

108TH CONGRESS
1ST SESSION

S. 177

To amend title 38, United States Code, to improve benefits under the Montgomery GI Bill by establishing an enhanced educational assistance program and by repealing the requirement for reduction in pay for participation in the program, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JANUARY 16, 2003

Mr. DAYTON introduced the following bill; which was read twice and referred to the Committee on Veterans' Affairs

A BILL

To amend title 38, United States Code, to improve benefits under the Montgomery GI Bill by establishing an enhanced educational assistance program and by repealing the requirement for reduction in pay for participation in the program, and for other purposes.

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

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Montgomery GI Bill
5 Revitalization Act of 2003”.

1 **SEC. 2. ENHANCED BENEFITS UNDER MONTGOMERY GI**
 2 **BILL FOR FOUR YEARS OF ACTIVE-DUTY**
 3 **SERVICE.**

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

7 “SUBCHAPTER V—ENHANCED EDUCA-
 8 TIONAL ASSISTANCE

9 **“§ 3041. Enhanced educational assistance entitlement**

10 “(a) ENTITLEMENT.—An eligible individual is enti-
 11 tled to enhanced educational assistance under this sub-
 12 chapter.

13 “(b) ELIGIBLE INDIVIDUAL DEFINED.—For pur-
 14 poses of this subchapter, the term ‘eligible individual’
 15 means an individual who meets the service requirement
 16 described in subsection (c) and whose status after comple-
 17 tion of such service is described in section 3011(a)(2) of
 18 this title. Such term does not include an individual de-
 19 scribed in paragraph (1) or (2) of section 3011(c) of this
 20 title.

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

23 “(A) After September 30, 2003, the indi-
 24 vidual—

25 “(i) first enters on active duty;

1 “(ii) reenlists or extends an enlistment on
 2 active duty as a member of the Armed Forces;
 3 or

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

6 “(B) From the date of such entry, reenlistment,
 7 extension, or continuation, as the case may be, the
 8 individual—

9 “(i) serves a continuous period of active
 10 duty of at least four years in the Armed Forces;
 11 or

12 “(ii) serves on active duty in the Armed
 13 Forces and is discharged or released from ac-
 14 tive duty—

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

17 “(II) for the convenience of the Gov-
 18 ernment, after having completed not less
 19 than 42 months of continuous active duty;
 20 or

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

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

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

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

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

17 “(d) ELECTION OF BASIC EDUCATIONAL ASSIST-
 18 ANCE.—(1) An eligible individual entitled to enhanced
 19 educational assistance under this subchapter may elect (in
 20 a form and manner prescribed by the Secretary) to receive
 21 basic educational assistance under subchapter II in lieu
 22 of such enhanced educational assistance for an enrollment
 23 period. Such an election shall be made not later than 30
 24 days before the beginning of the enrollment period.

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

5 **“§ 3042. Duration of enhanced educational assistance**

6 “(a) IN GENERAL.—Subject to section 3695 of this
 7 title and except as provided in subsection (b), each indi-
 8 vidual entitled to enhanced educational assistance under
 9 section 3041 of this title is entitled to a monthly enhanced
 10 educational assistance allowance under this subchapter for
 11 a period or periods not to exceed a total of 36 months
 12 (or the equivalent thereof in part-time enhanced edu-
 13 cational assistance).

14 “(b) SPECIAL RULE FOR CERTAIN EARLY SEPARA-
 15 TIONS.—Subject to section 3695 of this title, in the case
 16 of an individual described in subclause (I) or (III) of sec-
 17 tion 3041(c)(1)(B)(ii) of this title who does not serve a
 18 continuous period of active duty of at least four years in
 19 the Armed Forces (as described in section
 20 3041(c)(1)(B)(i) of this title), the individual is entitled to
 21 one month of enhanced educational assistance benefits
 22 under this subchapter (not to exceed a total of 36 months
 23 (or the equivalent thereof in part-time enhanced edu-
 24 cational assistance)) for each month of continuous active
 25 duty served by the individual beginning with the date on

1 which the entry on active duty, reenlistment, enlistment
 2 extension, or continuation applicable to that individual
 3 under section 3041(c)(1)(A) of this title begins.

