

110TH CONGRESS
2D SESSION

H. R. 5684

To amend title 38, United States Code, to make certain improvements in the basic educational assistance program administered by the Secretary of Veterans Affairs, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

APRIL 2, 2008

Ms. HERSETH SANDLIN (for herself and Mr. BOOZMAN) introduced the following bill; which was referred to the Committee on Veterans' Affairs, and in addition to the Committee on Education and Labor, 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

A BILL

To amend title 38, United States Code, to make certain improvements in the basic educational assistance program administered by the Secretary of Veterans Affairs, 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; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the
5 “Veterans Education Improvement Act of 2008”.

1 (b) TABLE OF CONTENTS.—The table of contents for
 2 this Act is as follows:

- Sec. 1. Short title; table of contents.
- Sec. 2. Increase in amount of basic educational assistance.
- Sec. 3. Extension of time limitation for use of eligibility and entitlement to educational assistance.
- Sec. 4. Monthly stipend for recipients of educational assistance allowance.
- Sec. 5. Extension of period for collection of fee for basic educational assistance.
- Sec. 6. Use of educational assistance for business courses and seminars.
- Sec. 7. Use of educational assistance for courses taken to prepare for licensing or certification tests.
- Sec. 8. Use of educational assistance to repay Federal student loans.
- Sec. 9. Opportunity to withdraw election not to enroll in educational assistance program.
- Sec. 10. Montgomery GI Bill benefits not to reduce financial aid.
- Sec. 11. Extension of increase in benefit for certain individuals pursuing apprenticeships or on-job training.
- Sec. 12. Modification of amount available for reimbursement of State and local agencies administering veterans education benefits.
- Sec. 13. Provision of basic educational assistance benefits for veterans discharged from active duty with general discharge.
- Sec. 14. Increase in amount of reporting fee payable to educational institutions that enroll veterans receiving educational assistance.
- Sec. 15. Provision of additional areas of work-study for veterans.
- Sec. 16. 5-year pilot program for on-campus work-study positions.
- Sec. 17. Increase in employees for Education Service.
- Sec. 18. Upgrade of certain information technology.
- Sec. 19. Modification of advance payment of initial educational assistance or subsistence allowance.

3 **SEC. 2. INCREASE IN AMOUNT OF BASIC EDUCATIONAL AS-**
 4 **SISTANCE.**

5 (a) INCREASE.—Section 3015 of title 38, United
 6 States Code, is amended—

7 (1) in subsection (a)(1)—

8 (A) in subparagraph (A), by striking “Jan-
 9 uary 1, 2002, \$800” and inserting “January 1,
 10 2009, \$1,450”;

11 (B) by striking subparagraphs (B) and
 12 (C); and

1 (C) by redesignating subparagraph (D) as
 2 subparagraph (B); and

3 (2) in subsection (b)(1)—

4 (A) in subparagraph (A), by striking “Jan-
 5 uary 1, 2002, \$650” and inserting “January 1,
 6 2009, \$1,250”;

7 (B) by striking subparagraphs (B) and
 8 (C); and

9 (C) by redesignating subparagraph (D) as
 10 subparagraph (B).

11 (b) EFFECTIVE DATE.—The amendments made by
 12 subsection (a) shall apply with respect to a payment of
 13 educational assistance for a month beginning after the
 14 date that is 90 days after the date of the enactment of
 15 this Act.

16 **SEC. 3. EXTENSION OF TIME LIMITATION FOR USE OF ELI-**
 17 **GIBILITY AND ENTITLEMENT TO EDU-**
 18 **CATIONAL ASSISTANCE.**

19 (a) EXTENSION OF TIME LIMITATION.—Section
 20 3031 of title 38, United States Code, is amended by strik-
 21 ing “10-year period” each place it appears and inserting
 22 “15-year period”.

