution to another approved educational institution for the purpose of enrolling in and pursuing a similar course at the second institution if the period between such consecutive terms does not exceed 30 days, but such periods shall be counted as absences for the purposes of clause (2); or

"(C) during periods between a semester, term, or quarter where the educational institution certifies the enrollment of the eligible veteran or eligible person on an individual semester, term, or quarter basis if the interval between such periods does not exceed 1 full calendar month, but such periods shall be counted as absences for the purposes of clause (2).".

SEC. 507. Section 1784(a) of title 38, United States Code, is amended by adding at the end thereof the following: "The date of interruption or termination will be the last date of pursuit or, in the case of correspondence training, the last date a lesson was serviced by the school.".

SEC. 508. Section 1784(b) of title 38, United States Code, is amended by striking out "$3" and "$4" and inserting in lieu thereof "$5" and "$6", respectively.

SEC. 509. (a) Section 1788(a) of title 38, United States Code, is amended—

(1) by striking out the semicolon at the end of clause 1 and inserting in lieu thereof a comma and the following: "but if such

course is approved pursuant to section 1775 of this title, then 27 hours per week of attendance, with no more than 2½ hours of rest period per week allowed and excluding supervised study, shall be considered full time;"; and 38 USC 1775.

(2) by striking out the semicolon at the end of clause 2 and inserting in lieu thereof a comma and the following: "but if such course is approved pursuant to section 1775 of this title, then 22 hours per week net of instruction (excluding supervised study), which may include customary intervals not to exceed ten minutes between hours of instruction, shall be considered full time;"

(b) Section 1789 of title 38, United States Code, is amended—

(1) by striking out "or" at the end of clause (4) in subsection (b);

(2) by striking out the period at the end of clause (5) in subsection (b) and inserting in lieu thereof "; or";

(3) by adding at the end of subsection (b) a new clause (6) to read as follows:

"(6) any course offered by an educational institution under a contract with the Department of Defense that (A) is given on, or immediately adjacent to, a military base; (B) is available only to active duty military personnel and/or their dependents and (C) has been approved by the State approving agency of the State in which the base is located."; and

(4) by adding at the end thereof a new subsection (c) as follows:

"(c) Notwithstanding the provisions of subsection (b) (1), (2), (3), or (4) of this section, the provisions of subsection (a) shall apply to any course offered by a branch or extension of—

"(1) a public or other tax-supported institution where the branch or extension is located outside of the area of the taxing jurisdiction providing support to such institution; or

"(2) a proprietary profit or proprietary nonprofit educational institution where the branch or extension is located beyond the normal commuting distance of such institution.".

SEC. 510. Section 1790(c) of title 38, United States Code, is amended to read as follows:

"(c) Notwithstanding any other provision of law, the records and accounts of educational institutions pertaining to eligible veterans or eligible persons who received educational assistance under this chapter or chapter 31, 32, 34, or 35 of this title, as well as the records of other students which the Administrator determines necessary to ascertain institutional compliance with the requirements of such chapters, shall be available for examination by duly authorized representatives of the Government.". 38 USC 1501. *Ante*, p. 2393. 38 USC 1651, 1700.

SEC. 511. Subchapter II of chapter 36, United States Code, is amended—

(1) by striking out section 1793 and inserting in lieu thereof the following:

"§ 1793. Compliance surveys 38 USC 1793.

"The Administrator shall conduct an annual compliance survey of each institution offering one or more courses approved for the enrollment of eligible veterans or persons where at least 300 veterans or persons are enrolled under provisions of this title or where the course does not lead to a standard college degree. Such compliance survey

shall assure that the institution and approved courses are in compliance with all applicable provisions of chapters 31, 34, 35, and 36 of this title. The Administrator shall assign at least one education compliance specialist to work on compliance surveys in any year for each 40 compliance surveys required to be made under this section."; and

(2) by striking out in the table of sections at the beginning of chapter 36 of such title

"1793. Institutions listed by Attorney General."

and inserting in lieu thereof

"1793. Compliance surveys.".

