

SECURING ELECTRONIC RECORDS FOR VETERANS' EASE  
 ACT OF 2017

NOVEMBER 7, 2017.—Committed to the Committee of the Whole House on the State  
 of the Union and ordered to be printed

Mr. ROE of Tennessee, from the Committee on Veterans' Affairs,  
 submitted the following

R E P O R T

[To accompany H.R. 3634]

[Including cost estimate of the Congressional Budget Office]

The Committee on Veterans' Affairs, to whom was referred the bill (H.R. 3634) to amend title 38, United States Code, to ensure that individuals may access documentation verifying the monthly housing stipend paid to the individual under the Post-9/11 Educational Assistance Program of the Department of Veterans Affairs, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

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## PURPOSE AND SUMMARY

H.R. 3634, the Securing Electronic Records for Veterans' Ease Act of 2017, was introduced by Representative James A. Himes of Connecticut on August 1, 2017. H.R. 3634 would require the Department of Veterans Affairs (VA) to provide documentation of living stipend payments that would be paid to eligible veterans and dependents through the Post 9/11 GI Bill.

## BACKGROUND AND NEED FOR LEGISLATION

Section 3313 of title 38, United States Code (U.S.C.), authorizes the payment of a housing allowance at the E-5 with dependents rate for eligible individuals based on the zip code where the student is taking the majority of their classes. This stipend is calculated based on the student's rate of pursuit and is meant to help defray the living costs the student incurs while attending school. Some veterans believe that VA does not provide sufficient information about the amount of monthly housing stipend GI Bill beneficiaries will receive to prove income when trying to obtain housing. Many veterans rely on their GI Bill housing stipend to pay for housing while they are using their benefits and attending school, therefore, it is necessary that they are able to show proof of sufficient income to qualify for rental and other housing. This point was emphasized at the October 11, 2017 Subcommittee on Economic Opportunity legislative hearing on the bill where Mr. William Hubbard, Vice President of Government Affairs for Student Veterans of America, testified:

For student veterans entering higher education after service, life can be quite different when compared to the traditional 18–22-year-old students. More than 40% of student veterans are between the ages of 25–34, and living in the dorms is not the preferred housing arrangement.<sup>1</sup> For those who choose to live outside of campus housing, demonstrating proof of income is a standard requirement to meet for most rental options. Unfortunately, many landlords do not recognize the housing stipend (BAH) as a form of income to be applied to rental worthiness.

This legislation proposes requiring the Department of Veterans Affairs (VA) to furnish students a statement of income for housing purposes based on their anticipated BAH payments. This is a common-sense solution that could easily solve a minor policy oversight that disproportionately affects student veterans with a tremendous burden.

The Committee agrees that additional documentation of living stipend payments would assist student veterans and other eligible dependents find housing. This section, therefore, would require the Secretary to electronically provide documentation that verifies the amount of the monthly housing stipend an individual receives under the GI Bill. This would allow beneficiaries to use this documentation as proof of income when applying for housing.

## HEARINGS

On October 11, 2017, the Subcommittee on Economic Opportunity held a legislative hearing on several bills pending before the

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<sup>1</sup>U.S. Census Bureau. (2015). American Community Survey 1-year estimates.

Subcommittee including H.R. 3634. The following witnesses testified:

The Honorable John H. Rutherford, U.S. House of Representatives, 4th district of Florida; The Honorable James A. Himes, U.S. House of Representatives, 4th district of Connecticut; The Honorable Martha McSally, U.S. House of Representatives, 2nd district of Arizona; The Honorable Ro Khanna, U.S. House of Representatives, 17th district of California; MG Robert M. Worley II USAF (Ret.), Director of the Education Service, Veterans Benefit Administration of the U.S. Department of Veterans Affairs who was accompanied by Mr. Jeffrey London, Director of the Loan Guaranty Service, Veterans Benefits Administration of the U.S. Department of Veterans Affairs; Mr. John Kamin, Assistant Director of Veteran Employment and Education, The American Legion; and Mr. William Hubbard, Vice President of Government Affairs, Student Veterans of America. The following submitted statements for the record:

The Honorable Lee M. Zeldin, U.S. House of Representatives, 1st district of New York; and Helicopter Association International.

#### SUBCOMMITTEE CONSIDERATION

On October 25, 2017, the Subcommittee on Economic Opportunity met in open markup session, a quorum being present and favorably forwarded H.R. 3634 to the full Committee.

