

Public Law 95-202
95th Congress

An Act

To amend title 38, United States Code, to increase the rates of vocational rehabilitation, educational assistance, and special training allowance paid to eligible veterans and persons, to make improvements in the educational assistance programs, and for other purposes.

Nov. 23, 1977

[H.R. 8701]

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 "GI Bill Improvement Act of 1977".

GI Bill
Improvement Act
of 1977.
38 USC 101 note.

TITLE I—GI BILL RATE INCREASES

VOCATIONAL REHABILITATION

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
Institutional:				The amount in column IV, plus the following for each dependent in excess of two:
Full-time.....	\$241	\$298	\$351	\$26
Three-quarter-time.....	181	224	263	19
Half-time.....	120	149	176	13
Farm cooperative, apprentice, or other on-job training:				
Full-time.....	210	254	293	19".

VETERANS' EDUCATIONAL ASSISTANCE

SEC. 102. Chapter 34 of title 38, United States Code, is amended by—
(1) striking out in the last sentence of section 1677(b) "\$270"
and inserting in lieu thereof "\$288";

Flight training.
38 USC 1677.

Computation.
38 USC 1682.

(2) 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
Institutional:				The amount in column IV, plus the following for each dependent in excess of two:
Full-time.....	\$311	\$370	\$422	\$26
Three-quarter-time.....	233	277	317	19
Half-time.....	156	185	211	13
Cooperative.....	251	294	334	19";

(3) striking out in section 1682(b) "\$292" and inserting in lieu thereof "\$311";

(4) 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
Full-time.....	\$251	\$294	\$334	The amount in column IV, plus the following for each dependent in excess of two:
Three-quarter-time.....	188	221	251	\$19
Half-time.....	126	147	167	15
				10";

Educationally disadvantaged.
38 USC 1692.
38 USC 1696.

(5) striking out in section 1692(b) "\$65" and "\$780" and inserting in lieu thereof "\$69" and "\$828", respectively; and

(6) striking out in section 1696(b) "\$292" and inserting in lieu thereof "\$311".

SURVIVORS' AND DEPENDENTS' EDUCATIONAL ASSISTANCE

SEC. 103. Chapter 35 of title 38, United States Code, is amended by—

38 USC 1732.

(1) striking out in section 1732(b) "\$235" and inserting in lieu thereof "\$251"; and

(2) striking out in section 1742(a) “\$292”, “\$92”, “\$92”, and “\$9.76” and inserting in lieu thereof “\$311”, “\$98”, “\$98”, and “\$10.40”, respectively. 38 USC 1742.

CORRESPONDENCE COURSES, ON-JOB TRAINING, AND EDUCATION LOANS

SEC. 104. Chapter 36 of title 38, United States Code, is amended by—

(1) striking out in section 1786(a)(2) “\$292” and inserting in lieu thereof “\$311”; 38 USC 1786.

(2) amending the table contained in paragraph (1) of section 1787(b) to read as follows: 38 USC 1787.

“Column I	Column II	Column III	Column IV	Column V
Periods of training	No dependents	One dependent	Two dependents	More than two dependents
First 6 months-----	\$226	\$254	\$277	The amount in column IV, plus the following for each dependent in excess of two:
Second 6 months-----	169	197	221	\$12
Third 6 months-----	113	141	164	12
Fourth and any succeeding 6-month periods-----	56	84	108	12”;

and

(3) striking out in paragraph (3) of section 1798(b) “\$292” and inserting in lieu thereof “\$311”. 38 USC 1798.

VETERAN-STUDENT SERVICES

SEC. 105. Subsection (a) of section 1685 of title 38, United States Code, is amended by—

(1) striking out in the second sentence “in the amount of \$625” and inserting in lieu thereof “in an amount equal to either the amount of the hourly minimum wage in effect under section 6(a) of the Fair Labor Standards Act of 1938 times two hundred and fifty or \$625, whichever is the higher,”; and

Ante, p. 1245.

(2) striking out the third and fourth sentences and inserting in lieu thereof the following: “An agreement may be entered into for the performance of services for periods of less than two hundred and fifty hours. The amount of the work-study allowance to be paid under any such agreement shall be determined by multiplying the number of hours of work performed by the veteran-student under such agreement times either the hourly minimum wage in effect under section 6(a) of the Fair Labor Standards Act of 1938 during the period the work is to be performed or \$2.50, whichever is the higher. A veteran-student shall be paid in advance an amount equal to 40 per centum of the total

amount of the work-study allowance agreed to be paid under the agreement in return for the veteran-student's agreement to perform the number of hours of work specified in the agreement."

TITLE II—ACCELERATED PAYMENT AND DELIMITING PERIOD EXTENSION

ACCELERATED PAYMENT

SEC. 201. (a) Chapter 34 of title 38, United States Code, is amended by inserting after section 1682 the following new section:

38 USC 1682A. **"§ 1682A. Accelerated payment of educational assistance allowances**

Post, p. 1438.

"(a) The Administrator, in accordance with the provisions of this section and section 1798(f) of this title and regulations which the Administrator shall prescribe under such sections, shall accelerate the payment of educational assistance allowances (hereinafter in this section referred to as 'accelerated payment') to an eligible veteran who makes application and is eligible therefor and proportionally reduce the educational entitlement of such veteran under section 1661 of this title.

38 USC 1661.
Eligibility
requirements.
Application.

"(b) An eligible veteran who makes application for accelerated payment shall be eligible for such payment in connection with each school term for which such veteran applies for such accelerated payment only if—

"(1) such veteran was enrolled as a full-time student during such school term;

38 USC 1661.

"(2) such veteran was entitled to an educational assistance allowance under section 1661 during such school term;

"(3) such veteran has received, after the date of enactment of this section, a loan for such school term pursuant to section 1798 of this title;

Post, p. 1437.