Advertising, sales, and enrollment; record maintenance.

SEC. 512. Section 1796 of title 38, United States Code, is amended—

(1) by redesignating subsections (b) and (c) as (c) and (d), respectively; and

(2) by inserting after subsection (a) a new subsection (b) as follows:

"(b) To ensure compliance with this section, any institution offering courses approved for the enrollment of eligible persons or veterans shall maintain a complete record of all advertising, sales, or enrollment materials (and copies thereof) utilized by or on behalf of the institution during the preceding 12-month period. Such record shall be available for inspection by the State approving agency or the Administrator. Such materials shall include but are not limited to any direct mail pieces, brochures, printed literature used by sales persons, films, video tapes, and audio tapes disseminated through broadcast media, material disseminated through print media, tear sheets, leaflets, handbills, fliers, and any sales or recruitment manuals used to instruct sales personnel, agents, or representatives of such institution.".

SEC. 513. (a) Chapter 36 of title 38, United States Code, is amended—

38 USC 1771.

(1) by striking out in section 1771(a) "his" and inserting in lieu thereof "such";

38 USC 1775.

(2) by striking out in section 1775(a) "he" and inserting in lieu thereof "the Commissioner";

38 USC 1777.

(3) by striking out in subsections (b) and (c) of section 1777 "he", "him", "his" each time they appear and inserting in lieu thereof "the veteran or person", "the veteran or person", and "such veteran's or person's", respectively;

38 USC 1779.

(4) by striking out in section 1779(b) "his" and inserting in lieu thereof "the Administrator's";

38 USC 1780.

(5) by striking out in subsections (a) and (b) of section 1780 "his", "wife or widow", and "wife's or widow's" each time they appear and inserting in lieu thereof "such veteran's or person's", "spouse or surviving spouse", and "spouse's or surviving spouse's", respectively;

(6) by striking out in subsections (c) and (d) of section 1780 "his" and "he" each time they appear and inserting in lieu thereof "such veteran's or person's" and "the veteran or person", respectively;

(7) by inserting "may" immediately before "need" in section 1780(d)(1);

(8) by inserting immediately after the fourth sentence in section 1780(d)(2) the following new sentence: "An advance pay-

ment may not be made under this subsection to any veteran or person unless the veteran or person requests such payment and the Administrator 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 5(B) and (C) and (6) of this subsection."

(9) by striking out section 1780(e) and the heading thereto; 38 USC 1780.

(10) by redesignating subsections (f), (g), and (h) of section 1780 as subsections (e), (f), and (g), respectively, and by adding at the end of such subsection (g) (as so redesignated) the following: "Subject to such reports and proof as the Administrator may require to show an eligible veteran's or eligible person's enrollment in and satisfactory pursuit of such person's program, the Administrator is authorized to withhold the final payment of benefits to such person until the required proof is received and the amount of the final payment is appropriately adjusted.";

(11) by striking out in section 1780(f) "him" and inserting in lieu thereof "such veteran or person";

(12) by striking out in section 1780(h) "he" the first time it appears and inserting in lieu thereof "the Administrator" and by striking out "he" the second time it appears and inserting in lieu thereof "the veteran or person";

(13) by striking out in section 1781 "him" and inserting in lieu thereof "such person"; 38 USC 1781.

(14) by striking out in section 1783(a) "his" and inserting in lieu thereof "such officer's or employee's"; 38 USC 1783.

(15) by striking out in section 1783(b) "he" the first time it appears and inserting in lieu thereof "such person" and by striking out "he" the second time it appears and inserting in lieu thereof "the Administrator";

(16) by striking out in section 1783(d) "he" and inserting in lieu thereof "the Administrator";

(17) by striking out in subsections (a) and (b) of section 1784 "him" and inserting in lieu thereof "the Administrator"; 38 USC 1784.