#### COMMITTEE CONSIDERATION

On November 2, 2017, the full Committee met in open markup session, a quorum being present, and ordered H.R. 3634 be reported favorably to the House of Representatives by voice vote.

#### COMMITTEE VOTES

In compliance with clause 3(b) of rule XIII of the Rules of the House of Representatives, no recorded votes were taken on amendments or in connection with ordering H.R. 3634 reported to the House.

#### COMMITTEE OVERSIGHT FINDINGS

In compliance with clause 3(c)(1) of rule XIII and clause (2)(b)(1) of rule X of the Rules of the House of Representatives, the Committee's oversight findings and recommendations are reflected in the descriptive portions of this report.

#### STATEMENT OF GENERAL PERFORMANCE GOALS AND OBJECTIVES

In accordance with clause 3(c)(4) of rule XIII of the Rules of the House of Representatives, the Committee's performance goals and objectives of H.R. 3634 are to provide student veterans documentation of their living allowance payments through the Post-9/11 GI Bill.

## EARMARKS AND TAX AND TARIFF BENEFITS

H.R. 3634 does not contain any Congressional earmarks, limited tax benefits, or limited tariff benefits as defined in clause 9 of rule XXI of the Rules of the House of Representatives.

## COMMITTEE COST ESTIMATE

Clause 3(d)(2) of rule XIII of the Rules of the House of Representatives requires an estimate and a comparison by the Committee of the costs that would be incurred in carrying out this bill. However, clause 3(d)(3)(B) of that Rule provides that this requirement does not apply when the Committee has included in its report a timely submitted cost estimate of the bill prepared by the Director of the Congressional Budget Office under section 402 of the Congressional Budget Act of 1974. The Committee adopts as its own the cost estimate on H.R. 3634 prepared by the Director of the Congressional Budget Office pursuant to section 402 of the Congressional Budget Act of 1974.

## BUDGET AUTHORITY AND CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

With respect to the requirements of clause 3(c)(2) of rule XIII of the Rules of the House of Representatives and section 308(a) of the Congressional Budget Act of 1974 and with respect to requirements of clause (3)(c)(3) of rule XIII of the Rules of the House of Representatives and section 402 of the Congressional Budget Act of 1974, the following is the cost estimate for H.R. 3634 is provided by the Congressional Budget Office.

U.S. CONGRESS,  
CONGRESSIONAL BUDGET OFFICE,  
*Washington, DC, November 6, 2017.*

Hon. PHIL ROE, M.D.,  
*Chairman, Committee on Veterans' Affairs,  
House of Representatives, Washington, DC.*

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for H.R. 3634, the Securing Electronic Records for Veterans' Ease Act of 2017.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is David Newman.

Sincerely,

KEITH HALL.

Enclosure.

*H.R. 3634—Securing Electronic Records for Veterans' Ease Act of 2017*

Under the Post-9/11 GI Bill, the Department of Veterans Affairs (VA) pays some of the educational expenses at institutions of higher learning for eligible veterans and for military personnel who served on active duty for at least 90 days after September 11, 2001. Those people also can transfer their benefits to their spouses and children under certain conditions. VA pays an amount equal to the actual tuition and fees charged to in-state residents for students attending public institutions or, for students at private institutions,

an amount up to a maximum (\$22,805 for the 2017–2018 academic year). The program also provides a monthly housing allowance to some beneficiaries while they attend school.

H.R. 3634 would require VA to use an Internet website to inform beneficiaries of the amount of the monthly housing allowance to which they are entitled. The department currently provides that information for beneficiaries who are veterans. Because the department reports that it is in the process of making the same information available to other beneficiaries, CBO estimates that implementing H.R. 3634 would have no budgetary effect.

Enacting H.R. 3634 would not affect direct spending or revenues; therefore, pay-as-you-go procedures do not apply.

CBO estimates that enacting H.R. 3634 would not increase net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2028.

H.R. 3634 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act.

The CBO staff contact for this estimate is David Newman. The estimate was approved by H. Samuel Papenfuss, Deputy Assistant Director for Budget Analysis.