"(4) the combined amount of tuition and fees of the educational institution in which such veteran was enrolled was in excess of \$700 for such school term;

"(5) the educational institution in which such veteran was enrolled has certified to the Administrator that such veteran has satisfactorily completed the program of education and attained the predetermined and identified educational, professional, or vocational objective which such veteran has been pursuing and has on such basis been awarded by such institution the appropriate educational degree, diploma, or certificate signifying such completion and attainment;

"(6) such application was filed with the Administrator within 180 days after the date (A) on which the degree, diploma, or certificate described in clause (5) of this subsection has been awarded to such veteran, or (B) on which the appropriate State or local governmental unit establishes a program described in clause (8) of this subsection, whichever date is the later;

"(7) the educational institution in which such veteran was enrolled has certified for such school term that 35 per centum or less (or such other per centum as the Administrator prescribes pursuant to section 1673(d) of this title) of the total number of students enrolled in such institution (computed separately for the main campus and any branch or extension of such institution pursuant to regulations prescribed by the Administrator under section 1673(d) of this title) were students receiving educational

Post, p. 1443.

assistance benefits under this chapter or chapter 31, 32, 35, or 36 of this title; and

"(8) the State (or local governmental unit with jurisdiction over the geographical area, or both such State and such unit) in which is located the educational institution in which such veteran was enrolled pays to the Veterans' Administration (for deposit in the Veterans' Administration Education Loan Fund established by section 1799 of this title) on such veteran's behalf an amount not more than the amount of accelerated payment which the Administrator is authorized to make on behalf of such veteran under this section, pursuant to a program established, within five years after the date of enactment of this section, by such State (or unit or both) to match the maximum or a lesser amount of the accelerated payment which the Administrator is authorized to make to any eligible veteran under this section, except that such State (or unit) may limit such program to veterans who are bona fide residents of such State (or unit).

"(c) Accelerated payments made under this section by the Administrator and matching amounts paid to the Administrator by a State or local governmental unit, as described in subsection (b) (8) of this section, shall constitute a collection of principal on loans made under subchapter III of chapter 36 of this title and shall be deposited in the Veterans' Administration Education Loan Fund established by section 1799 of this title. The Administrator shall promptly notify each veteran on whose behalf such a principal collection and deposit has been made of the amount by which such collection and deposit reduces the principal repayment obligation of such veteran.

"(d) In no event may the amount of accelerated payment made by the Administrator in connection with any school term exceed (1) an amount equal to the educational assistance allowance to which such veteran was otherwise entitled under section 1682 of this title for such school term, (2) an amount equal to $33\frac{1}{3}$ per centum of the amount by which the expenses of tuition and fees are in excess of \$700 for such school term, (3) an amount equal to $33\frac{1}{3}$ per centum of the amount by which the amount of the outstanding obligation of such veteran under any loan made pursuant to section 1798 of this title is in excess of \$700, or (4) the amount which the State (or local governmental unit or both) concerned pays to the Administrator to match the accelerated payment to be made by the Administrator on behalf of such veteran, whichever is the least amount.

"(e) As used in this section, the term 'school term' means—

"(1) in the case of an institution of higher learning operating on a quarter system, three such consecutive quarters;

"(2) in the case of an institution of higher learning operating on a semester system, two such consecutive semesters; or

"(3) in the case of an educational institution not an institution of higher learning, or, in the case of an institution of higher learning not operating on a quarter or semester system, any time division, approved by the Administrator, of a program of education within which segments of the program are completed."

(b) Chapter 35 of title 38, United States Code, is amended by inserting after section 1737 the following new section:

"§ 1738. Accelerated payment of educational assistance allowances

"An eligible person shall be entitled to an accelerated payment of educational assistance allowances pursuant to the provisions of section 1682A of this title."

38 USC 1501,
1601, 1700,
1770.

State or local
government
payment.

38 USC 1799.

Loan principal
collection.
Deposits, VA
Educational Loan
Fund.

38 USC 1798.

Notice.

Accelerated
payments,
limitation.

Ante, p. 1434.

Post, p. 1438.

"School term."

38 USC 1738.

Ante, p. 1436.

38 USC prec.
1651. (c) (1) The table of sections at the beginning of chapter 34 of such title is amended by inserting

"1682A. Accelerated payment of educational assistance allowances."

below

"1682. Computation of educational assistance allowances."

38 USC prec.
1700. (2) The table of sections at the beginning of chapter 35 of such title is amended by inserting

"1738. Accelerated payment of educational assistance allowances."

below

"1737. Education loans."

Notice.
Publication in
Federal Register.
38 USC 1682A
note.

(d) The Administrator of Veterans' Affairs, not later than 60 days after the date of enactment of this Act, shall notify each appropriate educational institution that accelerated payments (as provided for in subsection (a) of this section) may be available for certain students enrolled at such institutions, specifying the full conditions and procedures governing such payments, and, not later than 90 days after such date of enactment, shall publish in the Federal Register, and notify each State of, the rules and regulations governing the accelerated payment program.

Certain prorated
payments, 1978.
38 USC 1682A
note.

(e) Notwithstanding the provisions of section 1682A or section 1738 of title 38, United States Code, as added by subsections (a) and (b) of this section, eligible veterans and eligible persons entitled thereunder shall, in connection with a semester or two consecutive quarters beginning after January 1, 1978, and ending prior to August 1, 1978, be entitled to accelerated payment of educational assistance allowances upon application therefor, but the amounts of such accelerated payment which may be made in connection with any such semester or quarters, the number of months by which such veteran's or person's entitlement shall be reduced, and any quantifiable eligibility criteria shall be appropriately prorated by the Administrator of Veterans' Affairs.

