

106TH CONGRESS  
1ST SESSION

# H. R. 1182

To amend title 38, United States Code, to expand and improve the Montgomery GI Bill by creating an enhanced educational assistance program for enlistments or reenlistments of four years active duty service, and by eliminating the reduction in pay for basic educational benefits.

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## IN THE HOUSE OF REPRESENTATIVES

MARCH 18, 1999

Mr. STUMP (for himself, Mr. SPENCE, Mr. SMITH of New Jersey, Mr. QUINN, Mr. EVERETT, Mr. HAYWORTH, Mrs. CHENOWETH, Mr. LAHOOD, Mr. HANSEN, Mr. McKEON, Mr. GIBBONS, Mr. TALENT, and Mr. BILIRAKIS) introduced the following bill; which was referred to the Committee on Veterans' Affairs, and in addition to the Committee on Armed Services, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

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## A BILL

To amend title 38, United States Code, to expand and improve the Montgomery GI Bill by creating an enhanced educational assistance program for enlistments or reenlistments of four years active duty service, and by eliminating the reduction in pay for basic educational benefits.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2       This Act may be cited as the “Servicemembers Edu-  
3 cational Opportunity Act of 1999”.

4 **SEC. 2. ENHANCED BENEFITS UNDER MONTGOMERY GI**  
5 **BILL FOR FOUR YEARS OF ACTIVE-DUTY**  
6 **SERVICE.**

7       (a) IN GENERAL.—Chapter 30 of title 38, United  
8 States Code, is amended by adding at the end the fol-  
9 lowing new subchapter:

10       “SUBCHAPTER V—ENHANCED EDUCATIONAL  
11 ASSISTANCE

12 **“§ 3041. Enhanced educational assistance entitlement**

13       “(a) ENTITLEMENT.—An eligible individual is enti-  
14 tled to enhanced educational assistance under this sub-  
15 chapter.

16       “(b) ELIGIBLE INDIVIDUAL DEFINED.—For pur-  
17 poses of this subchapter, the term ‘eligible individual’  
18 means an individual who meets the service requirement  
19 described in subsection (c), who meets the education com-  
20 pletion requirements described in subsection (d), and  
21 whose status after completion of such service is described  
22 in section 3011(a)(3) of this title. Such term does not in-  
23 clude an individual described in paragraph (1) or (2) of  
24 section 3011(c) of this title.

25       “(c) SERVICE REQUIREMENT.—(1) The service re-  
26 quirement referred to in subsection (b) is as follows:

1           “(A) After September 30, 1999, the  
2 individual—

3           “(i) first enters on active duty;

4           “(ii) reenlists or extends an enlistment on  
5 active duty as a member of the Armed Forces;  
6 or

7           “(iii) in the case of an officer, continues to  
8 serve on active duty after that date.

9           “(B) From the date of such entry, reenlistment,  
10 extension, or continuation, as the case may be, the  
11 individual—

12           “(i) serves a continuous period of active  
13 duty of at least four years in the Armed Forces;  
14 or

15           “(ii) serves on active duty in the Armed  
16 Forces and is discharged or released from ac-  
17 tive duty—

18           “(I) as provided in subclause (I) of  
19 section 3011(a)(1)(A)(ii) of this title;

20           “(II) for the convenience of the Gov-  
21 ernment, after having completed not less  
22 that 42 months of continuous active duty;  
23 or

24           “(III) as provided in subclause (III)  
25 of section 3011(a)(1)(A)(ii) of this title.

1       “(2) In determining service under paragraph (1), the  
2 following rules apply:

3               “(A) Any period of service described in para-  
4 graph (2) or (3) of section 3011(d) of this title that  
5 applies to an eligible individual under this section  
6 shall not be considered a part of the individual’s pe-  
7 riod of active duty.

8               “(B) A member described in paragraph (2) of  
9 section 3011(f) of this title who serves the periods  
10 of active duty referred to in such paragraph shall be  
11 deemed to have served a continuous period of active  
12 duty the length of which is the aggregate length of  
13 the periods of active duty referred to in such para-  
14 graph.

15               “(C) Subsections (g) and (h) of section 3011 of  
16 this title apply with respect to an eligible individual  
17 under this section in the same manner as they apply  
18 to an individual under section 3011 of this title.

19       “(d) EDUCATION COMPLETION REQUIREMENTS.—  
20 The education completion requirement referred to in sub-  
21 section (b) is that the individual shall have completed the  
22 requirements of a secondary school diploma (or equiva-  
23 lency certificate) by not later than the original ending date  
24 of the individual’s period of active duty described in sub-  
25 section (c)(1) regardless of whether the individual is dis-

1 charged or released from active duty on such date. An in-  
 2 dividual may meet the requirement of this subsection by  
 3 having been granted credit for the equivalent of 12 semes-  
 4 ter hours in a program of education leading to a standard  
 5 college degree before the end of the individual's period of  
 6 active duty described in subsection (c)(1).