#### FEDERAL MANDATES STATEMENT

With respect to the requirements of Section 423 of the Congressional Budget and Impoundment Control Act (as amended by Section 101(a)(2) of the Unfunded Mandate Reform Act, P.L. 104–4), the Committee adopts as its own the estimate of Federal mandates regarding H.R. 3634 prepared by the Director of the Congressional Budget Office.

#### ADVISORY COMMITTEE STATEMENT

No advisory committees within the meaning of section 5(b) of the Federal Advisory Committee Act would be created by H.R. 3634.

#### CONSTITUTIONAL AUTHORITY STATEMENT

Pursuant to Article I, section 8 of the United States Constitution, H.R. 3634 is authorized by Congress' power to "provide for the common Defense and general Welfare of the United States."

#### APPLICABILITY TO LEGISLATIVE BRANCH

The Committee finds that H.R. 3634 does not relate to the terms and conditions of employment or access to public services or accommodations within the meaning of section 102(b)(3) of the Congressional Accountability Act.

#### STATEMENT ON DUPLICATION OF FEDERAL PROGRAMS

Pursuant to clause 3(c)(5) of rule XIII of the Rules of the House of Representatives, the Committee finds that no provision of H.R. 3634 establishes or reauthorizes a program of the Federal Government known to be duplicative of another Federal program, a program that was included in any report from the Government Accountability Office to Congress pursuant to section 21 of Public Law 111–139, or a program related to a program identified in the most recent Catalog of Federal Domestic Assistance.

## DISCLOSURE OF DIRECTED RULEMAKING

Pursuant to section 3(i) of H. Res. 5, 115th Cong. (2017), H.R. 3634 would not require the Secretary to publish new regulations for carrying out this bill.

## SECTION-BY-SECTION ANALYSIS OF THE LEGISLATION

*Sec. 1. Short title*

This section that the short title of the bill is, “Securing Electronic Records for Veterans’ Ease Act of 2017.”

*Sec. 2. Provision of monthly housing stipend information under Post-9/11 Educational Assistance Program of the Department of Veterans Affairs*

This section would amend section 3313 of title 38, U.S.C., to create a new subsection (j). This new subsection would require that the Secretary provide documentation that verifies the amount of monthly housing stipend to eligible individuals receiving educational assistance through section 3313 of title 38, U.S.C. The section would also require that the Secretary provide this documentation to eligible individuals through the Department’s website.

## CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3(e) of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

## CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3(e) of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (new matter is printed in italic and existing law in which no change is proposed is shown in roman):

**TITLE 38, UNITED STATES CODE**

\* \* \* \* \*

**PART III—READJUSTMENT AND RELATED BENEFITS**

\* \* \* \* \*

**CHAPTER 33—POST-9/11 EDUCATIONAL ASSISTANCE**

\* \* \* \* \*

**SUBCHAPTER II—EDUCATIONAL ASSISTANCE**

\* \* \* \* \*

**§ 3313. Programs of education leading to a degree pursued at institutions of higher learning on more than half-time basis**

(a) **PAYMENT.**—The Secretary shall pay to each individual entitled to educational assistance under this chapter who is pursuing an approved program of education (other than a program covered by subsections (e) and (f)) the amounts specified in subsection (c) to meet the expenses of such individual's subsistence, tuition, fees, and other educational costs for pursuit of such program of education.

(b) **APPROVED PROGRAMS OF EDUCATION.**—A program of education is an approved program of education for purposes of this chapter if the program of education is approved for purposes of chapter 30 (including approval by the State approving agency concerned).

(c) **AMOUNT OF EDUCATIONAL ASSISTANCE.**—The amounts payable under this subsection for pursuit of an approved program of education leading to a degree at an institution of higher learning (as that term is defined in section 3452(f)) are amounts as follows:

(1) In the case of an individual entitled to educational assistance under this chapter by reason of paragraph (1), (2), or (9) of section 3311(b), amounts as follows:

(A) An amount equal to the following:

(i) In the case of a program of education pursued at a public institution of higher learning, the actual net cost for in-State tuition and fees assessed by the institution for the program of education after the application of—

(I) any waiver of, or reduction in, tuition and fees; and

(II) any scholarship, or other Federal, State, institutional, or employer-based aid or assistance (other than loans and any funds provided under section 401(b) of the Higher Education Act of 1965 (20 U.S.C. 1070a(b))) that is provided directly to the institution and specifically designated for the sole purpose of defraying tuition and fees.