EDUCATION LOAN ELIGIBILITY

SEC. 202. Section 1798 of title 38, United States Code, is amended by—

(1) striking out in subsection (b) (3) "\$1,500" and inserting in lieu thereof "\$2,500";

(2) amending subsection (c) by—

Waiver.

(A) striking out the semicolon at the end of clause (1) and inserting in lieu thereof a comma and "except that the Administrator may waive the requirements of subclause (B) of this clause, in whole or in part, if the Administrator determines, pursuant to regulations which the Administrator shall prescribe, it to be in the interest of the eligible veteran and the Federal Government; and"; and

(B) striking out clause (2) and redesignating clause (3) as clause (2);

(3) inserting in subsection (e) (3) a comma and "separately with respect to loans made under this section the repayment of which is accelerated under section 1682A of this title and loans made under this section the repayment of which is not so accelerated" after "institutions"; and

Ante, p. 1436.

(4) inserting at the end thereof the following new subsection:
 “(f) (1) At the time of application by any eligible veteran for a loan under this section, such veteran shall assign to the benefit of the Veterans’ Administration (for deposit in the Veterans’ Administration Education Loan Fund established under section 1799 of this title) the amount of any accelerated payment to which such eligible veteran may become entitled from the Administrator and any matching contribution by a State or local governmental unit pursuant to section 1682A(b) (8) of this title in connection with the school term for which such veteran has applied.

Accelerated payments, assignment for benefit of VA.

“(2) Payment of a loan made under this section shall be drawn in favor of the eligible veteran and mailed promptly to the educational institution in which such veteran is enrolled. Such institution shall deliver such payment to the eligible veteran as soon as practicable after receipt thereof. Upon delivery of such payment to the eligible veteran, such educational institution shall promptly submit to the Administrator a certification, on such form as the Administrator shall prescribe, of such delivery, and such delivery shall be deemed to be an advance payment under section 1780(d) (5) of this title for purposes of section 1784(b) of this title.

Ante, p. 1437.

Loan payment delivery.

Delivery certification.

38 USC 1780.
Post, p. 1442.

“(3) For purposes of this subsection, the term ‘eligible veteran’ includes eligible person as such term is defined in section 1701(1) of this title.”

“Eligible veteran.”

DELIMITING PERIOD EXTENSION

38 USC 1701.

SEC. 203. (a) (1) Section 1662 of title 38, United States Code, is amended by striking out the period at the end of subsection (a) and inserting in lieu thereof a semicolon and “except that, in the case of any eligible veteran who was prevented from initiating or completing such veteran’s chosen program of education within such time period because of a physical or mental disability which was not the result of such veteran’s own willful misconduct, such veteran shall, upon application, be granted an extension of the applicable delimiting period for such length of time as the Administrator determines, from the evidence, that such veteran was prevented from initiating or completing such program of education.”

Eligibles with physical or mental disability.

(2) Section 1712(b) of title 38, United States Code, is amended by—

(A) inserting “(1)” after “(b)”,

(B) redesignating clauses (1) and (2) as clauses (A) and (B), and

(C) adding at the end thereof the following new paragraph:

“(2) Notwithstanding the provisions of paragraph (1) of this subsection, in the case of any eligible person (as defined in section 1701(a) (1) (B), (C), or (D) of this chapter) who was prevented from initiating or completing such person’s chosen program of education within such period because of a physical or mental disability which was not the result of such person’s own willfull misconduct, such person shall, upon application, be granted an extension of the applicable delimiting period for such length of time as the Administrator determines, from the evidence, that such person was prevented from initiating or completing such program of education.”

38 USC 1701.

(b) (1) Section 1662(a) of title 38, United States Code, is further amended by inserting “(1)” after “(a)” and inserting at the end thereof the following new paragraph:

Certain full-time students, completion period, extension.

“(2) (A) Notwithstanding the provisions of paragraph (1) of this subsection, any veteran shall be permitted to use any of such veteran’s

38 USC 1661.

38 USC 1798.

Delimiting period
extension,
duration.

38 USC 1770 *et*
seq.

unused entitlement under section 1661 of this title for the purposes of eligibility for an education loan, pursuant to the provisions of subchapter III of chapter 36 of this title, after the delimiting date otherwise applicable to such veteran under such paragraph (1), if such veteran was pursuing an approved program of education on a full-time basis at the time of the expiration of such veteran's eligibility.

"(B) Notwithstanding any other provision of this chapter or chapter 36 of this title, any veteran whose delimiting period is extended under subparagraph (A) of this paragraph may continue to use any unused loan entitlement under this paragraph as long as the veteran continues to be enrolled on a full-time basis in pursuit of the approved program of education in which such veteran was enrolled at the time of expiration of such veteran's eligibility (i) until such entitlement is exhausted, (ii) until the expiration of two years after the date of enactment of this paragraph or the date of the expiration of the delimiting date otherwise applicable to such veteran under paragraph (1) of this subsection, whichever is later, or (iii) until such veteran has completed the approved program of education in which such veteran was enrolled at the end of the delimiting period referred to in paragraph (1) of this subsection, whichever occurs first."

(2) Section 1712 of title 38, United States Code, is amended by redesignating subsection (f) as subsection (g) and inserting after subsection (e) the following new subsection:

"(f) Any eligible person (as defined in section 1701(a)(1) (B), (C), or (D) of this chapter) shall be entitled to an additional period of eligibility for an education loan under subchapter III of chapter 36 of this title beyond the maximum period provided for in this section pursuant to the same terms and conditions set forth with respect to an eligible veteran in section 1662(a)(2) of this title."

Ante, p. 1439.

