

111TH CONGRESS  
1ST SESSION

# H. R. 1336

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.

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## IN THE HOUSE OF REPRESENTATIVES

MARCH 5, 2009

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 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 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.**

4 This Act may be cited as the “Veterans Education  
5 Improvement Act of 2009”.

1 **SEC. 2. USE OF EDUCATIONAL ASSISTANCE FOR BUSINESS**  
2 **COURSES AND SEMINARS.**

3 (a) IN GENERAL.—The Secretary of Veterans Affairs  
4 shall ensure that individuals entitled to educational assist-  
5 ance under laws administered by the Secretary are entitled  
6 to use such assistance for business courses and seminars,  
7 if such courses or seminars are related to the operation  
8 of a business, and for continuing education courses. The  
9 Secretary shall treat the courses referred to in the pre-  
10 ceding sentence in a similar manner as licensing and cer-  
11 tification courses.

12 (b) EFFECTIVE DATE.—Subsection (a) shall take ef-  
13 fect on September 1, 2010.

14 **SEC. 3. USE OF EDUCATIONAL ASSISTANCE FOR COURSES**  
15 **TAKEN TO PREPARE FOR LICENSING OR CER-**  
16 **TIFICATION TESTS.**

17 (a) BASIC EDUCATIONAL ASSISTANCE.—Section  
18 3452(b) of title 38, United States Code, is amended by  
19 inserting after the fourth sentence the following new sen-  
20 tence: “Such term also includes preparatory courses for  
21 licensing or certification tests described in the preceding  
22 sentence, as designated by the Secretary.”.

23 (b) SURVIVORS’ AND DEPENDENTS’ EDUCATIONAL  
24 ASSISTANCE.—Section 3501(a)(5) of title 38, United  
25 States Code, is amended by inserting after the second sen-  
26 tence the following new sentence: “Such term also includes

1 preparatory courses for licensing or certification tests de-  
 2 scribed in the preceding sentence, as designated by the  
 3 Secretary.”.

4 (c) EFFECTIVE DATE.—The amendments made by  
 5 subsections (a) and (b) shall take effect on September 1,  
 6 2010.

7 **SEC. 4. USE OF EDUCATIONAL ASSISTANCE TO REPAY FED-**  
 8 **ERAL STUDENT LOANS.**

9 (a) MONTGOMERY GI BILL.—

10 (1) IN GENERAL.—Subchapter II of chapter 30  
 11 of title 38, United States Code, is amended by in-  
 12 serting after section 3020 the following new section:

13 **“§ 3020A. Use of educational assistance benefits for**  
 14 **the repayment of Federal student loans**  
 15 **for certain courses of education**

16 “(a) USE OF BENEFITS.—Notwithstanding any other  
 17 provision of this chapter, and subject to subsections (b)  
 18 through (e), an individual who is serving on active duty  
 19 and who is entitled to educational assistance under this  
 20 subchapter may apply amounts of such educational assist-  
 21 ance otherwise available to the individual to repay some  
 22 or all of any Federal student loan balance owed by the  
 23 individual for a course of education pursued by the indi-  
 24 vidual.

1       “(b) LIMITATIONS ON PAYMENTS.—(1) The amount  
2 of an individual’s entitlement to educational assistance  
3 that the individual may apply to the repayment of a stu-  
4 dent loan balance under subsection (a) may not exceed  
5 \$7,000 in any 12-month period.

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

9       “(3) An individual entitled to educational assistance  
10 under this subchapter may not apply such educational as-  
11 sistance to any of the following:

12               “(A) A loan made to the parents of a dependent  
13 student under section 428B of the Higher Education  
14 Act of 1965.

15               “(B) A Federal Direct PLUS Loan made to the  
16 parents of a dependent student.

17               “(C) A loan made under section 428C or  
18 455(g) of such Act, to the extent that such loan was  
19 used to repay—

20                       “(i) a loan made to the parent of a de-  
21 pendent student under section 428B of such  
22 Act; or

23                       “(ii) a Federal Direct PLUS Loan made to  
24 the parents of a dependent student.

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

5       “(d) ARRANGEMENTS TO MAKE PAYMENTS.—The  
 6 Secretary shall enter into such arrangements, and shall  
 7 prescribe such regulations, as may be necessary to carry  
 8 out this section.