(ii) In the case of a program of education pursued at a non-public or foreign institution of higher learning, the lesser of—

(I) the actual net cost for tuition and fees assessed by the institution for the program of education after the application of—

(aa) any waiver of, or reduction in, tuition and fees; and

(bb) any scholarship, or other Federal, State, institutional, or employer-based aid or assistance (other than loans and any funds provided under section 401(b) of the Higher Education Act of 1965) that is provided directly to the institution and specifically designated for the sole purpose of defraying tuition and fees; or

(II) the amount equal to—

(aa) for the academic year beginning on August 1, 2011, \$17,500; or

(bb) for an academic year beginning on any subsequent August 1, the amount for the previous academic year beginning on August 1 under this subclause, as increased by the percentage increase equal to the most recent percentage increase determined under section 3015(h).

(B) A monthly stipend in an amount as follows:

(i) Except as provided in clauses (ii) and (iii), for each month an individual pursues a program of education on more than a half-time basis, a monthly housing stipend equal to the product of—

(I) the monthly amount of the basic allowance for housing payable under section 403 of title 37 for a member with dependents in pay grade E-5 residing in the military housing area that encompasses all or the majority portion of the ZIP code area in which is located the campus of the institution of higher learning where the individual physically participates in a majority of classes, multiplied by

(II) the lesser of—

(aa) 1.0; or

(bb) the number of course hours borne by the individual in pursuit of the program of education, divided by the minimum number of course hours required for full-time pursuit of the program of education, rounded to the nearest multiple of 10.

(ii) In the case of an individual pursuing a program of education at a foreign institution of higher learning on more than a half-time basis, for each month the individual pursues the program of education, a monthly housing stipend equal to the product of—

(I) the national average of the monthly amount of the basic allowance for housing payable under section 403 of title 37 for a member with dependents in pay grade E-5, multiplied by

(II) the lesser of—

(aa) 1.0; or

(bb) the number of course hours borne by the individual in pursuit of the program of education, divided by the minimum number of course hours required for full-time pursuit of the program of education, rounded to the nearest multiple of 10.

(iii) In the case of an individual pursuing a program of education solely through distance learning on more than a half-time basis, a monthly housing stipend equal to 50 percent of the amount payable under clause (ii) if the individual were otherwise entitled to a monthly housing stipend under that clause for pursuit of the program of education.



(iv) For the first month of each quarter, semester, or term, as applicable, of the program of education pursued by the individual, a lump sum amount for books, supplies, equipment, and other educational costs with respect to such quarter, semester, or term in the amount equal to—

(I) \$1,000, multiplied by

(II) the fraction which is the portion of a complete academic year under the program of education that such quarter, semester, or term constitutes.

(2) In the case of an individual entitled to educational assistance under this chapter by reason of section 3311(b)(3), amounts equal to 90 percent of the amounts that would be payable to the individual under paragraph (1) for the program of education if the individual were entitled to amounts for the program of education under paragraph (1) rather than this paragraph.

(3) In the case of an individual entitled to educational assistance under this chapter by reason of section 3311(b)(4), amounts equal to 80 percent of the amounts that would be payable to the individual under paragraph (1) for the program of education if the individual were entitled to amounts for the program of education under paragraph (1) rather than this paragraph.

(4) In the case of an individual entitled to educational assistance under this chapter by reason of section 3311(b)(5), amounts equal to 70 percent of the amounts that would be payable to the individual under paragraph (1) for the program of education if the individual were entitled to amounts for the program of education under paragraph (1) rather than this paragraph.

(5) In the case of an individual entitled to educational assistance under this chapter by reason of section 3311(b)(6), amounts equal to 60 percent of the amounts that would be payable to the individual under paragraph (1) for the program of education if the individual were entitled to amounts for the program of education under paragraph (1) rather than this paragraph.

(6) In the case of an individual entitled to educational assistance under this chapter by reason of section 3311(b)(7), amounts equal to 50 percent of the amounts that would be payable to the individual under paragraph (1) for the program of education if the individual were entitled to amounts for the program of education under paragraph (1) rather than this paragraph.

(7) In the case of an individual entitled to educational assistance under this chapter by reason of section 3311(b)(8), amounts equal to 40 percent of the amounts that would be payable to the individual under paragraph (1) for the program of education if the individual were entitled to amounts for the program of education under paragraph (1) rather than this paragraph.

