

VETERANS EDUCATION AND TECHNICAL SKILLS
OPPORTUNITY ACT OF 2025

SEPTEMBER 26, 2025.—Committed to the Committee of the Whole House on the
State of the Union and ordered to be printed

Mr. BOST, from the Committee on Veterans’ Affairs,
submitted the following

R E P O R T

together with

MINORITY VIEWS

[To accompany H.R. 1458]

[Including cost estimate of the Congressional Budget Office]

The Committee on Veterans’ Affairs, to whom was referred the bill (H.R. 1458) to amend title 38, United States Code, to modify the criteria for approval of certain independent study programs for purposes of the educational assistance programs of the Department of Veterans Affairs, having considered the same, reports favorably thereon with an amendment and recommends that the bill as amended do pass.

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The amendment is as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the “Veterans Education and Technical Skills Opportunity Act of 2025” or the “VETS Opportunity Act of 2025”.

SEC. 2. REPAYMENT OF MEMBERS OF THE ARMED FORCES FOR CONTRIBUTIONS TOWARDS POST-9/11 EDUCATIONAL ASSISTANCE: TIMING; MECHANISM FOR INDIVIDUALS NOT ELIGIBLE FOR A MONTHLY HOUSING STIPEND.

(a) IN GENERAL.—Subsection (f) of section 3327 of title 38, United States Code, is amended—

(1) in paragraph (3), by striking “together” and all that follows through “before” and inserting “not later than 60 days after”; and

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

“(4) ADDITIONAL ASSISTANCE FOR AN INDIVIDUAL NOT ELIGIBLE FOR A MONTHLY HOUSING STIPEND.—In the case of an individual making an election under subsection (a) who is described by subparagraph (A), (C), or (E) of paragraph (1) of that subsection, and who is not eligible for a monthly stipend payable under section 3313(c) of this title, the educational assistance payable to the individual under this chapter shall be paid—

“(A) in a lump sum calculated by multiplying—

“(i) the total amount of contributions described in paragraph (1)(A) with regards to such individual; and

“(ii) the sum of the number of months described in subclauses (I) and (II) of paragraph (1)(B)(i) with regards to such individual; and

“(B) to the individual not later than 60 days after the exhaustion of the individual’s entitlement to educational assistance under this chapter.”.

(b) TECHNICAL CORRECTIONS AND CONFORMING AMENDMENT.—Such subsection is further amended—

(1) by striking “paragraphs (2) through (7)” and inserting “paragraphs (2) through (6)”; and

(2) in paragraph (1), in the heading, by inserting “FOR AN INDIVIDUAL ELIGIBLE FOR A MONTHLY HOUSING STIPEND” after “ADDITIONAL ASSISTANCE”.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on August 1, 2025.

SEC. 3. TREATMENT OF CERTAIN INDEPENDENT STUDY PROGRAMS UNDER EDUCATIONAL ASSISTANCE PROGRAMS OF DEPARTMENT OF VETERANS AFFAIRS.

(a) IN GENERAL.—Section 3680A(a)(4)(A)(ii)(III) of such title is amended—

(1) by inserting “that requires regular and substantive interaction between students and instructors” after “course of study”;

(2) in item (aa), by striking “; or” and inserting a semicolon;

(3) in item (bb), by striking “; and” and inserting “; or”; and

(4) by adding at the end by following new item:

“(cc) an institution of higher education, as such term is defined in section 102 of the Higher Education Act of 1965 (20 U.S.C. 1002), that is approved to participate or participating in the student financial assistance programs authorized by title IV of that Act; and”.

(b) APPLICABILITY.—The amendment made by subsection (a) shall apply with respect to a quarter, semester, or term, as applicable, that begins on or after August 1, 2025.

SEC. 4. ABSENCE FROM CERTAIN EDUCATION DUE TO CERTAIN SERVICE.

(a) OPTIONS.—Section 3691A of such title is amended by striking paragraph (1) of subsection (a) and inserting the following:

“(1) A covered member may, after receiving orders to enter a period of covered service—

“(A) withdraw from covered education;

“(B) take a leave of absence from covered education; or

“(C) subject to subsection (d), enter into an agreement with the institution concerned to complete a course of covered education to the satisfaction of such institution concerned.”.

(b) CONFORMING AMENDMENT.—Such subsection is further amended, in paragraph (2)(A), by striking “or takes a leave of absence” and inserting “, takes a leave of absence, or enters into an agreement”.

(c) AGREEMENT.—Such section is further amended—

(1) by redesignating subsection (d) as subsection (e); and

(2) by inserting, after subsection (c), the following new subsection (d):

“(d) AGREEMENT WITH INSTITUTION CONCERNED.—A covered member may enter into an agreement under subsection (a) only if the covered member has completed at least half of a course of covered education.”.

(d) SECTION HEADING.—Such section is further amended by striking the heading and inserting “**Absence from certain education due to certain service**”.