23 (b) EFFECTIVE DATE.—The amendment made by
 24 subsection (a) shall apply with respect to an individual
 25 who is entitled to educational assistance under chapter 30

1 of such title on the date that is 90 days after the date
 2 of the enactment of this Act or who becomes entitled to
 3 educational assistance under such chapter after such date.

4 **SEC. 4. MONTHLY STIPEND FOR RECIPIENTS OF EDU-**
 5 **CATIONAL ASSISTANCE ALLOWANCE.**

6 (a) ENTITLEMENT TO MONTHLY STIPEND.—Sub-
 7 chapter II of chapter 30 of title 38, United States Code,
 8 is amended by adding at the end the following new section:

9 **“§ 3020A. Educational stipend**

10 “(a) ENTITLEMENT.—Each individual who is receiv-
 11 ing educational assistance under this chapter and who is
 12 pursuing a program of education at an institution of high-
 13 er learning (as such term is defined in section 3452(f) of
 14 this title) is entitled to an educational stipend under this
 15 section.

16 “(b) AMOUNT OF STIPEND.—An educational stipend
 17 under this section shall be paid to an individual who is
 18 entitled to such a stipend—

19 “(1) in the case of an individual pursuing an
 20 approved program of education on at least a half-
 21 time basis, at the monthly rate of \$500; and

22 “(2) in the case of an individual pursuing an
 23 approved program of education on less than a half-
 24 time basis, at the monthly rate of \$250.”.

1 (b) CLERICAL AMENDMENT.—The table of sections
2 at the beginning of such chapter is amended by adding
3 at the end of the items relating to subchapter II the fol-
4 lowing new item:

“3020A. Educational stipend.”.

5 (c) EFFECTIVE DATE.—Section 3020A of title 38,
6 United States Code, as added by subsection (a) shall take
7 effect on the date that is two years after the date of the
8 enactment of this Act and shall apply with respect to
9 months beginning after that date.

10 **SEC. 5. EXTENSION OF PERIOD FOR COLLECTION OF FEE**
11 **FOR BASIC EDUCATIONAL ASSISTANCE.**

12 (a) BASIC EDUCATIONAL ASSISTANCE FOR SERVICE
13 ON ACTIVE DUTY.—Section 3011(b)(1) of title 38, United
14 States Code, is amended—

15 (1) by striking “\$100” and inserting “\$50”;
16 and

17 (2) by striking “12” and inserting “24”.

18 (b) BASIC EDUCATIONAL ASSISTANCE FOR SERVICE
19 IN THE SELECTED RESERVE.—Section 3012(c)(1) of such
20 title is amended—

21 (1) by striking “\$100” and inserting “\$50”;
22 and

23 (2) by striking “12” and inserting “24”.

1 (c) EFFECTIVE DATE.—The amendments made by
2 this section shall take effect on the date that is 90 days
3 after the date of the enactment of this Act.

4 **SEC. 6. USE OF EDUCATIONAL ASSISTANCE FOR BUSINESS**
5 **COURSES AND SEMINARS.**

6 (a) BASIC EDUCATIONAL ASSISTANCE.—Section
7 3452(b) of title 38, United States Code, is amended by
8 adding at the end the following new sentence: “Such term
9 also includes business courses and seminars, if such
10 courses or seminars are related to the operation of a busi-
11 ness. Such term also includes continuing education
12 courses, as designated by the Secretary.”.

13 (b) SURVIVORS’ AND DEPENDENTS’ EDUCATIONAL
14 ASSISTANCE.—Section 3501(a)(5) of title 38, United
15 States Code, is amended by adding at the end the fol-
16 lowing new sentences: “Such term also includes business
17 courses and seminars, if such courses or seminars are re-
18 lated to the operation of a business. Such term also in-
19 cludes continuing education courses, as designated by the
20 Secretary.”.

21 (c) EFFECTIVE DATE.—The amendments made by
22 subsections (a) and (b) shall take effect on the date that
23 is two years after the date of the enactment of this Act.