(d) FREQUENCY OF PAYMENT.—

(1) QUARTER, SEMESTER, OR TERM PAYMENTS.—Payment of the amounts payable under subsection (c)(1)(A), and of similar amounts payable under paragraphs (2) through (7) of subsection (c), for pursuit of a program of education shall be made for the entire quarter, semester, or term, as applicable, of the program of education.

(2) MONTHLY PAYMENTS.—Payment of the amount payable under subsection (c)(1)(B), and of similar amounts payable under paragraphs (2) through (7) of subsection (c), for pursuit of a program of education shall be made on a monthly basis.

(3) REGULATIONS.—The Secretary shall prescribe in regulations methods for determining the number of months (including fractions thereof) of entitlement of an individual to educational assistance under this chapter that are chargeable under this chapter for an advance payment of amounts under paragraphs (1) and (2) for pursuit of a program of education on a quarter, semester, term, or other basis.

(e) PROGRAMS OF EDUCATION PURSUED ON ACTIVE DUTY.—

(1) IN GENERAL.—Educational assistance is payable under this chapter for pursuit of an approved program of education leading to a degree while on active duty.

(2) AMOUNT OF ASSISTANCE.—The amounts of educational assistance payable under this chapter to an individual pursuing a program of education leading to a degree while on active duty are as follows:

(A) Subject to subparagraph (C), an amount equal to the lesser of—

(i) in the case of a program of education pursued at a public institution of higher learning, the actual net cost for in-State tuition and fees assessed by the institution for the program of education after the application of—

(I) any waiver of, or reduction in, tuition and fees; and

(II) any scholarship, or other Federal, State, institutional, or employer-based aid or assistance (other than loans and any funds provided under section 401(b) of the Higher Education Act of 1965 (20 U.S.C. 1070a(b))) that is provided directly to the institution and specifically designated for the sole purpose of defraying tuition and fees;

(ii) in the case of a program of education pursued at a non-public or foreign institution of higher learning, the lesser of—

(I) the actual net cost for tuition and fees assessed by the institution for the program of education after the application of—

(aa) any waiver of, or reduction in, tuition and fees; and

(bb) any scholarship, or other Federal, State, institutional, or employer-based aid or assistance (other than loans and any funds provided under section 401(b) of the Higher Education Act of 1965) that is provided directly to the institution and specifically des-

ignated for the sole purpose of defraying tuition and fees; or

(II) the amount equal to—

(aa) for the academic year beginning on August 1, 2011, \$17,500; or

(bb) for an academic year beginning on any subsequent August 1, the amount for the previous academic year beginning on August 1 under this subclause, as increased by the percentage increase equal to the most recent percentage increase determined under section 3015(h); or

(iii) the amount of the charges of the educational institution as elected by the individual in the manner specified in section 3014(b)(1).

(B) Subject to subparagraph (C), for the first month of each quarter, semester, or term, as applicable, of the program of education pursued by the individual, a lump sum amount for books, supplies, equipment, and other educational costs with respect to such quarter, semester, or term in the amount equal to—

(i) \$1,000, multiplied by (ii) the fraction of a complete academic year under the program of education that such quarter, semester, or term constitutes.

(C) In the case of an individual entitled to educational assistance by reason of paragraphs (3) through (8) of section 3311(b), the amounts payable to the individual pursuant to subparagraphs (A)(i), (A)(ii), and (B) shall be the amounts otherwise determined pursuant to such subparagraphs multiplied by the same percentage applicable to the monthly amounts payable to the individual under paragraphs (2) through (7) of subsection (c).

(3) QUARTER, SEMESTER, OR TERM PAYMENTS.—Payment of the amount payable under paragraph (2) for pursuit of a program of education shall be made for the entire quarter, semester, or term, as applicable, of the program of education.

(4) MONTHLY PAYMENTS.—For each month (as determined pursuant to the methods prescribed under subsection (d)(3)) for which amounts are paid an individual under this subsection, the entitlement of the individual to educational assistance under this chapter shall be charged at the rate of one month for each such month.

(f) PROGRAMS OF EDUCATION PURSUED ON HALF-TIME BASIS OR LESS.—

(1) IN GENERAL.—Educational assistance is payable under this chapter for pursuit of an approved program of education on half-time basis or less whether a program of education pursued on active duty, a program of education leading to a degree, or a program of education other than a program of education leading to a degree.