(e) TABLE OF SECTIONS.—The table of sections at the beginning of chapter 36 of such title is amended by striking the item relating to section 3691A and inserting the following new item:

“3691A. Absence from certain education due to certain service.”.

SEC. 5. DEPARTMENT OF VETERANS AFFAIRS COMPLIANCE SURVEYS.

Section 3693 of such title is amended—

(1) in subsection (c)—

(A) by striking “not more than 10 business days of notice”;

(B) by striking “this section.” and inserting “this section—”; and

(C) by adding at the end the following new paragraphs:

“(1) in the case of an educational institution or training establishment with a time stamp database collection feature, not fewer than 10, and not more than 15, business days of notice; and

“(2) in the case of any other educational institution or training establishment, not more than 10 business days of notice.”; and

(2) by striking subsection (d) and inserting the following new subsection (d):

“(d) DEFINITIONS.—In this section:

“(1) The terms ‘educational institution’ and ‘training establishment’ have the meanings given such terms in section 3452 of this title.

“(2) The term ‘school certifying official’ means an employee of an educational institution with primary responsibility for certifying veteran enrollment at the educational institution.”.

SEC. 6. NOTIFICATION OF SCHOOL CERTIFYING OFFICIALS OF HANDBOOK UPDATES.

(a) IN GENERAL.—Not later than 14 business days after updating the school certifying official handbook of the Department of Veterans Affairs, the Secretary of Veterans Affairs shall provide notice to all school certifying officials of such update.

(b) SCHOOL CERTIFYING OFFICIAL DEFINED.—The term “school certifying official” means an employee of an educational institution with primary responsibility for certifying veteran enrollment at the educational institution.

SEC. 7. EXTENSION OF CERTAIN LIMITS ON PAYMENTS OF PENSION.

Section 5503(d)(7) of title 38, United States Code, is amended by striking “November 30, 2031” and inserting “March 31, 2033”.

PURPOSE AND SUMMARY

H.R. 1458, as amended, the “Veterans Education and Technical Skills Opportunity Act of 2025” or the “VETS Opportunity Act of 2025”, was introduced by Rep. Juan Ciscomani of Arizona on February 21, 2025. The bill would expand the GI Bill benefits program to allow both in-person and hybrid independent study programs for veterans using their education benefits to increase opportunities for veterans’ education after service. The bill, as amended, also includes the text of H.R. 1527 and H.R. 1872.

H.R. 1527, as amended, the “Reforming Education for our Veterans Act” would allow a school to enter into an agreement with a student veteran serving in the National Guard or Reserves who receives orders for duty, to work to achieve a grade instead of receiving an incomplete for a class. Additionally, this legislation would increase the number of days of notice given to a school before a compliance survey to 15 business days for certain institutions. Finally, the legislation would require the Department of Veterans Affairs (VA) to notify School Certifying Officials (SCO’s) no

later than 14 business days after it modifies the SCO handbook for the delivery of education benefits.

H.R. 1872, as amended, the “Fairness in Veterans’ Education Act” would amend Title 38, United States Code, to ensure the Secretary of Veterans Affairs repays members of the Armed Forces for certain contributions made by such servicemembers towards post-9/11 Educational Assistance. This bill would also allow about 25,000 servicemembers and veterans who were previously ineligible to be reimbursed for the \$1,200 they are due.

Finally, the bill would provide an offset for the cost of the changes the bill by extending the expiration date of current law (38 U.S.C. §§ 5503(d)(7)) which limits the payment of pension to veterans without a spouse or child, receiving domiciliary care in a VA-furnished nursing facility.

BACKGROUND AND NEED FOR LEGISLATION

Section 1: Short Title

This Act may be cited as the “VETS Opportunity Act of 2025.”

Section 2: Repayment of Members of the Armed Forces for Contributions Towards Post 9/11 Educational Assistance: Timing, Mechanism for Individuals Not Eligible For a Monthly Housing Stipend

When a servicemember chooses the Montgomery GI Bill education benefit while on active duty, the servicemember pays \$1,200 over the course of a year to be fully eligible for the benefit. That individual can later choose to switch to the post-9/11 GI Bill. Currently, members of the armed forces who contribute to their Montgomery GI Bill, and later switch to the post-9/11 GI Bill and use all 36 months of entitlement, receive a repayment at the end of their service as part of their last housing stipend. Unfortunately, about 24,000 servicemembers have not been reimbursed for their \$1,200 payments because the current statute limits how individuals are able to receive the benefit. This section would allow veterans and servicemembers to receive reimbursement through a lump sum payment or with their last monthly housing stipend. It would allow the VA to repay the \$1,200 even if a servicemember is on active-duty and not currently receiving a monthly housing allowance from VA. The Committee is supportive of this bill to ensure every servicemember and veteran is able to receive their reimbursement for a benefit they did not end up using. The Committee believes it is important for servicemembers to receive this repayment that they are owed if they are not using the benefit they paid into.