TITLE III—OTHER EDUCATION AND TRAINING AMENDMENTS

CITATION OF AUTHORITY

Rules,
regulations,
guidelines,
interpretations,
or orders.

SEC. 301. Section 210(c)(1) of title 38, United States Code, is amended by inserting at the end thereof the following new sentence: "Any rules, regulations, guidelines, or other published interpretations or orders, or any amendment thereto, issued pursuant to the authority granted by this subsection or any other provision of this title shall contain, immediately following each substantive provision of such rules, regulations, guidelines, or other published interpretations or orders, or any amendment thereto, citations to the particular section or sections of statutory law or other legal authority upon which such rule, regulation, guideline, or other published interpretation or order is based or, in the case of any amendment thereto, upon which such amendment and the rule, regulation, guideline, interpretation or order being amended is based."

COUNSELING SERVICES AND PRE-DISCHARGE EDUCATION PROGRAM REPORT ELIMINATION

SEC. 302. (a) Section 1663 of title 38, United States Code, is amended by—

(1) striking out the first sentence and inserting in lieu thereof

"The Administrator shall make available to any eligible veteran, upon such veteran's request, counseling services, including such educational and vocational counseling and guidance, testing, and

other assistance as the Administrator deems necessary to aid such veteran in selecting (1) an educational or training objective and an educational institution or training establishment appropriate for the attainment of such objective, or (2) an employment objective that would be likely to provide such veteran with satisfactory employment opportunities in light of such veteran's personal circumstances." ; and

(2) inserting at the end thereof the following new sentence: "The Administrator shall take appropriate steps (including individual notification where feasible) to acquaint all eligible veterans with the availability and advantages of such counseling services."

(b) Section 1698(b) of title 38, United States Code, is amended by striking out "and periodically thereafter submits progress reports with respect to the implementation of such plan," after "report),".

STATE APPROVING AGENCY REIMBURSEMENT AND REPORT

SEC. 303. Section 1774 of title 38, United States Code, is amended by—

(1) 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:

Administrative
expenses.

"Total salary cost reimbursable under this section	Allowable for administrative expense
\$5,000 or less-----	\$630.
Over \$5,000 but not exceeding \$10,000-----	\$1,134.
Over \$10,000 but not exceeding \$35,000-----	\$1,134 for the first \$10,000 plus \$1,050 for each additional \$5,000 or fraction thereof.
Over \$35,000 but not exceeding \$40,000-----	\$6,862.
Over \$40,000 but not exceeding \$75,000-----	\$6,862 for the first \$40,000 plus \$908 for each additional \$5,000 or fraction thereof.
Over \$75,000 but not exceeding \$80,000-----	\$13,608.
Over \$80,000-----	\$13,608 for the first \$80,000 plus \$793 for each additional \$5,000 or fraction thereof." ;

and

(2) inserting at the end thereof the following new subsection:

"(c) Each State and local agency with which the Administrator contracts or enters into an agreement under subsection (a) of this section shall report to the Administrator on September 30, 1978, and periodically, but not less often than annually, thereafter, as determined by the Administrator, on the activities in the preceding twelve months (or the period which has elapsed since the last report under this subsection was submitted) carried out under such contract or agreement. Each such report shall describe, in such detail as the Administrator shall prescribe, services performed and determinations made in connection with ascertaining the qualifications of educational institutions in connection with this chapter and chapters 32, 34, and 35 of this title and in supervising such institutions.

Contracts or
agreements.
Report to
Administrator.

38 USC 1601,
1651, 1700.

REPORTING FEES, INSTITUTIONAL ATTENDANCE REQUIREMENTS,
AND VOCATIONAL COURSE MEASUREMENT

SEC. 304. (a) Chapter 36 of title 38, United States Code, is amended by—

38 USC 1784.

(1) amending section 1784(b) by—

(A) striking out “\$5” and “\$6” in the second sentence and inserting in lieu thereof “\$7” and “\$11”, respectively; and

(B) inserting at the end thereof the following new sentence: “No reporting fee payable to an educational institution under this subsection shall be subject to offset by the Administrator against any liability of such institution for any overpayment for which such institution may be administratively determined to be liable under section 1785 of this title unless such liability is not contested by such institution or has been upheld by a final decree of a court of appropriate jurisdiction.”;

Infra.

38 USC 1785.

(2) amending section 1785 by—

(A) inserting in the first sentence a comma and “except as otherwise provided in section 1784(b) of this title,” after “recovered”; and

(B) inserting at the end thereof the following new sentence: “Nothing in this section or any other provision of this title shall be construed as requiring any institution of higher learning to maintain daily attendance records for any course leading to a standard college degree.”; and

Supra.

38 USC 1788.

(3) amending section 1788(a) by—

(A) inserting in clause (1) “and not more than 5 hours of supervised study” after “two and one-half hours of rest periods”; and

(B) striking out in clause (1) “27” and inserting in lieu thereof “22”;

(C) inserting in clause (2) “and not more than 5 hours of supervised study” after “net of instruction” the first time it appears; and

(D) striking out in clause (2) “22” and inserting in lieu thereof “18”.

Study.
38 USC 1792
note.

(b) (1) The Administrator of Veterans' Affairs, in consultation with the Advisory Committee formed pursuant to section 1792 of title 38, United States Code, shall provide for the conduct of an independent study of the operation of the programs of educational assistance carried out under chapters 34 and 36 of title 38, United States Code. Such study shall include a detailed examination and analysis of the extent to which eligible veterans (A) have utilized their entitlements (broken down by State, type of program, and post-Korean-Conflict-pre-Vietnam-era and Vietnam-era service periods), including the extent to which they have successfully completed their programs of education or attained their educational or vocational objectives; and (B) have readjusted successfully to civilian life in terms of employment achievement and satisfaction and family and other interpersonal relationships. A report of such study shall be submitted to the President and the Congress not later than September 30, 1979.