4 **“§ 3043. Payment of educational expenses**

5 “(a) IN GENERAL.—(1) Subject to paragraph (2), the
 6 Secretary shall pay to the educational institution providing
 7 a course under an approved program of education to an
 8 eligible individual under this subchapter who is enrolled
 9 in the course the actual cost of tuition and fees otherwise
 10 payable by the individual.

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

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

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

19 “(2) in accordance with regulations prescribed
 20 by the Secretary, an amount equal to the average
 21 cost of books and supplies payable by individuals
 22 pursuing courses of education at educational institu-
 23 tions.

24 “(c) EXCLUSION FROM INCOME FOR ELIGIBILITY
 25 DETERMINATIONS FOR FEDERAL EDUCATIONAL

1 LOANS.—Notwithstanding any other provision of law,
 2 amounts payable by the Secretary under this subchapter
 3 with respect to an eligible individual shall not be consid-
 4 ered as income for purposes of determining eligibility of
 5 such individual for education grants or loans under any
 6 other provision of Federal law.

7 **“§ 3044. Amount of stipend**

8 “(a) IN GENERAL.—Except as provided in section
 9 3042 of this title, the stipend under this subchapter shall
 10 be paid at a monthly rate (as that rate may be increased
 11 pursuant to subsection (b)) as follows:

12 “(1) At the monthly rate of \$900 for an ap-
 13 proved program of education pursued on a full-time
 14 basis.

15 “(2) At the monthly rate of \$700 for an ap-
 16 proved program of education pursued on a three-
 17 quarter-time basis.

18 “(3) At the monthly rate of \$500 for an ap-
 19 proved program of education pursued on a half-time
 20 basis.

21 “(4) At the monthly rate of \$300 for an ap-
 22 proved program of education pursued on less than a
 23 half-time basis.

24 “(b) ADJUSTMENT FOR INFLATION.—With respect to
 25 any fiscal year beginning after fiscal year 2004, the Sec-

1 retary shall increase the rate paid under subsection (a)
 2 for the previous fiscal year by the percentage applicable
 3 under section 3015(h) of this title.

4 **“§ 3045. Tutorial assistance**

5 “An individual entitled to an enhanced educational
 6 assistance allowance under this subchapter shall be enti-
 7 tled to benefits provided an individual under section 3019
 8 of this title, subject to the conditions provided in such sec-
 9 tion.”.

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

13 “(9) The term ‘enhanced educational assistance’
 14 means educational assistance provided under subchapter
 15 V.”.

16 (2) Section 3011 of such title is amended in sub-
 17 section (f)(1) and (g) by striking “chapter” each place it
 18 appears and inserting “subchapter”.

19 (3) Section 3018A(a) of such title is amended by
 20 striking “education assistance under this chapter” and in-
 21 serting “educational assistance under this subchapter”.

22 (4) Section 3018B of such title is amended by strik-
 23 ing “education assistance under this chapter” each place
 24 it appears and inserting “educational assistance under
 25 this subchapter”.

1 (5) Section 3018C of such title is amended by strik-
 2 ing “educational assistance under this chapter” each place
 3 it appears and inserting “educational assistance under
 4 this subchapter”.

5 (6) Section 3019 of such title is amended by striking
 6 “chapter” each place it appears and inserting “sub-
 7 chapter”.

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

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

12 (B) in subsection (h), by inserting “or
 13 3031(c)(1)(B)(ii)(III)” after “section
 14 3011(a)(1)(A)(ii)(III)”.

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

17 (c) CLERICAL AMENDMENT.—The table of sections
 18 at the beginning of chapter 30 of such title is amended
 19 by adding at the end the following new 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.”.