7 “(e) ELECTION OF BASIC EDUCATIONAL ASSIST-  
 8 ANCE.—(1) An eligible individual entitled to enhanced  
 9 educational assistance under this subchapter may elect (in  
 10 a form and manner prescribed by the Secretary) to receive  
 11 basic educational assistance under subchapter II in lieu  
 12 of such enhanced educational assistance for an enrollment  
 13 period. Such an election shall be made by not later than  
 14 30 days before the beginning of the enrollment period.

15 “(2) An eligible individual may revoke an election  
 16 made pursuant to paragraph (1), but in no case may such  
 17 revocation be made later than 30 days before the begin-  
 18 ning of the enrollment period.

19 **“§ 3042. Duration of enhanced educational assistance**

20 “(a) IN GENERAL.—Subject to section 3695 of this  
 21 title and except provided in subsection (b), each individual  
 22 entitled to enhanced educational assistance under section  
 23 3041 of this title is entitled to a monthly enhanced edu-  
 24 cational assistance allowance under this subchapter for a  
 25 period or periods not to exceed a total of 36 months (or

1 the equivalent thereof in part-time enhanced educational  
2 assistance).

3 “(b) SPECIAL RULE FOR CERTAIN EARLY SEPARA-  
4 TIONS.—Subject to section 3695 of this title, in the case  
5 of an individual described in subclause (I) or (III) of sec-  
6 tion 3041(c)(1)(B)(ii) who does not serve a continuous pe-  
7 riod of active duty of at least four years in the Armed  
8 Forces (as described in section 3041(c)(1)(B)(i) of this  
9 title), the individual is entitled to one month of enhanced  
10 educational assistance benefits under this subchapter (not  
11 to exceed a total of 36 months (or the equivalent thereof  
12 in part-time enhanced educational assistance)) for each  
13 month of continuous active duty served by the individual  
14 beginning with the date on which the entry on active duty,  
15 reenlistment, enlistment extension, or continuation appli-  
16 cable to that individual under section 3041(c)(1)(A) of  
17 this title begins.

18 **“§ 3043. Payment of educational expenses**

19 “(a) IN GENERAL.—(1) Subject to paragraph (2), the  
20 Secretary shall pay to the educational institution providing  
21 a course under an approved program of education to an  
22 eligible individual under this subchapter who is enrolled  
23 in the course an amount equal to 90 percent of the actual  
24 cost of tuition and fees otherwise payable by the indi-  
25 vidual.

1       “(2) Such cost may not exceed the amount charged  
2 to similarly circumstanced nonveterans.

3       “(b) STIPEND; COSTS OF BOOKS AND SUPPLIES.—  
4 The Secretary shall pay to each eligible individual under  
5 this subchapter who is pursuing an approved program of  
6 education—

7               “(1) a stipend as provided in section 3044 of  
8 this title; and

9               “(2) in accordance with regulations prescribed  
10 by the Secretary, a sum equal to the reasonable cost  
11 of books and supplies determined to be required by  
12 similarly circumstanced nonveterans.

13       “(c) INCLUSION IN INCOME FOR ELIGIBILITY DE-  
14 TERMINATIONS FOR FEDERAL EDUCATIONAL LOANS.—  
15 For purposes of determining untaxed income and benefits  
16 for eligibility for student assistance under the provisions  
17 of title IV of the Higher Education Act of 1965 (20 U.S.C.  
18 1070 et seq.), amounts payable with respect to an eligible  
19 individual under subsections (a) and (b)(2) shall not be  
20 considered veterans education benefits for purposes of sec-  
21 tion 480(vv) of such Act (20 U.S.C. 1087(vv)).

22       **“§ 3044. Amount of stipend**

23       “(a) IN GENERAL.—Except as provided in section  
24 3042 of this title, the stipend under this subchapter shall

1 be paid at a monthly rate (as that rate may be increased  
2 pursuant to subsection (b)) as follows:

3 “(1) At the monthly rate of \$600 for an ap-  
4 proved program of education pursued on a full-time  
5 basis.

6 “(2) At the monthly rate of \$450 for an ap-  
7 proved program of education pursued on a three-  
8 quarter-time basis.

9 “(3) At the monthly rate of \$300 for an ap-  
10 proved program of education pursued on a half-time  
11 basis.

12 “(4) At the monthly rate of \$150 for an ap-  
13 proved program of education pursued on less than a  
14 half-time basis.

15 “(b) ADJUSTMENT FOR INFLATION.—With respect to  
16 any fiscal year beginning after fiscal year 2000, the Sec-  
17 retary shall increase the rate paid under subsection (a)(1)  
18 for the previous fiscal year by the percentage applicable  
19 under section 3015(g) of this title.

20 **“§ 3045. Tutorial assistance**

21 “An individual entitled to an enhanced educational  
22 assistance allowance under this subchapter shall be enti-  
23 tled to benefits provided an individual under section 3019  
24 of this title, subject to the conditions provided in such sec-  
25 tion.”.

1 (b) CONFORMING AMENDMENTS.—(1) Section 3002  
2 of such title is amended by inserting at the end the fol-  
3 lowing new paragraph:

4 “(9) The term ‘enhanced educational assistance’  
5 means educational assistance provided under subchapter  
6 V.”.