(2) AMOUNT OF ASSISTANCE.—The educational assistance payable under this chapter to an individual pursuing a program of education covered by this subsection on half-time basis or less is the amounts as follows:

(A) The amount equal to the lesser of—

(i) the actual net cost for in-State tuition and fees assessed by the institution of higher learning for the program of education after the application of—

(I) any waiver of, or reduction in, tuition and fees; and

(II) any scholarship, or other Federal, State, institutional, or employer-based aid or assistance (other than loans and any funds provided under section 401(b) of the Higher Education Act of 1965 (20 U.S.C. 1070a(b))) that is provided directly to the institution and specifically designated for the sole purpose of defraying tuition and fees; or

(ii) the maximum amount that would be payable to the individual for the program of education under paragraph (1)(A) of subsection (c), or under the provisions of paragraphs (2) through (7) of subsection (c) applicable to the individual, for the program of education if the individual were entitled to amounts for the program of education under subsection (c) rather than this subsection.

(B) A stipend in an amount equal to the amount of the appropriately reduced amount of the lump sum amount for books, supplies, equipment, and other educational costs otherwise payable to the individual under subsection (c).

(3) QUARTER, TERM, OR SEMESTER PAYMENTS.—Payment of the amounts payable to an individual under paragraph (2) for pursuit of a program of education on half-time basis or less shall be made for the entire quarter, semester, or term, as applicable, of the program of education.

(4) MONTHLY PAYMENTS.—For each month (as determined pursuant to the methods prescribed under subsection (d)(3)) for which amounts are paid an individual under this subsection, the entitlement of the individual to educational assistance under this chapter shall be charged at a percentage of a month equal to—

(A) the number of course hours borne by the individual in pursuit of the program of education involved, divided by

(B) the number of course hours for full-time pursuit of such program of education.

(g) PROGRAMS OF EDUCATION OTHER THAN PROGRAMS OF EDUCATION LEADING TO A DEGREE.—

(1) IN GENERAL.—Educational assistance is payable under this chapter for pursuit of an approved program of education other than a program of education leading to a degree at an institution other than an institution of higher learning (as that term is defined in section 3452(f)).

(2) PURSUIT ON HALF-TIME BASIS OR LESS.—The payment of educational assistance under this chapter for pursuit of a program of education otherwise described in paragraph (1) on a half-time basis or less is governed by subsection (f).

(3) AMOUNT OF ASSISTANCE.—The amounts of educational assistance payable under this chapter to an individual entitled to educational assistance under this chapter who is pursuing an approved program of education covered by this subsection are as follows:

(A) In the case of an individual enrolled in a program of education (other than a program described in subparagraphs (B) through (D)) in pursuit of a certificate or other non-college degree, the following:

(i) Subject to clause (iv), an amount equal to the lesser of—

(I) the actual net cost for in-State tuition and fees assessed by the institution concerned for the program of education after the application of—

(aa) any waiver of, or reduction in, tuition and fees; and

(bb) any scholarship, or other Federal, State, institutional, or employer-based aid or assistance (other than loans and any funds provided under section 401(b) of the Higher Education Act of 1965 (20 U.S.C. 1070a(b))) that is provided directly to the institution and specifically designated for the sole purpose of defraying tuition and fees; or

(II) the amount equal to—

(aa) for the academic year beginning on August 1, 2011, \$17,500; or

(bb) for an academic year beginning on any subsequent August 1, the amount for the previous academic year beginning on August 1 under this subclause, as increased by the percentage increase equal to the most recent percentage increase determined under section 3015(h).

(ii) Except in the case of an individual pursuing a program of education on a half-time or less basis and subject to clause (iv), a monthly housing stipend equal to the product—

(I) of—

(aa) in the case of an individual pursuing resident training, the monthly amount of the basic allowance for housing payable under section 403 of title 37 for a member with dependents in pay grade E-5 residing in the military housing area that encompasses all or the majority portion of the ZIP code area in which is located the institution at which the individual is enrolled; or

(bb) in the case of an individual pursuing a program of education through distance learning, a monthly amount equal to 50 percent of the amount payable under item (aa), multiplied by (II) the lesser of—

(aa) 1.0; or

(bb) the number of course hours borne by the individual in pursuit of the program of education involved, divided by the minimum number of course hours required for full-time pursuit of such program of education, rounded to the nearest multiple of 10.