9       “(e) FEDERAL STUDENT LOAN DEFINED.—In this  
 10 section, the term ‘Federal student loan’ means any loan  
 11 made under title IV of the Higher Education Act of 1965  
 12 (20 U.S.C. 1070 et seq.).”.

13               (2) CLERICAL AMENDMENT.—The table of sec-  
 14 tions at the beginning of such chapter is amended  
 15 by inserting after the item relating to section 3020  
 16 the following new item:

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

17       (b) POST-9–11 EDUCATIONAL ASSISTANCE PRO-  
 18 GRAM.—

19               (1) IN GENERAL.—Subchapter II of chapter 33  
 20 of title 38, United States Code, is amended by in-  
 21 serting after section 3319 the following new section:

1 **“§ 3320. Use of educational assistance benefits for the**  
2 **repayment of Federal student loans for**  
3 **certain courses of education**

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

13 “(b) LIMITATIONS ON PAYMENTS.—

14 “(1) LIMITATION ON AMOUNT IN ANY 12-  
15 MONTH PERIOD.—The amount of an individual’s en-  
16 titlement to educational assistance that the indi-  
17 vidual may apply to the repayment of a student loan  
18 balance under subsection (a) may not exceed \$6,000  
19 in any 12-month period.

20 “(2) LIMITATION ON TOTAL AMOUNT.—In no  
21 event shall payment of educational assistance under  
22 this section exceed the amount of the individual’s  
23 available entitlement under this chapter.

24 “(3) PROHIBITION ON USE FOR CERTAIN  
25 LOANS.—An individual entitled to educational assist-

1       ance under this subchapter may not apply such edu-  
2       cational assistance to any of the following:

3               “(A) A loan made to the parents of a de-  
4       pendent student under section 428B of the  
5       Higher Education Act of 1965.

6               “(B) A Federal Direct PLUS Loan made  
7       to the parents of a dependent student.

8               “(C) A loan made under section 428C or  
9       455(g) of such Act, to the extent that such loan  
10      was used to repay—

11              “(i) a loan made to the parent of a  
12      dependent student under section 428B of  
13      such Act; or

14              “(ii) a Federal Direct PLUS Loan  
15      made to the parents of a dependent stu-  
16      dent.

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

21      “(d) ARRANGEMENTS TO MAKE PAYMENTS.—The  
22      Secretary shall enter into such arrangements, and shall  
23      prescribe such regulations, as may be necessary to carry  
24      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           (2) CLERICAL AMENDMENT.—The table of sec-  
 6 tions at the beginning of such chapter is amended  
 7 by inserting after the item relating to section 3319  
 8 the following new item:

“3320. Use of educational assistance benefits for the repayment of Federal stu-  
 dent loans for certain courses of education.”.

9       (c) EFFECTIVE DATE.—The amendments made by  
 10 this section shall apply with respect to educational assist-  
 11 ance paid for months beginning on or after September 1,  
 12 2010.

13 **SEC. 5. OPPORTUNITY TO WITHDRAW ELECTION NOT TO**  
 14 **ENROLL IN EDUCATIONAL ASSISTANCE PRO-**  
 15 **GRAM.**

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

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

22       “(4) An individual who makes an election not to re-  
 23 ceive educational assistance under paragraph (1) may  
 24 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, at the time the individual  
 4 makes such withdrawal, the individual is serving on active  
 5 duty as a member of the Armed Forces.”.

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

10 (b) BASIC EDUCATIONAL ASSISTANCE FOR SERVICE  
 11 IN THE SELECTED RESERVE.—

12 (1) OPPORTUNITY TO WITHDRAW.—Subsection  
 13 (d) of section 3012 of title 38, United States Code,  
 14 is amended by adding at the end the following new  
 15 paragraph:

16 “(4) An individual who makes an election not to re-  
 17 ceive educational assistance under paragraph (1) may  
 18 withdraw that election at any time and, after making such  
 19 withdrawal, shall be entitled to educational assistance  
 20 under this chapter in the same manner as if the individual  
 21 had never made that election, if, at the time the individual  
 22 makes such withdrawal, the individual is serving on active  
 23 duty as a member of the Armed Forces.”.