(18) by striking out in subsections (a), (b), and (c) of section 1786 "wife and widow" and "his" each time they appear and inserting in lieu thereof "spouse or surviving spouse" and "such veteran's or spouse's", respectively;

(19) by striking out in subsections (a), (b), and (d) of section 1790 "he" each time it appears and inserting in lieu thereof "the Administrator";

(20) by striking out in subsections (a), (b), and (c) of section 1791 "his" and "he" each time they appear and inserting in lieu thereof "the veteran's or person's" and "the Administrator", respectively;

(21) by striking out in section 1794 "his" and inserting in lieu thereof "the Administrator's"; 38 USC 1794.

(22) by striking out in section 1796(c) (as redesignated by section 513(1) of this Act) "his" and inserting in lieu thereof "the Administrator's"; 38 USC 1796.

(23) by striking out in section 1798(b)(1) "he" and inserting in lieu thereof "the veteran or person" and by striking out in section 1798(e)(1) "he" and inserting in lieu thereof "the Administrator"; and 38 USC 1798.

38 USC 1799.

(24) by striking out in section 1799(d) "his" and inserting in lieu thereof "the Administrator's".

Effective date.
38 USC 1780 note.

(b) The amendments made by paragraphs (7), (8), (9), and (10) of subsection (a) shall take effect June 1, 1977, and shall apply with respect to educational assistance allowances and subsistence allowances paid under title 38, United States Code, for months after May 1977.

TITLE VI—VETERANS' EMPLOYMENT ASSISTANCE PROVISIONS

SEC. 601. (a) Section 2002 of title 38, United States Code, is amended by inserting "by a Deputy Assistant Secretary of Labor for Veterans' Employment, established by section 2002A of this title," after "promulgated and administered".

(b) Chapter 41 of title 38, United States Code, is amended by—

(1) adding after section 2002 a new section as follows:

38 USC 2002A.

"§ 2002A. Deputy Assistant Secretary of Labor for Veterans' Employment

"There is established within the Department of Labor a Deputy Assistant Secretary of Labor for Veterans' Employment, appointed by the President by and with the advice and consent of the Senate, who shall be the principal advisor to the Secretary of Labor with respect to the formulation and implementation of all departmental policies and procedures to carry out (1) the purposes of this chapter, chapter 42, and chapter 43 of this title, and (2) all other Department of Labor employment, unemployment, and training programs to the extent they affect veterans."; and

38 USC 2010, 2021.

(2) amending the table of sections at the beginning of chapter 41 of such title by inserting

"2002A. Deputy Assistant Secretary of Labor for Veterans' Employment.

after

"2002. Purposes.".

Repeal.
38 USC 2002 note.

(c) Section 104(a) of the Emergency Jobs and Unemployment Assistance Act of 1974 (Public Law 93-567) is repealed.

SEC. 602. Section 2003 of title 38, United States Code, is amended—

29 USC 801 note.

(1) by inserting in the fourth sentence "or by prime sponsors under the Comprehensive Employment and Training Act" after "programs administered by the Secretary";

(2) by striking out "and" at the end of clause (5); and

(3) by redesignating clause (6) as clause (7) and inserting new clause (6) as follows:

"(6) promote the participation of veterans in Comprehensive Employment and Training Act programs and monitor the implementation and operation of Comprehensive Employment and Training Act programs to assure that eligible veterans receive special consideration when required; and".

SEC. 603. Section 2006(a) of title 38, United States Code, is amended by inserting in the last sentence "each" after "shall".

SEC. 604. Section 2007 of title 38, United States Code, is amended—

(1) by striking out in subsection (a)(1) "his" and inserting in lieu thereof "such veteran's and eligible person's";

(2) by inserting in the second sentence of subsection (c) "and public service employment" after "occupational training"; and

(3) by striking out in the last sentence of subsection (c) "or 2006" and inserting in lieu thereof ", 2006, or 2007(a)".

