

110TH CONGRESS
1ST SESSION

S. 723

To provide certain enhancements to the Montgomery GI Bill Program for certain individuals who serve as members of the Armed Forces after the September 11, 2001, terrorist attacks, and for other purposes.

IN THE SENATE OF THE UNITED STATES

MARCH 1, 2007

Mr. HAGEL (for himself and Mr. KENNEDY) introduced the following bill;
which was read twice and referred to the Committee on Armed Services

A BILL

To provide certain enhancements to the Montgomery GI Bill Program for certain individuals who serve as members of the Armed Forces after the September 11, 2001, terrorist attacks, 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 Enhancement Act of 2007”.

1 **SEC. 2. EXEMPTION FROM PAYMENT OF INDIVIDUAL CON-**
2 **TRIBUTIONS UNDER MONTGOMERY GI BILL**
3 **OF INDIVIDUALS WHO SERVE AS ACTIVE**
4 **DUTY MEMBERS OF THE ARMED FORCES**
5 **UNDER EXECUTIVE ORDER 13235.**

6 (a) ACTIVE DUTY PROGRAM.—Notwithstanding sec-
7 tion 3011(b) of title 38, United States Code, no reduction
8 in basic pay otherwise required by such section shall be
9 made in the case of a covered member of the Armed
10 Forces.

11 (b) SELECTED RESERVE PROGRAM.—Notwith-
12 standing section 3012(c) of such title, no reduction in
13 basic pay otherwise required by such section shall be made
14 in the case of a covered member of the Armed Forces.

15 (c) TERMINATION OF ON-GOING REDUCTIONS IN
16 BASIC PAY.—In the case of a covered member of the
17 Armed Forces who first became a member of the Armed
18 Forces or first entered on active duty as a member of the
19 Armed Forces before the date of the enactment of this
20 Act and whose basic pay would, but for subsection (a) or
21 (b) of this section, be subject to reduction under section
22 3011(b) or 3012(c) of such title for any month beginning
23 on or after that date, the reduction of basic pay of such
24 covered member of the Armed Forces under such section
25 3011(b) or 3012(c), as applicable, shall cease commencing
26 with the first month beginning on or after that date.

1 (d) REFUND OF CONTRIBUTIONS.—

2 (1) IN GENERAL.—In the case of any covered
3 member of the Armed Forces whose basic pay was
4 reduced under section 3011(b) or 3012(c) of such
5 title for any month beginning before the date of the
6 enactment of this Act, the Secretary concerned shall
7 pay to such covered member of the Armed Forces an
8 amount equal to the aggregate amount of reductions
9 of basic pay of such member of the Armed Forces
10 under such section 3011(b) or 3012(c), as applica-
11 ble, as of that date.

12 (2) TAX EXEMPTION.—Any amount paid to a
13 covered member of the Armed Forces under para-
14 graph (1) shall not be included in gross income
15 under the Internal Revenue Code of 1986.

16 (3) DERIVATION OF FUNDS.—Amounts for pay-
17 ments made by a Secretary concerned under para-
18 graph (1) during fiscal year 2007 shall be derived
19 from amounts made available for such fiscal year in
20 an Act making supplemental appropriations for de-
21 fense and the reconstruction of Iraq.

22 (4) SECRETARY CONCERNED DEFINED.—In this
23 subsection, the term “Secretary concerned” means—

24 (A) the Secretary of the Army, with re-
25 spect to matters concerning the Army;

1 (B) the Secretary of the Navy, with re-
2 spect to matters concerning the Navy or the
3 Marine Corps;

4 (C) the Secretary of the Air Force, with
5 respect to matters concerning the Air Force;
6 and

7 (D) the Secretary of Homeland Security,
8 with respect to matters concerning the Coast
9 Guard.

10 (e) COVERED MEMBER OF THE ARMED FORCES DE-
11 FINED.—In this section, the term “covered member of the
12 Armed Forces” means any individual who serves on active
13 duty as a member of the Armed Forces during the pe-
14 riod—

15 (1) beginning on November 16, 2001, the date
16 of Executive Order 13235, relating to National
17 Emergency Construction Authority; and

18 (2) ending on the termination date of the Exec-
19 utive order referred to in paragraph (1).

1 **SEC. 3. OPPORTUNITY FOR INDIVIDUALS WHO SERVE AS**
 2 **ACTIVE DUTY MEMBERS OF THE ARMED**
 3 **FORCES UNDER EXECUTIVE ORDER 13235 TO**
 4 **WITHDRAW ELECTION NOT TO ENROLL IN**
 5 **MONTGOMERY GI BILL.**

6 Section 3018 of title 38, United States Code, is
 7 amended—

8 (1) by redesignating subsections (c) and (d) as
 9 subsection (d) and (e), respectively;

10 (2) by inserting after subsection (b) the fol-
 11 lowing new subsection (c):

12 “(c)(1) Notwithstanding any other provision of this
 13 chapter, during the one-year period beginning on the date
 14 of the enactment of this subsection, an individual who—

15 “(A) serves on active duty as a member of the
 16 Armed Forces during the period beginning on No-
 17 vember 16, 2001, and ending on the termination
 18 date of Executive Order 13235, relating to National
 19 Emergency Construction Authority; and

20 “(B) has served continuously on active duty
 21 without a break in service following the date the in-
 22 dividual first becomes a member or first enters on
 23 active duty as a member of the Armed Forces,

24 shall have the opportunity, on such form as the Secretary
 25 of Defense shall prescribe, to withdraw an election under

1 section 3011(c)(1) or 3012(d)(1) of this title not to receive
 2 education assistance under this chapter.

3 “(2) An individual described in paragraph (1) who
 4 made an election under section 3011(c)(1) or 3012(d)(1)
 5 of this title and who—

6 “(A) while serving on active duty during the
 7 one-year period beginning on the date of the enact-
 8 ment of this subsection makes a withdrawal of such
 9 election;

10 “(B) continues to serve the period of service
 11 which such individual was obligated to serve;

12 “(C) serves the obligated period of service de-
 13 scribed in subparagraph (B) or before completing
 14 such obligated period of service is described by sub-
 15 section (b)(3)(B); and

16 “(D) meets the requirements set forth in para-
 17 graphs (4) and (5) of subsection (b),

18 is entitled to basic educational assistance under this chap-
 19 ter.”; and

20 (3) in subsection (e), as so redesignated, by in-
 21 serting “or (c)(2)(A)” after “(b)(1)”.

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