38 USC 1651,
1770.

(2) For the purposes of carrying out paragraph (1) of this subsection, there are authorized to be appropriated \$2,000,000.

Report to
President and
Congress.
Appropriation
authorization.

OPERATION PERIOD WAIVER, EDUCATIONAL INSTITUTION AND
ADMINISTRATIVE PROCEDURES

SEC. 305. (a) (1) Section 1789 of title 38, United States Code, is amended by—

(A) inserting at the end of subsection (b) immediately below clause (6) the following new sentence:

"The Administrator may waive the requirements of clause (6) of this subsection, in whole or in part, if the Administrator determines, pursuant to regulations which the Administrator shall prescribe, it to be in the interest of the eligible veteran and the Federal Government."; and

(B) adding at the end of subsection (c) the following new sentence: "The Administrator may waive the requirements of this subsection, in whole or in part, if the Administrator determines, pursuant to regulations which the Administrator shall prescribe, it to be in the interest of the eligible veteran and the Federal Government."

(2) Section 1673(d) of title 38, United States Code, is amended by—

(A) inserting in the second sentence a comma and "pursuant to regulations which the Administrator shall prescribe," after "determines"; and

(B) inserting at the end thereof the following new sentences: "The provisions of this subsection shall not apply to any course offered by an educational institution if the total number of veterans and persons receiving assistance under this chapter or chapter 31, 32, 35, or 36 of this title who are enrolled in such institution equals 35 per centum or less, or such other per centum as the Administrator prescribes in regulations, of the total student enrollment at such institution (computed separately for the main campus and any branch or extension of such institution), except that the Administrator may apply the provisions of this subsection with respect to any course in which the Administrator has reason to believe that the enrollment of such veterans and persons may be in excess of 85 per centum of the total student enrollment in such course."

(3) The Administrator of Veterans' Affairs, in consultation with other appropriate departments and agencies, shall conduct a study to examine the need for computing, under section 1673(d) of title 38, United States Code, the percentage of those students enrolled in courses at educational institutions who are in receipt of grants from any Federal department or agency, and the problems of such institutions in making such latter computations, and shall, not later than September 30, 1978, submit a report to the Congress indicating whether such computations are needed and prescribing in detail an adequate system for making such computations. Until the expiration of six months after the date of submission of such report and until such time as the Administrator shall determine, based on such report, that there is an adequate and feasible system for making such computations and that it is desirable and necessary to make such computations, the Administrator shall not apply the provisions contained in section 1673(d) of title 38, United States Code, requiring educational institutions in determining compliance with such subsection to compute the numbers of students in receipt of Federal grants other than from the Veterans' Administration.

(b)(1) Sections 1674 and 1724 of title 38, United States Code, are amended by inserting a comma and "or within such other length of time (exceeding such approved length) as the Administrator determines to be reasonable in accordance with regulations" before the period at the end of the second sentence in each section.

(2) The Administrator of Veterans' Affairs, in consultation with appropriate bodies, officials, persons, departments, and agencies, shall

Waiver.
38 USC 1789.

Waiver.

Enrollment in
certain courses,
disapproval.
Regulations.

38 USC 1501,
1601, 1700,
1770.

Study.
Report to
Congress.
38 USC 1673
note.
Supra.

Study.
38 USC 1674
note.

38 USC 1601,
1651, 1700,
1770.

Report to
President and
Congress.
Legislative
recommenda-
tions.

Appropriation
authorization.
Amendments,
suspension of
implementation.

38 USC 1776.

Undue hardship,
relief.
38 USC 3101
note.

38 USC 1695.

conduct a study to investigate (A) specific methods of improving the process by which postsecondary educational institutions and courses at such institutions are and continue to be approved for purposes of chapters 32, 34, 35, and 36 of title 38, United States Code; and (B) in recognition of the importance of assuring that Federal assistance is made available to those eligible veterans and persons seriously pursuing and making satisfactory progress toward an educational or vocational objective under such chapters, the need for legislative or administrative action in regard to sections 1674 and 1724 of title 38, United States Code, and the regulations prescribed thereunder. A report of such study, together with such specific recommendations for administrative or legislative action as the Administrator deems appropriate, shall be submitted to the President and the Congress not later than September 30, 1979, except that the portion of the report of such study described in clause (B) of the preceding sentence shall be submitted not later than September 30, 1978.

(3) For the purpose of carrying out paragraph (1) of this subsection, there are authorized to be appropriated \$1,000,000.

(4) (A) Until such time as the Administrator submits the report required under the second sentence of paragraph (2) of this subsection, the Administrator shall suspend implementation of the amendments to sections 1674 and 1724 of title 38, United States Code, made by sections 206 and 307, respectively, of Public Law 94-502, in the case of any accredited educational institution which submits to the Administrator its course catalog or bulletin and a certification that the policies and regulations described in clauses (6) and (7) of section 1776(b) are being enforced by such institution, unless the Administrator finds, pursuant to regulations which the Administrator shall prescribe, that such catalog or bulletin fails to state fully and clearly such policies and regulations.

(B) The Administrator shall, where appropriate, bring to the attention of the Council on Postsecondary Accreditation and the appropriate accrediting and licensing bodies such catalogs, bulletins, and certifications submitted under subparagraph (A) of this paragraph which the Administrator believes may not be in compliance with the standards of such accrediting and licensing body.