SEC. 605. Section 2012 of title 38, United States Code, is amended by adding at the end thereof a new subsection (c) as follows:

"(c) The Secretary shall include as part of the annual report required by section 2007(c) of this title the number of complaints filed pursuant to subsection (b) of this section, the actions taken thereon and the resolutions thereof. Such report shall also include the number of contractors listing suitable employment openings, the nature, types, and number of positions listed and the number of veterans receiving priority pursuant to subsection (a)(2) of this section.".

SEC. 606. Chapter 41 of title 38, United States Code, is amended—

(1) by striking out in section 2003 "he" and "his" and inserting in lieu thereof "the Secretary" and "such representative's", respectively; 38 USC 2003.

(2) by striking out in section 2004 "his" and inserting in lieu thereof "such representative's" and by inserting "or eligible persons" after "eligible veterans"; 38 USC 2004.

(3) by striking out in section 2005 "he" and inserting in lieu thereof "the Secretary"; and 38 USC 2005.

(4) by striking out in section 2008 "his" and "him" and inserting in lieu thereof "the Secretary's" and "the Administrator", respectively. 38 USC 2008.

SEC. 607. Chapter 42 of title 38, United States Code, is amended—

(1) by striking out in section 2011(2) "his" and inserting in lieu thereof "the person's"; and 38 USC 2011.

(2) by striking out in the first sentence of section 2012(b) "his" and inserting in lieu thereof "the contractor's". 38 USC 2012.

SEC. 608. Chapter 43 of title 38, United States Code, is amended—

(1) by striking out in section 2021(a)(2)(B) "his" each time it appears and inserting in lieu thereof "the employer's"; 38 USC 2021.

(2) by striking out in section 2021(b)(2) "his" and "he" and inserting in lieu thereof "the person's" and "the person", respectively; and

(3) by striking out in the sixth sentence of section 2024(d) "his" each time it appears and inserting in lieu thereof "such employer's". 38 USC 2024.

TITLE VII—MISCELLANEOUS AND EFFECTIVE DATE

SEC. 701. Section 3101(a) of title 38, United States Code, is amended by adding at the end thereof the following: "For the purposes of this subsection, in any case where a payee of an educational assistance allowance has designated the address of an attorney-in-fact as the payee's address for the purpose of receiving his or her benefit check and has also executed a power of attorney giving the attorney-in-fact authority to negotiate such benefit check, such action shall be deemed to be an assignment and is prohibited.".

SEC. 702. Section 2108(1)(B) of title 5, United States Code, is amended by striking out "after January 31, 1955," and inserting in lieu thereof "any part of which occurred after January 31, 1955, and before the date of the enactment of the Veterans' Education and Employment Assistance Act of 1976,".

Effective date.
38 USC 1504 note.

SEC. 703. (a) Sections 101, 201, 203, 207, 209, 301, 303, 304, 308, 501, 502, 503, and 508 of this Act shall become effective on October 1, 1976.

(b) Sections 102, 104, 202, 204, 205(1), 205(2), 205(3), 208, 210, 211, 302, 305, 306, 309, 310, 506, 510, 511, and 513 (other than paragraphs (7), (8), (9), and (10) of subsection (a)) of this Act shall become effective on the date of the enactment of this Act.

(c) Sections 103, 205(4), 206, 307, 504, 505, 507, 509, 512, and 701 and title VI of this Act shall become effective on December 1, 1976.

Approved October 15, 1976.

LEGISLATIVE HISTORY:

SENATE REPORT No. 94-1243 (Comm. on Veterans' Affairs).
CONGRESSIONAL RECORD, Vol. 122 (1976):
Oct. 1, considered and passed Senate;
considered and passed House, amended;
Senate concurred in House amendment.
WEEKLY COMPILATION OF PRESIDENTIAL DOCUMENTS, Vol 12, No. 43:
Oct. 15, Presidential statement.