1 **SEC. 3. REPEAL OF PAY REDUCTION, ELECTION OF BENE-**
 2 **FITS, AND HIGH SCHOOL GRADUATION RE-**
 3 **QUIREMENT FOR PARTICIPATION IN BASIC**
 4 **EDUCATIONAL ASSISTANCE UNDER MONT-**
 5 **GOMERY GI BILL.**

6 (a) REPEAL OF PAY REDUCTION AND ELECTION OF
 7 BENEFITS.—

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

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

11 (ii) in subsection (c), by striking paragraph
 12 (1) and redesignating paragraphs (2) and (3)
 13 as paragraphs (1) and (2), respectively.

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

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

16 (ii) in subsection (d), by striking para-
 17 graph (1) and redesignating paragraphs (2) and
 18 (3) as paragraphs (1) and (2), respectively.

19 (2) OPPORTUNITIES TO WITHDRAW ELECTION
 20 NOT TO ENROLL.—(A) Section 3016(a)(1) of such
 21 title is amended by striking “, and does not make
 22 an election under section 3011(c)(1) or section
 23 3012(d)(1)”.

24 (B) Sections 3018A and 3018B of such title
 25 are each amended by adding at the end the following
 26 new subsection:

1 “(e) Notwithstanding subsection (b), no reduction in
 2 the pay of an individual under this section shall be made
 3 for months beginning after September 30, 2003. Any obli-
 4 gation of such individual under subsection (b) as of such
 5 date shall be deemed to be fully satisfied as of such date.”.

6 (C)(i) Section 3018C(e) of such title is amend-
 7 ed—

8 (I) by striking paragraphs (3) and (4); and

9 (II) by redesignating paragraph (5) as
 10 paragraph (3).

11 (ii) Section 3018C of such title is amended by
 12 adding at the end the following new subsection:

13 “(f) Notwithstanding subsection (b), no reduction in
 14 the pay of an individual under this section shall be made
 15 for months beginning after September 30, 2003. Any obli-
 16 gation of such individual under subsection (b) as of such
 17 date shall be deemed to be fully satisfied as of such date.”.

18 (3) EFFECTIVE DATE.—The amendments made
 19 by this subsection shall take effect on October 1,
 20 2003, and apply to individuals whose initial obli-
 21 gated period of active duty under section 3011 or
 22 3012 of title 38, United States Code, as the case
 23 may be, begins on or after such date.

24 (4) TERMINATION OF PAY REDUCTIONS IN
 25 PROGRESS.—Any reduction in the basic pay of an

1 individual referred to in subsection (b) of section
 2 3011 of title 38, United States Code, by reason of
 3 such subsection, or of any individual referred to in
 4 subsection (c) of section 3012 of such title by reason
 5 of such subsection, shall cease commencing with
 6 months beginning after September 30, 2003, and
 7 any obligation of such individual under such sub-
 8 sections, as the case may be, as of such date shall
 9 be deemed to be fully satisfied as of such date.

10 (b) REPEAL OF HIGH SCHOOL GRADUATION RE-
 11 QUIREMENT.—

12 (1) ACTIVE DUTY.—(A) Section 3011(a) of title
 13 38, United States Code, is amended—

14 (i) by striking paragraph (2); and

15 (ii) by redesignating paragraph (3) as
 16 paragraph (2).

17 (B) Section 3012(a) of such title is amended—

18 (i) by striking paragraph (2); and

19 (ii) by redesignating paragraph (3) as
 20 paragraph (2).

21 (2) OPPORTUNITIES TO WITHDRAW ELECTION
 22 NOT TO ENROLL.—(A) Section 3018(b) of such title
 23 is amended—

24 (i) by inserting “and” at the end of para-
 25 graph (3)(C);

1 (ii) by striking paragraph (4); and
 2 (iii) by redesignating paragraph (5) as
 3 paragraph (4).

4 (B)(i) Section 3018A(a) of such title is amend-
 5 ed—

6 (I) by striking paragraph (2);

7 (II) by redesignating paragraphs (3), (4),
 8 and (5) as paragraphs (2), (3), and (4), respec-
 9 tively; and

10 (III) in paragraphs (3) and (4), as so re-
 11 designated, by striking “paragraph (3) of this
 12 subsection” and inserting “paragraph (2)”.