(iii) Subject to clause (iv), a monthly stipend in an amount equal to \$83 for each month (or pro rata amount for a partial month) of training pursued for books, supplies, equipment, and other educational costs.

(iv) In the case of an individual entitled to educational assistance by reason of paragraphs (3) through (8) of section 3311(b), the amounts payable pursuant to clauses (i), (ii), and (iii) shall be the amounts otherwise determined pursuant to such clauses multiplied by the same percentage applicable to the monthly amounts payable to the individual under paragraphs (2) through (7) of subsection (c).

(B) In the case of an individual pursuing a full-time program of apprenticeship or other on-job training, amounts as follows:

(i) Subject to clauses (iii) and (iv), for each month the individual pursues the program of education, a monthly housing stipend equal to—

(I) during the first six-month period of the program, the monthly amount of the basic allowance for housing payable under section 403 of title 37 for a member with dependents in pay grade E-5 residing in the military housing area that encompasses all or the majority portion of the ZIP code area in which is located the employer at which the individual pursues such program;

(II) during the second six-month period of the program, 80 percent of the monthly amount of the basic allowance for housing payable as described in subclause (I);

(III) during the third six-month period of the program, 60 percent of the monthly amount of the basic allowance for housing payable as described in subclause (I);

(IV) during the fourth six-month period of such program, 40 percent of the monthly amount of the basic allowance for housing payable as described in subclause (I); and

(V) during any month after the first 24 months of such program, 20 percent of the monthly amount of the basic allowance for housing payable as described in subclause (I).

(ii) Subject to clauses (iii) and (iv), a monthly stipend in an amount equal to \$83 for each month (or pro rata amount for each partial month) of training pursued for books supplies, equipment, and other educational costs.

(iii) In the case of an individual entitled to educational assistance by reason of paragraphs (3) through (8) of sections 3311(b), the amounts payable pursuant to clauses (i) and (ii) shall be the amounts otherwise determined pursuant to such clauses multiplied by the same percentage applicable to the month-

ly amounts payable to the individual under paragraphs (2) through (7) of subsection (c).

(iv) In any month in which an individual pursuing a program of education consisting of a program of apprenticeship or other on-job training fails to complete 120 hours of training, the amount of monthly educational assistance allowance payable under clauses (i) and (iii) to the individual shall be limited to the same proportion of the applicable rate determined under this subparagraph as the number of hours worked during such month, rounded to the nearest eight hours, bears to 120 hours.

(C) In the case of an individual enrolled in a program of education consisting of flight training (regardless of the institution providing such program of education), an amount equal to—

(i) the lesser of—

(I) the actual net cost for in-State tuition and fees assessed by the institution concerned for the program of education after the application of—

(aa) any waiver of, or reduction in, tuition and fees; and

(bb) any scholarship, or other Federal, State, institutional, or employer-based aid or assistance (other than loans and any funds provided under section 401(b) of the Higher Education Act of 1965) that is provided directly to the institution and specifically designated for the sole purpose of defraying tuition and fees; or

(II) the amount equal to—

(aa) for the academic year beginning on August 1, 2011, \$10,000; or

(bb) for an academic year beginning on any subsequent August 1, the amount for the previous academic year beginning on August 1 under this subclause, as increased by the percentage increase equal to the most recent percentage increase determined under section 3015(h), multiplied by—

(ii) either—

(I) in the case of an individual entitled to educational assistance by reason of paragraphs (1), (2), or (9) of section 3311(b), 100 percent; or

(II) in the case of an individual entitled to educational assistance by reason of paragraphs (3) through (8) of section 3311(b), the same percentage as would otherwise apply to the monthly amounts payable to the individual under paragraphs (2) through (7) of subsection (c).

(D) In the case of an individual enrolled in a program of education that is pursued exclusively by correspondence (regardless of the institution providing such program of education), an amount equal to—

(i) the lesser of—

(I) the actual net cost for tuition and fees assessed by the institution concerned for the program of education after the application of—

(aa) any waiver of, or reduction in, tuition and fees; and

(bb) any scholarship, or other Federal, State, institutional, or employer-based aid or assistance (other than loans and any funds provided under section 401(b) of the Higher Education Act of 1965) that is provided directly to the institution and specifically designated for the sole purpose of defraying tuition and fees.