1 **SEC. 7. USE OF EDUCATIONAL ASSISTANCE FOR COURSES**
2 **TAKEN TO PREPARE FOR LICENSING OR CER-**
3 **TIFICATION TESTS.**

4 (a) BASIC EDUCATIONAL ASSISTANCE.—Section
5 3452(b) of title 38, United States Code, is amended by
6 inserting after the fourth sentence the following new sen-
7 tence: “Such term also includes preparatory courses for
8 licensing or certification tests described in the preceding
9 sentence, as designated by the Secretary.”.

10 (b) SURVIVORS’ AND DEPENDENTS’ EDUCATIONAL
11 ASSISTANCE.—Section 3501(a)(5) of title 38, United
12 States Code, is amended by inserting after the second sen-
13 tence the following new sentence: “Such term also includes
14 preparatory courses for licensing or certification tests de-
15 scribed in the preceding sentence, as designated by the
16 Secretary.”.

17 (c) EFFECTIVE DATE.—The amendments made by
18 subsections (a) and (b) shall take effect on the date that
19 is two years after the date of the enactment of this Act.

20 **SEC. 8. USE OF EDUCATIONAL ASSISTANCE TO REPAY FED-**
21 **ERAL STUDENT LOANS.**

22 (a) IN GENERAL.—Subchapter II of chapter 30 of
23 title 38, United States Code, as amended by section 4,
24 is further amended by inserting after section 3020A the
25 following new section:

1 **“§ 3020B. Use of educational assistance benefits for**
2 **the repayment of Federal student loans**
3 **for certain courses of education**

4 “(a) USE OF BENEFITS.—Notwithstanding any other
5 provision of this chapter, an individual who is serving on
6 active duty and who is entitled to educational assistance
7 under this subchapter may apply amounts of such edu-
8 cational assistance otherwise available to the individual to
9 repay some or all of any Federal student loan balance
10 owed by the individual for a course of education.

11 “(b) LIMITATION ON PAYMENTS.—(1) The amount
12 of an individual’s entitlement to educational assistance
13 that the individual may apply to the repayment of a stu-
14 dent loan balance under subsection (a) may not exceed
15 \$6,000 in any 12-month period.

16 “(2) In no event shall payment of educational assist-
17 ance under this section exceed the amount of the individ-
18 ual’s available entitlement under this chapter.

19 “(c) AMOUNT OF PAYMENTS.—The Secretary shall
20 make monthly payments under this section in such
21 amounts as the individual may elect for the repayment of
22 a Federal student loan of such an individual.

23 “(d) ARRANGEMENTS TO MAKE PAYMENTS.—The
24 Secretary shall enter into such arrangements, and shall
25 prescribe such regulations, as may be necessary to carry
26 out this section.

1 “(e) FEDERAL STUDENT LOAN DEFINED.—In this
 2 section, the term ‘Federal student loan’ means any loan
 3 made under title IV of the Higher Education Act of 1965
 4 (20 U.S.C. 1070 et seq.).”.

5 (b) CLERICAL AMENDMENT.—The table of sections
 6 of subchapter II of chapter 30 of such title is amended
 7 by inserting after the item relating to section 3020 the
 8 following new item:

“3020B. Use of educational assistance benefits for the repayment of Federal
 student loans for certain courses of education.”.

9 (c) EFFECTIVE DATE.—Section 3020B of title 38,
 10 United States Code, as added by subsection (a) shall apply
 11 with respect to educational assistance paid for months be-
 12 ginning after the date that is two years after the date of
 13 the enactment of this Act.