13 (ii) Section 3018A(c) of such title is amended
 14 by striking “subsection (a)(3) of this section” and
 15 inserting “subsection (a)(2)”.

16 (iii) Section 3018A(d)(1) of such title is amend-
 17 ed by striking “subsection (a)(4) of this subsection”
 18 and inserting “subsection (a)(3)”.

19 (C)(i) Section 3018B(a)(1) of such title is
 20 amended—

21 (I) by striking subparagraph (B);

22 (II) by redesignating subparagraphs (C),
 23 (D), and (E) as subparagraphs (B), (C), and
 24 (D), respectively; and

1 (III) in subparagraphs (C) and (D), as so
2 redesignated, by striking “subparagraph (C) of
3 this paragraph” and inserting “subparagraph
4 (B)”.

5 (D)(i) Section 3018B(a)(2) of such title is
6 amended—

7 (I) by striking subparagraph (B);

8 (II) by redesignating subparagraphs (C),
9 (D), and (E) as subparagraphs (B), (C), and
10 (D), respectively;

11 (III) in subparagraph (B), as so redesign-
12 nated, by striking “paragraph (1)(C) of this
13 subsection” and inserting “paragraph (1)(B)”;
14 and

15 (IV) in subparagraphs (C) and (D), as so
16 redesignated, by striking “subparagraph (C)”
17 and inserting “subparagraph (B)”.

18 (ii) Section 3018B(c) of such title is amended
19 by striking “subsection (a)(1)(C) or (a)(2)(C) of this
20 section” and inserting “subsection (a)(1)(B) or
21 (a)(2)(B)”.

22 (iii) Section 3018B(d)(1) of such title is amend-
23 ed by striking “subsection (a)(1)(D) or (a)(2)(D) of
24 this section” and inserting “subsection (a)(1)(C) or
25 (a)(2)(C)”.

1 (E)(i) Section 3018C(a) of such title is amend-
2 ed—

3 (I) by striking paragraph (3);

4 (II) by redesignating paragraphs (4) and
5 (5) as paragraphs (3) and (4), respectively; and

6 (III) in paragraph (3), as so redesignated,
7 by striking “paragraph (5)” and inserting
8 “paragraph (4)”.

9 (ii) Section 3018C(b)(2) of such title is amend-
10 ed by striking “subsection (a)(4)” and inserting
11 “subsection (a)(3)”.

12 (iii) Section 3018C(c)(1) of such title is amend-
13 ed by striking “subsection (a)(5)” and inserting
14 “subsection (a)(4)”.

15 (iv) Section 3018C(e)(1) of such title is amend-
16 ed by striking “elections made under subsection
17 (a)(5)” and inserting “elections made under sub-
18 section (a)(4)”.

19 (v) Section 3018C(e)(2) of such title is amend-
20 ed—

21 (I) by striking subparagraph (C); and

22 (II) by redesignating subparagraph (D) as
23 subparagraph (C).

24 (3) EFFECTIVE DATE.—The amendments made
25 by this subsection shall take effect on October 1,

1 2003, and shall apply with respect to individuals ap-
 2 plying for basic educational assistance under chapter
 3 30 of title 38, United States Code, on or after such
 4 date.

5 (c) EDUCATION OUTREACH SERVICES TO MEMBERS
 6 OF THE ARMED FORCES.—

7 (1) IN GENERAL.—Section 3034(e)(1) of title
 8 38, United States Code, is amended to read as fol-
 9 lows:

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

15 (2) EFFECTIVE DATE.—The amendment made
 16 by paragraph (1) shall take effect on October 1,
 17 2003, and shall apply to individuals whose initial ob-
 18 ligated period of active duty under section 3011 or
 19 3012 of title 38, United States Code, as the case
 20 may be, begins on or after such date.

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