(c) (1) Where an educational institution—

(A) has in its possession veterans' or eligible persons' benefit checks made payable to a veteran or eligible person and mailed to such educational institution for a course offered (i) under the provisions of subchapter VI of chapter 34 of title 38, United States Code, or (ii) at a location not in a State under the provisions of section 1676 of title 38, United States Code, and which course was commenced by such veteran or eligible person prior to December 1, 1976, and completed not later than June 30, 1977; and

(B) holds a power of attorney executed by the veteran or eligible person prior to December 1, 1976, authorizing the educational institution to negotiate such benefit check,

the Administrator may, where the Administrator finds there is undue hardship on such educational institution, provide such relief as the Administrator determines equitable pursuant to regulations which the Administrator shall prescribe.

(2) Where an accredited correspondence school—

(A) has in its possession veterans' or eligible persons' benefit checks made payable to a veteran or eligible person and mailed to such school for lessons completed by the veteran or eligible person

under section 1786 of this title and serviced by the school prior to January 1, 1977; and

(B) holds a power of attorney executed by the veteran or eligible person prior to December 1, 1976, authorizing the school to negotiate such benefit check,

the Administrator may, where the Administrator finds that there is undue hardship on such educational institution and the courses were taken by veterans or eligible persons residing in a State, provide such relief as the Administrator determines equitable pursuant to regulations which the Administrator shall prescribe.

Ante, p. 1435.

TERMINATION OF ASSISTANCE REQUIREMENTS

SEC. 306. Section 1790(b) of title 38, United States Code, is amended by inserting "(1)" after "(b)", and inserting at the end thereof the following new paragraph:

"(2) Any action by the Administrator under paragraph (1) of this subsection to discontinue (including to suspend) assistance provided to any eligible veteran or eligible person under this chapter or chapter 31, 32, 34, or 35 of this title shall be based upon evidence that the veteran or eligible person is not or was not entitled to such assistance. Whenever the Administrator so discontinues any such assistance, the Administrator shall concurrently provide written notice to such veteran or person of such discontinuance and that such veteran or person is entitled thereafter to a statement of the reasons therefor such action and an opportunity to be heard thereon."

38 USC 1501,
1651, 1700,
1770.
Notice.

VOCATIONAL REHABILITATION STUDY

SEC. 307. The Administrator of Veterans' Affairs, in consultation with the Commissioner of Rehabilitation Services, Department of Health, Education, and Welfare, shall conduct a study in regard to the provisions of chapter 31 of title 38, United States Code. The report of such study shall include (1) the Administrator's recommendations for legislative or administrative changes in such chapter, (2) the Administrator's recommendations with regard to the need for the services of vocational rehabilitation specialists to provide chapter 31 trainees with appropriate job development and job placement assistance, and (3) the Administrator's recommendations for utilizing the veterans education programs provided by chapters 32, 34, 35, and 36 of such title to meet the needs of disabled veterans eligible for assistance under such chapter 31 and such other chapters. Such report shall also include a description and analysis of the scope and quality of vocational rehabilitation assistance provided under such chapter 31 in comparison with vocational rehabilitation services provided under the Rehabilitation Act of 1973 (29 U.S.C. 701 et seq.). The report of such study shall be submitted to the President and the Congress not later than March 1, 1978.

Consultation.
38 USC 1501
note.
Report.
Contents.

38 USC 1770.

Report to
President and
Congress.

VETERANS READJUSTMENT APPOINTMENTS REPORT

SEC. 308. Section 2014(b) of title 38, United States Code, is amended by inserting at the end thereof the following new sentence: "The Chairman of the Civil Service Commission shall submit to the President and the Congress, not later than six months after the date of enactment of the GI Bill Improvement Act of 1977, a report on the need for the continuation after June 30, 1978, of the authority for veterans readjustment appointments contained in this subsection."

Report to
President and
Congress.

TECHNICAL AMENDMENTS

SEC. 309. (a) Section 101(29) of title 38, United States Code, is amended by striking out "such date as shall thereafter be determined by Presidential proclamation or concurrent resolution of the Congress" and inserting in lieu thereof "May 7, 1975".

(b) Section 2007(c) of title 38, United States Code, is amended by striking out "2001" and inserting in lieu thereof "2004".

VETERANS COST-OF-INSTRUCTION TRANSFER AUTHORITY

38 USC 246 note.

20 USC
1070e-1.

SEC. 310. (a) Notwithstanding any other provision of law, (1) the Administrator of Veterans' Affairs is authorized to administer, pursuant to an interagency agreement, the programs carried out under the provisions of section 420 of the Higher Education Act of 1965; (2) the Commissioner of Education, with the approval of the Secretary of Health, Education, and Welfare, is authorized to enter into such interagency agreement to transfer to the Administrator the functions, powers, and duties of the Commissioner under such section; and (3) pursuant to any such agreement, funds appropriated to such Department or the Office of Education in such Department for the purpose of carrying out such section shall be transferred from the Department to the Veterans' Administration for use for the purposes for which such funds are authorized and appropriated. Any such agreement shall provide, for such period of time as may be agreed upon by the Commissioner and the Administrator, for such appropriate technical and support assistance by the Commissioner as the Commissioner and the Administrator agree are necessary to facilitate the implementation of this section.

(b) Effective on the date on which the Commissioner of Education transfers to the Administrator of Veterans' Affairs, under authority of subsection (a) of this section, all functions, powers, and duties assigned to the Commissioner under section 420 of the Higher Education Act of 1965 such section is superceded and chapter 3 of title 38, United States Code, is amended by—

(1) inserting after section 245 the following new section:

38 USC 246.

"§ 246. Veterans cost-of-instruction payments to institutions of higher learning

"(a) (1) During the period beginning on July 1, 1972, and ending on September 30, 1979, each institution of higher learning shall be entitled to a payment under, and in accordance with, this section during any fiscal year if—

38 USC 1501.

38 USC 1651.

"(A) the number of persons who are veterans receiving vocational rehabilitation under chapter 31 of this title or veterans receiving educational assistance under chapter 34 of of this title, and who are in attendance as undergraduate students at such institution during any academic year, equals at least—

"(i) 110 per centum of the number of such recipients who were in attendance at such institution during the preceding academic year, or

"(ii) 10 per centum of the total number of undergraduate students in attendance at such institution during such academic year and if such number does not constitute a per centum of such undergraduate students which is less than such per centum for the preceding academic year; and

"(B) the number of such persons is at least 25.