14 **SEC. 9. OPPORTUNITY TO WITHDRAW ELECTION NOT TO**
 15 **ENROLL IN EDUCATIONAL ASSISTANCE PRO-**
 16 **GRAM.**

17 (a) BASIC EDUCATIONAL ASSISTANCE FOR ACTIVE
 18 DUTY SERVICE.—

19 (1) OPPORTUNITY TO WITHDRAW.—Subsection
 20 (c) of section 3011 of title 38, United States Code,
 21 is amended by adding at the end the following new
 22 paragraph:

23 “(4) An individual who makes an election not to re-
 24 ceive educational assistance under paragraph (1) may

1 withdraw that election at any time and, after making such
 2 withdrawal, shall be entitled to educational assistance
 3 under this chapter in the same manner as if the individual
 4 had never made that election, if—

5 “(A) at the time the individual makes such
 6 withdrawal, the individual is serving on active duty
 7 as a member of the Armed Forces; and

8 “(B) the basic pay of the individual is reduced
 9 by, or the individual otherwise pays to the Secretary,
 10 \$1,200 by not later than 90 days after the date on
 11 which the individual is discharged or released from
 12 active duty in the Armed Forces.”.

13 (2) CONFORMING AMENDMENT.—Paragraph (1)
 14 of such subsection is amended in the third sentence
 15 by striking “Any individual” and inserting “Except
 16 as provided in paragraph (4), any individual”.

17 (b) BASIC EDUCATIONAL ASSISTANCE FOR SERVICE
 18 IN THE SELECTED RESERVE.—

19 (1) OPPORTUNITY TO WITHDRAW.—Subsection
 20 (d) of section 3012 of title 38, United States Code,
 21 is amended by adding at the end the following new
 22 paragraph:

23 “(4) An individual who makes an election not to re-
 24 ceive educational assistance under paragraph (1) may
 25 withdraw that election at any time and, after making such

1 withdrawal, shall be entitled to educational assistance
2 under this chapter in the same manner as if the individual
3 had never made that election, if—

4 “(A) at the time the individual makes such
5 withdrawal, the individual is serving on active duty
6 as a member of the Armed Forces; and

7 “(B) the basic pay of the individual is reduced
8 by, or the individual otherwise pays to the Secretary,
9 \$1,200 by not later than 90 days after the date on
10 which the individual is discharged or released from
11 active duty in the Armed Forces.”.

12 (2) CONFORMING AMENDMENT.—Paragraph (1)
13 of such subsection is amended in the third sentence
14 by striking “Any individual” and inserting “Except
15 as provided in paragraph (4), any individual”.

16 (c) EFFECTIVE DATE.—The amendments made by
17 subsections (a) and (b) shall take effect on the date that
18 is 90 days after the date of the enactment of this Act and
19 shall apply with respect to an individual who is serving
20 on active duty as a member of the Armed Forces on or
21 after that date.

1 **SEC. 10. MONTGOMERY GI BILL BENEFITS NOT TO REDUCE**
2 **FINANCIAL AID.**

3 (a) IN GENERAL.—Section 480(j) of the Higher Edu-
4 cation Act of 1965 (20 U.S.C. 1087vv(j)) Act is amend-
5 ed—

6 (1) in paragraph (1), by striking “including vet-
7 erans’ education benefits as defined in subsection
8 (c),” and inserting “including, subject to paragraph
9 (4), veterans’ education benefits as defined in sub-
10 section (c),”; and

11 (2) by adding at the end the following new
12 paragraph:

13 “(4) Notwithstanding paragraph (1), estimated fi-
14 nancial assistance not received under this title shall not
15 include any veterans’ benefits paid under chapter 30 of
16 title 38, United States Code.”.

17 (b) EFFECTIVE DATE.—The amendments made by
18 subsection (a) shall take effect on the date that is 90 days
19 after the date of the enactment of this Act.

20 **SEC. 11. EXTENSION OF INCREASE IN BENEFIT FOR CER-**
21 **TAIN INDIVIDUALS PURSUING APPRENTICE-**
22 **SHIPS OR ON-JOB TRAINING.**

23 (a) SURVIVORS AND DEPENDENTS.—Subsection (c)
24 of such section is amended by striking “January 1, 2008”
25 and inserting “January 1, 2014”.