24 (2) CONFORMING AMENDMENT.—Paragraph (1)  
 25 of such subsection is amended in the third sentence

1 by striking “Any individual” and inserting “Except  
2 as provided in paragraph (4), any individual”.

3 (c) EFFECTIVE DATE.—The amendments made by  
4 subsections (a) and (b) shall take effect on September 1,  
5 2010, and shall apply with respect to an individual who  
6 is serving on active duty as a member of the Armed Forces  
7 on or after that date.

8 **SEC. 6. EXTENSION OF INCREASE IN BENEFIT FOR CER-**  
9 **TAIN INDIVIDUALS PURSUING APPRENTICE-**  
10 **SHIPS OR ON-JOB TRAINING.**

11 (a) MEMBERS OF THE SELECTED RESERVE.—Sub-  
12 section (d) of section 103 of the Veterans Earn and Learn  
13 Act of 2004 (Public Law 108–454; 38 U.S.C. 3032 note)  
14 is amended by striking “January 1, 2008” and inserting  
15 “January 1, 2014”.

16 (b) SURVIVORS AND DEPENDENTS.—Subsection (c)  
17 of such section is amended by striking “January 1, 2008”  
18 and inserting “January 1, 2014”.

19 (c) CERTAIN OTHER INDIVIDUALS.—Subsection (a)  
20 of such section is amended by striking “January 1, 2008”  
21 and inserting “January 1, 2014”.

22 (d) EFFECTIVE DATE.—The amendments made by  
23 this section shall take effect on September 1, 2010.

1 **SEC. 7. PROVISION OF BASIC EDUCATIONAL ASSISTANCE**  
2 **BENEFITS FOR VETERANS DISCHARGED**  
3 **FROM ACTIVE DUTY WITH GENERAL DIS-**  
4 **CHARGE.**

5 (a) MONTGOMERY GI BILL.—

6 (1) ACTIVE DUTY SERVICE.—Section  
7 3011(a)(3)(B) of title 38, United States Code, is  
8 amended by inserting “or a general discharge (under  
9 honorable conditions)” before the period at the end.

10 (2) SERVICE IN SELECTED RESERVE.—Section  
11 3012(a)(3)(A) of such title is amended by inserting  
12 “or a general discharge (under honorable condi-  
13 tions)” before the semicolon.

14 (b) POST-9–11 EDUCATIONAL ASSISTANCE PRO-  
15 GRAM.—Section 3311(c)(1) of such title is amended by in-  
16 serting “or a general discharge (under honorable condi-  
17 tions)” before the period at the end.

18 (c) EFFECTIVE DATE.—The amendments made by  
19 subsections (a) and (b) shall apply with respect to an indi-  
20 vidual who is discharged from service in the Armed Forces  
21 on or after September 1, 2010.

1 **SEC. 8. INCREASE IN AMOUNT OF REPORTING FEE PAY-**  
2 **ABLE TO EDUCATIONAL INSTITUTIONS THAT**  
3 **ENROLL VETERANS RECEIVING EDU-**  
4 **CATIONAL ASSISTANCE.**

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

8 (1) by striking “\$7” and inserting “\$21”; and

9 (2) by striking “\$11” and inserting “\$21”.

10 (b) TECHNICAL CORRECTION.—Subsection (a) of  
11 such section is amended by striking the second comma  
12 after “34”.

13 (c) EFFECTIVE DATE.—The amendments made by  
14 subsections (a) and (b) shall take effect on September 1,  
15 2010.

16 **SEC. 9. PROVISION OF ADDITIONAL AREAS OF WORK-**  
17 **STUDY FOR VETERANS.**

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

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

1 (b) WORK STUDY FOR STUDENTS ENROLLED ON  
 2 HALF-TIME BASIS.—Subsection (b) of such section is  
 3 amended—

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

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

8 (c) EFFECTIVE DATE.—The amendments made by  
 9 this section shall apply with respect to agreements entered  
 10 into under section 3485 of title 38, United States Code,  
 11 on or after September 1, 2010.