"(2) During the period specified in paragraph (1) of this subsection, each institution which has qualified for a payment under

this section for any fiscal year shall be entitled during the succeeding year, notwithstanding such paragraph (1), to a payment under and in accordance with this section, if the number of persons referred to in such paragraph (1) equals at least the number of such persons who were in attendance at such institution during the preceding academic year or equals at least the minimum number of such persons necessary to establish eligibility to entitlement under such paragraph (1) during the preceding academic year, whichever is the lesser. Each institution which is entitled to a payment for any fiscal year by reason of the preceding sentence shall be deemed, for the purposes of any such year succeeding the year for which it is so entitled, to have been entitled to a payment under such paragraph (1) during the preceding fiscal year.

“(b) (1) The amount of the payment to which any institution shall be entitled under this section for any fiscal year shall be—

“(A) \$300 for each veteran receiving vocational rehabilitation under chapter 31 of this title, or educational assistance under chapter 34 of this title, who is in attendance at such institution as an undergraduate student during such year; and 38 USC 1501.
38 USC 1651.

“(B) in addition, \$150, except in the case of a veteran on behalf of whom the institution has received a payment in excess of \$150 under section 419 of the Higher Education Act of 1965 for each veteran who has been the recipient of educational assistance under subchapter V or subchapter VI of chapter 34 of this title and who is in attendance at such institution as an undergraduate student during such year. 20 USC 1070e.

“(2) In any case where a veteran on behalf of whom a payment is made under this section is enrolled in an institution on less than a full-time basis, the amount of the payment on behalf of such veteran shall be reduced in proportion to the degree to which such veteran is not enrolled on a full-time basis.

“(c) (1) An institution of higher education shall be eligible to receive the payment to which it is entitled under this section only if it makes application therefor to the Administrator. An application under this section shall be submitted at such time or times, in such manner, in such form, and containing such information as the Administrator determines necessary to carry out the functions assigned to the Administrator under this section, and shall—

“(A) meet the requirements set forth in clauses (A) and (B) of section 419(c) (1) of the Higher Education Act of 1965;

“(B) set forth such plans, policies, assurances, and procedures as will ensure that the applicant will make an adequate effort—

“(i) to maintain a full-time office of veterans' affairs which has responsibility for veterans' outreach, recruitment, and special education programs, including the provisions of educational, vocational, and personal counseling for veterans, Full-time office of veterans' affairs.

“(ii) to carry out programs designed to prepare educationally disadvantaged veterans for postsecondary education (I) under subchapter V of chapter 34 of this title, and

(II) in the case of any institution located near a military installation, under subchapter VI of such chapter 34, 38 USC 1690.

“(iii) to carry out active outreach (with special emphasis on educationally disadvantaged veterans), recruiting, and counseling activities through the use of funds available under federally-assisted work-study program (with special emphasis on the veteran-student services program under section 1685 of this title), and 38 USC 1695.

“(iv) to carry out an active tutorial assistance program

Tutorial program.

(including dissemination of information regarding such program) in order to make maximum use of the benefits available under section 1692 of this title.

**Consortium
agreements.**

Notwithstanding clause (B) of the preceding sentence, an institution with less than 2,500 students in attendance which the Administrator determines, in accordance with regulations jointly prescribed by the Administrator and the Commissioner of Education, Department of Health, Education, and Welfare, cannot feasibly itself carry out any or all of the programs set forth in subclauses (i) through (iv) of clause (B) of the preceding sentence, may carry out such program or programs through a consortium agreement with one or more other institutions of higher education, and shall be required to carry out such programs only to the extent that the Administrator determines, in accordance with regulations jointly prescribed by the Administrator and the Commissioner of Education, is appropriate in terms of the number of veterans in attendance at such institution. The adequacy of efforts to meet the requirements of such clause (B) shall be determined by the Administrator, in consultation with the Commissioner of Education, based upon criteria established in regulations jointly prescribed by them.

Consultation.

“(2) The Administrator shall not approve an application under this subsection unless the Administrator determines that the applicant will implement the requirements of clause (B) of paragraph (1) of this subsection within the first academic year during which such institution receives a payment under this section.

Payments.

“(d) (1) The Administrator shall pay to each institution of higher learning which has had an application approved under subsection (c) of this section the amount to which it is entitled under this section. Payments under this subsection shall be made in not less than three installments during each academic year and shall be based on the actual number of veterans on behalf of whom such payments are made in attendance at the institution at the time of the payment.

Limitation.

“(2) The maximum amount of payments to any institution of higher learning, or any branch thereof which is located in a community which is different from that in which the parent institution thereof is located, in any fiscal year, shall be \$135,000. In making payments under this section for any fiscal year, the Administrator shall apportion the appropriation for making such payments, from funds which become available as a result of the limitation on payments set forth in the preceding sentence, in such a manner as will result in the receipt by each institution which is eligible for a payment under this section of first \$9,000 (or the amount of its entitlement for that fiscal year, whichever is the lesser) and then additional amounts up to the limitation set forth in the preceding sentence.

Waiver.