1 (b) MEMBERS OF THE SELECTED RESERVE.—Sec-
 2 tion 103(d) of the Veterans Earn and Learn Act of 2004
 3 (Public Law 108–454; 38 U.S.C. 3032 note) is amended
 4 by striking “January 1, 2008” and inserting “January 1,
 5 2014”.

6 (c) CERTAIN OTHER INDIVIDUALS.—Section 103(a)
 7 of the Veterans Earn and Learn Act of 2004 (Public Law
 8 108–454; 38 U.S.C. 3032 note) is amended by striking
 9 “January 1, 2008” and inserting “January 1, 2014”.

10 (d) EFFECTIVE DATE.—The amendments made by
 11 this section shall take effect on the date that is 90 days
 12 after the date of the enactment of this Act.

13 **SEC. 12. MODIFICATION OF AMOUNT AVAILABLE FOR REIM-**
 14 **BURSEMENT OF STATE AND LOCAL AGEN-**
 15 **CIES ADMINISTERING VETERANS EDUCATION**
 16 **BENEFITS.**

17 Section 3674(a)(4) of title 38, United States Code,
 18 is amended by striking “\$13,000,000” and all that follows
 19 through “fiscal year 2007,”.

20 **SEC. 13. PROVISION OF BASIC EDUCATIONAL ASSISTANCE**
 21 **BENEFITS FOR VETERANS DISCHARGED**
 22 **FROM ACTIVE DUTY WITH GENERAL DIS-**
 23 **CHARGE.**

24 (a) ACTIVE DUTY SERVICE.—Section 3011(a)(3)(B)
 25 of title 38, United States Code, is amended by inserting

1 “or a general discharge (under honorable conditions)” be-
 2 fore the period at the end.

3 (b) SERVICE IN SELECTED RESERVE.—Section
 4 3012(a)(3)(A) of such title is amended by inserting “or
 5 a general discharge (under honorable conditions)” before
 6 the semicolon.

7 (c) EFFECTIVE DATE.—The amendments made by
 8 subsections (a) and (b) shall apply with respect to an indi-
 9 vidual who is discharged from service in the Armed Forces
 10 after the date that is 90 days after the date of the enact-
 11 ment of this Act.

12 **SEC. 14. INCREASE IN AMOUNT OF REPORTING FEE PAY-**
 13 **ABLE TO EDUCATIONAL INSTITUTIONS THAT**
 14 **ENROLL VETERANS RECEIVING EDU-**
 15 **CATIONAL ASSISTANCE.**

16 (a) INCREASE IN AMOUNT OF FEE.—Subsection (c)
 17 of section 3684 of title 38, United States Code, is amend-
 18 ed—

- 19 (1) by striking “\$7” and inserting “\$21”; and
 20 (2) by striking “\$11” and inserting “\$21”.

21 (b) TECHNICAL CORRECTION.—Subsection (a) of
 22 such section is amended by striking the second comma
 23 after “34”.

1 (c) EFFECTIVE DATE.—The amendments made by
2 subsections (a) and (b) shall take effect on the date that
3 is 90 days after the date of the enactment of this Act.

4 **SEC. 15. PROVISION OF ADDITIONAL AREAS OF WORK-**
5 **STUDY FOR VETERANS.**

6 (a) IN GENERAL.—Subsection (a)(4) of section 3485
7 of title 38, United States Code, is amended by adding at
8 the end the following new subparagraph:

9 “(G) The provision of placement services de-
10 scribed in section 3104(a)(5) of this title at an edu-
11 cational institution carried out under the supervision
12 of a Department employee.”.

13 (b) WORK STUDY FOR STUDENTS ENROLLED ON
14 HALF-TIME BASIS.—Subsection (b) of such section is
15 amended—

16 (1) in the first sentence, by striking “three-
17 quarters” and inserting “half”; and

18 (2) in the third sentence, by striking “three-
19 quarter-time” and inserting “half-time”.