7 (2) Section 3011 of such title is amended in sub-  
8 sections (f)(1) and (g) by striking “chapter” each place  
9 it appears and inserting “subchapter”.

10 (3) Section 3018 of such title is amended by striking  
11 “educational assistance under this chapter” each place it  
12 appears and inserting “educational assistance under this  
13 subchapter”.

14 (4) Section 3018A(a) of such title is amended by  
15 striking “education assistance under this chapter” and in-  
16 serting “educational assistance under this subchapter”.

17 (5) Section 3018B of such title is amended by strik-  
18 ing “education assistance under this chapter” each place  
19 it appears and inserting “educational assistance under  
20 this subchapter”.

21 (6) Section 3018C of such title is amended—

22 (A) in subsection (a), by striking “educational  
23 assistance under this chapter” and inserting “edu-  
24 cational assistance under this subchapter”; and

1 (B) in subsection (b), by striking “education as-  
 2 sistance under this chapter” and inserting “edu-  
 3 cational assistance under this subchapter”.

4 (7) Section 3019 of such title is amended by striking  
 5 out “chapter” each place it appears and inserting in lieu  
 6 thereof “subchapter”.

7 (8) Section 3031 of such title is amended—

8 (A) in subsection (f), by inserting “or 3042 of  
 9 this title” after “section 3013” each place it ap-  
 10 pears; and

11 (B) in subsection (g), by inserting “or  
 12 3031(c)(1)(B)(ii)(III)” after “section  
 13 3011(a)(1)(A)(ii)(III)”.

14 (9) Section 3032(e)(3) of such title is amended by  
 15 inserting “, or section 3044(a)(1)” after “section 3015”.

16 (c) CLERICAL AMENDMENT.—The table of sections  
 17 at the beginning of chapter 30 of title 38, United States  
 18 Code, is amended by adding at the end the following new  
 19 items:

“SUBCHAPTER V—ENHANCED EDUCATIONAL ASSISTANCE

“3041. Enhanced educational assistance entitlement.

“3042. Duration of enhanced educational assistance.

“3043. Payment of educational expenses.

“3044. Amount of stipend.

“3045. Tutorial assistance.”.

20 **SEC. 3. REPEALS OF PAY REDUCTION AND ELECTION OF**  
 21 **BENEFITS.**

22 (a) REPEALS.—

1           (1) ACTIVE DUTY PROGRAM.—(A) Section 3011  
2       of title 38, United States Code, is amended—

3                   (i) by striking subsection (b); and

4                   (ii) in subsection (c), by striking out para-  
5       graph (1) and redesignating paragraphs (2) and  
6       (3) as paragraphs (1) and (2), respectively.

7           (B) Section 3012 of such title is amended—

8                   (i) by striking subsection (c); and

9                   (ii) in subsection (d), by striking out para-  
10      graph (1) and redesignating paragraphs (2) and  
11      (3) as paragraphs (1) and (2), respectively.

12          (2) OPPORTUNITIES TO WITHDRAW ELECTION  
13      NOT TO ENROLL.—(A) Section 3016(a)(1) of such  
14      title is amended by striking “, and does not make  
15      an election under section 3011(c)(1) or section  
16      3012(d)(1)”.

17          (B) Sections 3018A, 3018B, and 3018C of  
18      such title are each amended by adding at the end  
19      the following new subsection:

20      “(e) Notwithstanding subsection (b), no reduction in  
21      the pay of an individual under this section shall be made  
22      for months beginning after September 30, 1999. Any obli-  
23      gation of such individual under subsection (b), as of Sep-  
24      tember 30, 1999, shall be deemed to be fully satisfied as  
25      of such date.”.

1           (3)   TERMINATION   OF   REDUCTIONS   IN  
2   PROGRESS.—Any reduction in the basic pay of an  
3   individual referred to in subsection (b) of section  
4   3011 of title 38, United States Code, by reason of  
5   such subsection, or of any individual referred to in  
6   subsection (c) of section 3012 of such title by reason  
7   of such subsection, shall cease commencing with  
8   months beginning after September 30, 1999, and  
9   any obligation of such individual under such sub-  
10   sections, as the case may be, as of September 30,  
11   1999, shall be deemed to be fully satisfied as of such  
12   date.

13       (b) EDUCATION OUTREACH SERVICES TO MEMBERS  
14 OF THE ARMED FORCES.—Section 3034(e)(1) of title 38,  
15 United States Code, is amended to read as follows:

16       “(e)(1) Not later than one year after an individual  
17 initially enters on active duty as a member of the Armed  
18 Forces, and at such additional times as the Secretary de-  
19 termines appropriate, the Secretary shall furnish the indi-  
20 vidual the information described in paragraph (2).”.

21       (c) EFFECTIVE DATE.—The amendments made by  
22 this section shall take effect on October 1, 1999, and apply  
23 to individuals whose initial obligated period of active duty

- 1 under section 3011 or 3012 of title 38, United States
- 2 Code, as the case may be, begins on or after such date.