“(e) Not less than 75 per centum of the amounts paid to any institution under subsection (d) of this section in any fiscal year shall be used to implement the requirement of clause (B) (i) of paragraph (1) of subsection (c) of this section, and, to the extent that such funds remain after implementing such requirements, funds limited by such 75 per centum requirement shall be used for implementing the requirements of clauses (B) (ii), (iii), and (iv) of such paragraph (1), except that the Administrator may, in accordance with criteria established in regulations jointly prescribed by the Administrator and the Commissioner of Education, waive the requirement of this subsection to the extent that the Administrator finds that such institution is adequately carrying out all such requirements without the necessity for such application of such amount of the payments received under this subsection.

"(f) The Administrator, in carrying out the provisions of this section, shall seek to assure the coordination of programs assisted under this section with programs carried out by the Commissioner of Education pursuant to the Higher Education Act of 1965, and the Commissioner shall provide all assistance, technical consultation, and information otherwise authorized by law as necessary to promote the maximum effectiveness of the activities and programs assisted under this section.

20 USC 1001
note.

"(g) The program provided for in this section shall be administered by an identifiable administrative unit in the Veterans' Administration."; and

(2) inserting in the table of sections at the beginning of such chapter

"246. Veterans' cost-of-instruction payments to institutions of higher learning." below

"245. Report to Congress."

HOUSING SOLAR ENERGY AND WEATHERIZATION STUDY

SEC. 311. In accordance with the national policy to conserve energy and promote the maximum utilization of solar energy, the Administrator of Veterans' Affairs, in consultation with the Secretary of Energy and the Secretary of Housing and Urban Development, shall conduct a study to determine the most effective specific methods of using the programs carried out under, or amending the provisions of, chapter 37 of title 38, United States Code, in order to aid and encourage present and prospective veteran homeowners to install in their homes solar heating, solar heating and cooling, or combined solar heating and cooling, and to apply residential energy conservation measures. The report of such study shall include a description of plans for administrative action to carry out such national policy as well as such recommendations for legislative action as the Administrator deems appropriate, and shall be submitted to the President and the Congress not later than March 1, 1978.

Study.
38 USC 1820
note.

38 USC 1801.

Report to
President and
Congress.
Legislative
recommendations.

TITLE IV—WOMEN'S AIR FORCES SERVICE PILOTS

Sec. 401. (a) (1) Notwithstanding any other provision of law, the service of any person as a member of the Women's Air Forces Service Pilots (a group of Federal civilian employees attached to the United States Army Air Force during World War II), or the service of any person in any other similarly situated group the members of which rendered service to the Armed Forces of the United States in a capacity considered civilian employment or contractual service at the time such service was rendered, shall be considered active duty for the purposes of all laws administered by the Veterans' Administration if the Secretary of Defense, pursuant to regulations which the Secretary shall prescribe—

Active duty
status.
38 USC 106 note.

(A) after a full review of the historical records and all other available evidence pertaining to the service of any such group, determines, on the basis of judicial and other appropriate precedent, that the service of such group constituted active military service, and

Record review.

(B) in the case of any such group with respect to which such Secretary has made an affirmative determination that the service of such group constituted active military service, issues to each member of such group a discharge from such service under honor-

Discharge.

and conditions where the nature and duration of the service of such member so warrants.

Discharges issued pursuant to the provisions of the first sentence of this paragraph shall designate as the date of discharge that date, as determined by the Secretary of Defense, on which such service by the person concerned was terminated.

(2) In making a determination under clause (A) of paragraph (1) of this subsection with respect to any group described in such paragraph, the Secretary of Defense may take into consideration the extent to which—

(A) such group received military training and acquired a military capability or the service performed by such group was critical to the success of a military mission,

(B) the members of such group were subject to military justice, discipline, and control;

(C) the members of such group were permitted to resign,

(D) the members of such group were susceptible to assignment for duty in a combat zone, and

(E) the members of such group had reasonable expectations that their service would be considered to be active military service.

Benefits,
payment
limitation.

(b) (1) No benefits shall be paid to any person for any period prior to the date of enactment of this title as a result of the enactment of subsection (a) of this section.

(2) The provisions of section 106(a)(2) of title 38, United States Code, relating to election of benefits, shall be applicable to persons made eligible for benefits, under laws administered by the Veterans' Administration, as a result of implementation of the provisions of subsection (a) of this section.

TITLE V—EFFECTIVE DATES

38 USC 101 note.

SEC. 501. The provisions of this Act shall become effective on the first day of the first month beginning 60 days after the date of enactment of this Act, except that the provisions of title I and section 304(a)(1)(A) shall be effective retroactively to October 1, 1977, the provisions of sections 201 and 202 shall become effective on January 1, 1978, the provisions of section 203 shall be effective retroactively to May 31, 1976, and the provisions of sections 301, 302(2), 304(a)(1)(B), 304(a)(2), 305(a)(3), 305(b)(2), 305(b)(3), 305(b)(4), 305(c), 306, 307, 308, 309, and 310 and of title IV shall be effective upon enactment.

Approved November 23, 1977.

LEGISLATIVE HISTORY:

HOUSE REPORT No. 95-586 (Comm. on Veterans' Affairs).

SENATE REPORTS: No. 95-468 and No. 95-468, pt. II accompanying S. 457 (both from Comm. on Veterans' Affairs).

CONGRESSIONAL RECORD, Vol. 123 (1977):

Sept. 12, considered and passed House.

Oct. 19, considered and passed Senate, amended, in lieu of S. 457.

Nov. 3, House agreed to Senate amendment with an amendment.

Nov. 4, Senate concurred in House amendment.

WEEKLY COMPILATION OF PRESIDENTIAL DOCUMENTS, Vol. 13, No. 48:

Nov. 23, Presidential statement.