(II) the amount equal to—

(aa) for the academic year beginning on August 1, 2011, \$8,500; or

(bb) for an academic year beginning on any subsequent August 1, the amount for the previous academic year beginning on August 1 under this subclause, as increased by the percentage increase equal to the most recent percentage increase determined under section 3015(h), multiplied by—

(ii) either—

(I) in the case of an individual entitled to educational assistance by reason of paragraphs (1), (2), or (9) of section 3311(b), 100 percent; or

(II) in the case of an individual entitled to educational assistance by reason of paragraphs (3) through (8) of section 3311(b), the same percentage as would otherwise apply to the monthly amounts payable to the individual under paragraphs (2) through (7) of subsection (c).

(4) FREQUENCY OF PAYMENT.—

(A) QUARTER, SEMESTER, OR TERM PAYMENTS.—Payment of the amounts payable under paragraph (3)(A)(i) for pursuit of a program of education shall be made for the entire quarter, semester, or term, as applicable, of the program of education.

(B) MONTHLY PAYMENTS.—Payment of the amounts payable under paragraphs (3)(A)(ii) and (3)(B)(i) for pursuit of a program of education shall be made on a monthly basis.

(C) LUMP SUM PAYMENTS.—

(i) Payment for the amount payable under paragraphs (3)(A)(iii) and (3)(B)(ii) shall be paid to the individual for the first month of each quarter, semester, or term, as applicable, of the program education pursued by the individual.

(ii) Payment of the amount payable under paragraph (3)(C) for pursuit of a program of education shall be made upon receipt of certification for training completed by the individual and serviced by the training facility.

(D) QUARTERLY PAYMENTS.—Payment of the amounts payable under paragraph (3)(D) for pursuit of a program



of education shall be made quarterly on a pro rata basis for the lessons completed by the individual and serviced by the institution.

(5) CHARGE AGAINST ENTITLEMENT FOR CERTIFICATE AND OTHER NON-COLLEGE DEGREE PROGRAMS.—

(A) IN GENERAL.—In the case of amounts paid under paragraph (3)(A)(i) for pursuit of a program of education, the charge against entitlement to educational assistance under this chapter of the individual for whom such payment is made shall be one month for each of—

(i) the amount so paid, divided by (ii) subject to subparagraph (B), the amount equal to one-twelfth of the amount applicable in the academic year in which the payment is made under paragraph (3)(A)(i)(II).

(B) PRO RATA ADJUSTMENT BASED ON CERTAIN ELIGIBILITY.—If the amount otherwise payable with respect to an individual under paragraph (3)(A)(i) is subject to a percentage adjustment under paragraph (3)(A)(iv), the amount applicable with respect to the individual under subparagraph (A)(ii) shall be the amount otherwise determined pursuant to such subparagraph subject to a percentage adjustment equal to the percentage adjustment applicable with respect to the individual under paragraph (3)(A)(iv).

(h) PAYMENT OF ESTABLISHED CHARGES TO EDUCATIONAL INSTITUTIONS.—Amounts payable under subsections (c)(1)(A) (and of similar amounts payable under paragraphs (2) through (7) of subsection (c)), (e)(2), and (f)(2)(A), and under subparagraphs (A)(i), (C), and (D) of subsection (g)(3), shall be paid directly to the educational institution concerned.

(i) DETERMINATION OF HOUSING STIPEND PAYMENTS FOR ACADEMIC YEARS.—Any monthly housing stipend payable under this section during the academic year beginning on August 1 of a calendar year shall be determined utilizing rates for basic allowances for housing payable under section 403 of title 37 in effect as of January 1 of such calendar year.

(j) DETERMINATION OF MONTHLY HOUSING STIPENDS DURING ACTIVE DUTY SERVICE.—For any month during which an individual who is entitled to a monthly housing stipend under this section is performing active duty service, the Secretary shall determine the amount of such stipend payable to such individual for such month on a pro rata basis for the period of such month during which the individual is not performing active duty service.

(j) *PROVISION OF HOUSING STIPEND PAYMENT INFORMATION.—The Secretary shall furnish to individuals receiving educational assistance under this chapter documentation that verifies the amount of the monthly housing stipend the individual receives under this section. The Secretary shall make such documentation available to the individual using an internet website in the same manner the Secretary provides documentation verifying compensation and other benefits furnished by the Secretary to individuals.*

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