12 **SEC. 10. 5-YEAR PILOT PROGRAM FOR ON-CAMPUS WORK-**  
 13 **STUDY POSITIONS.**

14 (a) ESTABLISHMENT OF PILOT PROGRAM.—Begin-  
 15 ning not later than two years after the date of the enact-  
 16 ment of this Act, the Secretary of Veterans Affairs shall  
 17 conduct a five-year pilot project to test the feasibility and  
 18 advisability of expanding the scope of qualifying work-  
 19 study activities under subsection (a)(4) of section 3485  
 20 of title 38, United States Code, including work-study posi-  
 21 tions available on site at educational institutions.

22 (b) TYPE OF WORK-STUDY POSITIONS.—The work-  
 23 study positions referred to in subsection (a) may include  
 24 positions in academic departments (including positions as  
 25 tutors or research, teaching, and lab assistants) and in

1 student services (including positions in career centers and  
2 financial aid, campus orientation, cashiers, admissions,  
3 records, and registration offices).

4 (c) REGULATIONS.—The Secretary shall prescribe  
5 regulations to carry out the pilot project under this sec-  
6 tion, including regulations providing for the supervision of  
7 work-study positions referred to in subsection (a) by ap-  
8 propriate personnel.

9 (d) AUTHORIZATION OF APPROPRIATIONS.—There  
10 are authorized to be appropriated to the Secretary  
11 \$10,000,000 for each of the fiscal years during which the  
12 Secretary carries out the pilot project under this section.

13 **SEC. 11. MODIFICATION OF ADVANCE PAYMENT OF INITIAL**  
14 **EDUCATIONAL ASSISTANCE OR SUBSISTENCE**  
15 **ALLOWANCE.**

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

1 payment under this subsection during any academic  
2 year.”.

3 (b) EFFECTIVE DATE.—The amendment made by  
4 subsection (a) shall apply with respect to an advance pay-  
5 ment of educational assistance made on or after Sep-  
6 tember 1, 2010.

7 **SEC. 12. CONSIDERATION OF ADDITIONAL CONTRIBUTIONS**  
8 **AND PAYMENTS IN CALCULATING ENTITLE-**  
9 **MENT CHARGE FOR CERTAIN PROGRAMS OF**  
10 **EDUCATION.**

11 (a) TUITION ASSISTANCE.—Section 3014(b)(2)(C) of  
12 title 38, United States Code, is amended by striking “or  
13 (e)(1) of section 3015 of this title,” and inserting “(e)(1),  
14 or (g) of section 3015 of this title, or section 16131(I)  
15 of title 10,”.

16 (b) FLIGHT TRAINING.—Section 3032(e)(3) of such  
17 title is amended by striking “or (e)(1) of section 3015 of  
18 this title,” and inserting “(e)(1), or (g) of section 3015  
19 of this title, or section 16131(I) of title 10,”.

20 (c) LICENSING AND CERTIFICATION TESTS.—Section  
21 3032(f)(2) of such title is amended by striking “or (e)(1)  
22 of section 3015 of this title,” and inserting “(e)(1), or (g)  
23 of section 3015 of this title, or section 16131(I) of title  
24 10,”.

1 **SEC. 13. ACCELERATED PAYMENT OF EDUCATIONAL AS-**  
2 **SISTANCE.**

3 (a) IN GENERAL.—Chapter 33 of title 38, United  
4 States Code, as amended by section 4, is further amended  
5 by inserting after section 3320, as added by section 4, the  
6 following new section:

7 **“§ 3320A. Accelerated payment of educational assist-**  
8 **ance**

9 “(a) PAYMENT ON ACCELERATED BASIS.—The edu-  
10 cational assistance allowance payable under this chapter  
11 with respect to an eligible person described in subsection  
12 (b) may, upon the election of such eligible person, be paid  
13 on an accelerated basis in accordance with this section.

14 “(b) ELIGIBLE PERSON.—An eligible person de-  
15 scribed in this subsection is a member of a reserve compo-  
16 nent entitled to educational assistance under this chapter  
17 who is—

18 “(1) enrolled in an approved program of edu-  
19 cation not exceeding two years in duration and not  
20 leading to an associate, bachelors, masters, or other  
21 degree, subject to subsection (g); and

22 “(2) charged tuition and fees for the program  
23 of education that, when divided by the number of  
24 months (and fractions thereof) in the enrollment pe-  
25 riod, exceeds the amount equal to 200 percent of the  
26 monthly rate of educational assistance allowance



1 otherwise payable with respect to the person under  
2 section 3313 of this title.