20 (c) EFFECTIVE DATE.—The amendments made by
21 this section shall apply with respect to agreements entered
22 into under section 3485 of title 38, United States Code,
23 after the date that is 90 days after the date of the enact-
24 ment of this Act.

1 **SEC. 16. 5-YEAR PILOT PROGRAM FOR ON-CAMPUS WORK-**
2 **STUDY POSITIONS.**

3 (a) ESTABLISHMENT OF PILOT PROGRAM.—The Sec-
4 retary of Veterans Affairs shall conduct a five-year pilot
5 project to test the feasibility and advisability of expanding
6 the scope of qualifying work-study activities under sub-
7 section (a)(4) of section 3485 of title 38, United States
8 Code, including work-study positions available on site at
9 educational institutions.

10 (b) TYPE OF WORK-STUDY POSITIONS.—The work-
11 study positions referred to in subsection (a) may include
12 positions in academic departments (including positions as
13 tutors or research, teaching, and lab assistants) and in
14 student services (including positions in career centers and
15 financial aid, campus orientation, cashiers, admissions,
16 records, and registration offices).

17 (c) REGULATIONS.—The Secretary shall prescribe
18 regulations to carry out the pilot project under this sec-
19 tion, including regulations providing for the supervision of
20 work-study positions referred to in subsection (a) by ap-
21 propriate personnel.

22 (d) AUTHORIZATION OF APPROPRIATIONS.—There
23 are authorized to be appropriated to the Secretary
24 \$10,000,000 for each of fiscal years 2009 through 2012
25 to carry out the pilot project under this section.

1 **SEC. 17. INCREASE IN EMPLOYEES FOR EDUCATION SERV-**
2 **ICE.**

3 The Secretary of Veterans Affairs shall increase the
4 number of full-time employees of the Education Service
5 of the Department of Veterans Affairs by 150 additional
6 such employees.

7 **SEC. 18. UPGRADE OF CERTAIN INFORMATION TECH-**
8 **NOLOGY.**

9 (a) ACTION PLAN REQUIRED.—The General Infor-
10 mation Officer of the Department of Veterans Affairs, in
11 coordination with the Director of Education, shall submit
12 to the Committees on Veterans' Affairs of the Senate and
13 House of Representatives and action plan describing how
14 the General Information Officer and Director of Edu-
15 cation intend to upgrade the information technology sys-
16 tem of the Department of Veteran Affairs that is used
17 in connection with the administration of educational bene-
18 fits under laws administered by the Secretary of Veterans
19 Affairs. The General Information Officer and Director of
20 Education shall update the committees at least annually
21 on any progress made in upgrading such system.

22 (b) AUTHORIZATION OF APPROPRIATIONS.—There is
23 authorized to be appropriated to upgrade the information
24 technology system of the Department of Veteran Affairs
25 that is used in connection with the administration of edu-

1 cational benefits under laws administered by the Secretary
2 of Veterans Affairs—

3 (1) \$8,000,000 for fiscal year 2009; and

4 (2) \$3,000,000 for each of fiscal years 2010,
5 2011, and 2012.

6 **SEC. 19. MODIFICATION OF ADVANCE PAYMENT OF INITIAL**
7 **EDUCATIONAL ASSISTANCE OR SUBSISTENCE**
8 **ALLOWANCE.**

9 (a) MODIFICATION.—Section 3680(d)(2) of title 38,
10 United States Code, is amended by inserting after the
11 third sentence the following new sentence: “For purposes
12 of the entitlement to educational assistance of the veteran
13 or person receiving an advance payment under this sub-
14 section, the advance payment shall be charged against the
15 final month of the entitlement of the person or veteran
16 and, if necessary, the penultimate such month. In no event
17 may any veteran or person receive more than one advance
18 payment under this subsection during any academic
19 year.”.

20 (b) EFFECTIVE DATE.—The amendment made by
21 subsection (a) shall apply with respect to an advance pay-
22 ment of educational assistance made after the date that
23 is 90 days after the date of the enactment of this Act.

○