3 “(c) AMOUNT OF ACCELERATED PAYMENT.—

4 “(1) AMOUNT.—The amount of the accelerated  
5 payment of educational assistance payable with re-  
6 spect to an eligible person making an election under  
7 subsection (a) for a program of education shall be  
8 the lesser of—

9 “(A) the amount equal to 60 percent of the  
10 established charges for the program of edu-  
11 cation; or

12 “(B) the aggregate amount of educational  
13 assistance allowance to which the person re-  
14 mains entitled under this chapter at the time of  
15 the payment.

16 “(2) ESTABLISHED CHARGES.—

17 “(A) DEFINITION.—In this subsection, ex-  
18 cept as provided in subparagraph (B), the term  
19 ‘established charges’, in the case of a program  
20 of education, means the actual charges (as de-  
21 termined pursuant to regulations prescribed by  
22 the Secretary of Veterans Affairs) for tuition  
23 and fees which similarly circumstanced individ-  
24 uals who are not eligible for benefits under this  
25 chapter and who are enrolled in the program of

1 education would be required to pay. Established  
2 charges shall be determined on the following  
3 basis:

4 “(i) In the case of an individual en-  
5 rolled in a program of education offered on  
6 a term, quarter, or semester basis, the tui-  
7 tion and fees charged the individual for the  
8 term, quarter, or semester.

9 “(ii) In the case of an individual en-  
10 rolled in a program of education not of-  
11 fered on a term, quarter, or semester  
12 basis, the tuition and fees charged the in-  
13 dividual for the entire program of edu-  
14 cation.

15 “(B) EXCEPTION.—In this subsection, the term  
16 ‘established charges’ does not include any fees or  
17 payments attributable to the purchase of a vehicle.

18 “(3) CERTIFICATION BY EDUCATIONAL INSTI-  
19 TUTION.—The educational institution providing the  
20 program of education for which an accelerated pay-  
21 ment of educational assistance allowance is elected  
22 by an eligible person under subsection (a) shall cer-  
23 tify to the Secretary of Veterans Affairs the amount  
24 of the established charges for the program of edu-  
25 cation.

1       “(d) TIME OF PAYMENT.—An accelerated payment  
2 of educational assistance allowance made with respect to  
3 an eligible person under this section for a program of edu-  
4 cation shall be made not later than the last day of the  
5 month immediately following the month in which the Sec-  
6 retary of Veterans Affairs receives a certification from the  
7 educational institution regarding—

8               “(1) the person’s enrollment in and pursuit of  
9 the program of education; and

10              “(2) the amount of the established charges for  
11 the program of education.

12       “(e) CHARGE AGAINST ENTITLEMENT.—For each  
13 accelerated payment of educational assistance allowance  
14 made with respect to an eligible person under this section,  
15 the person’s entitlement to educational assistance under  
16 this chapter shall be charged the number of months (and  
17 any fraction thereof) determined by dividing the amount  
18 of the accelerated payment by the full-time monthly rate  
19 of educational assistance allowance otherwise payable with  
20 respect to the person under section 3313 of this title as  
21 of the beginning date of the enrollment period for the pro-  
22 gram of education for which the accelerated payment is  
23 made.

24       “(f) REGULATIONS.—The Secretary shall prescribe  
25 regulations to carry out this section. The regulations shall

1 include requirements, conditions, and methods for the re-  
2 quest, issuance, delivery, certification of receipt and use,  
3 and recovery of overpayment of an accelerated payment  
4 of educational assistance allowance under this section. The  
5 regulations may include such elements of the regulations  
6 prescribed under section 3014A of this title as the Sec-  
7 retary of Veterans Affairs considers appropriate for pur-  
8 poses of this section.

9 “(g) LIMITATION.—The aggregate amount of edu-  
10 cational assistance payable under this section in any fiscal  
11 year for enrollments covered by subsection (b)(1) may not  
12 exceed \$3,000,000.”.

13 (b) CLERICAL AMENDMENT.—The table of sections  
14 at the beginning of such chapter is amended by inserting  
15 after the item relating to section 3320 the following new  
16 item:

“3320A. Accelerated payment of educational assistance.”.