Section 3: Treatment of Independent Study Programs Under Educational Assistance Programs Under Educational Assistance Programs of Department of Veterans Affairs

During the COVID pandemic the availability of online programs increased substantially. Since then, many veterans and service members have taken advantage of online learning opportunities. Online education provides desired flexibility for many veterans and servicemembers with families who are working at a full-time job while taking online classes. The COVID pandemic also unlocked

education opportunities to meet veterans where they are, not the other way around. Often, veterans want to take independent study programs that match their skill set and occupation during their time in the military. These independent study programs also offer an opportunity for veterans to use the GI Bill to advance their career without going through a multi-year degree. This section would expand the GI Bill to allow benefits to be used for both in-person and hybrid independent study programs. The Committee supports expanding options for veterans to use their GI Bill entitlement to advance educational opportunities and gain qualifications for high-paying jobs after they leave the military.

Additionally, this section would modernize the GI Bill to adapt to how veterans are able to obtain a non-degree education. This would allow veterans to pursue nontraditional education through on-the-job training and additional independent study programs with GI Bill approval. However, these education programs would still need to have approval from the Department of Education (DOE), and the hybrid portion of any educational program would still require substantive interaction between the student veterans and the instructor. Often, these independent study offerings align with veterans' skills from their time in service, so it provides an opportunity to apply that experience and develop their skills for future employers.

Section 4: Absence from Certain Education Due to Certain Service

This section would allow student veterans serving in the National Guard or Reserves who receive orders for military duty before term is completed, to work out an arrangement with the educational institution to achieve a grade instead of receiving an incomplete grade for a course. Currently, schools must follow guidance from the DOE and the Department of Defense (DoD) in administering to active duty military students when or if they are activated for military orders while attending a higher education institution. DOE currently has an outline under section 484C of the Higher Education Act of 1965 for Institutional Readmission Requirements of Servicemembers, and the DOD Instruction, DODi1322.25¹ provides guidance that schools must adhere to.

Mandating that students receive an "incomplete" grade removes the academic freedom of the faculty and the servicemember, as the student may decide that an "incomplete" grade is not in their best interest while they serve their country. Oftentimes, students who withdraw for military duty are focused on their mission and will retake the class upon their return to school, as these deployments can often be long-lasting, from 6 months to one year, depending upon the mission. The Committee believes it is essential to provide the flexibility that DoD provides to all servicemembers. If a student veteran is more than halfway through a course, the student veteran can agree with an instructor on ways to finish the course without receiving an incomplete grade if they choose to do so.

¹ https://www.bing.com/search?q=DODi1322.25&cvid=b45df2d7dbcc4fa5a585afa7a53d0ffc&gs_lcrp=EgRlZGdlKgYIABBFgDkyBggAEEUYOTIICAEQ6QcY_FXSACQc0OTlqMG00qAIIIsAIB&FORM=ANAB01&PC=U531.

Section 5: Department of Veterans Affairs Compliance Surveys

Compliance surveys are routine visits that State Approving Agencies (SAAs) conduct at different institutions. However, the Committee has heard that many of the compliance visits are made with less than 48-hours' notice and no flexibility is offered, even if the school certifying official (SCO) is on leave, or if the visit happens during the holiday season. This section would change the statute to allow a minimum of 10 business days for compliance surveys for schools with time-stamp technology that would ensure the records have not been tampered with. For large Institutions of Higher Learning (IHL) who gather large quantities of data, this process can take longer than the allotted time currently in statute. For smaller IHL's, oftentimes the SCOs are handling many different priorities and are unable to take time away from other duties because SAAs have given the institution a tight turnaround for a significant amount of data and information. The Committee is also concerned that institutions are dropping out of the GI Bill program because of the increased amount of bureaucracy Congress and VA has placed on institutions. The Committee believes that by increasing the time for a school to do a compliance survey for institutions that have time stamped documents, schools will have to deal with less bureaucracy while still preventing other institutions from potentially defrauding the federal government.

Section 6: Notification of School Certifying Officials of Handbook Updates

This section would require VA to publish the SCO handbook updates no later than fourteen business days after the handbook has been updated. The Committee believes this is important because in 2020, the SCO handbook was moved to an online format by VA. This created an issue for schools because there was minimal communication from VA that updates to the handbook would no longer be sent out. SCO's have told the Committee that they need to know what updates have been made to the handbook in order to meet VA compliance standards and avoid mistakes that may trigger a Risk-Based Survey or impact the delivery of education benefits.

Section 7: Extension of Certain Limits on Payments of Pension

Under current law (38 U.S.C. § 5503(d)), the amount of VA pension paid to a veteran with no spouse or child, a veteran's surviving spouse with no children, or a veteran's child, who are admitted to a VA or Medicaid sponsored nursing facility is capped at \$90 a month. This section would cover the costs of the other sections of this bill by extending this cap from November 30, 2031, to March 31, 2033. Because they receive government sponsored care in a nursing home, these pension beneficiaries do not require the full amount of pension to cover their cost of living. The Committee believes this short-term extension of the current limit on pension payments is a reasonable way to cover the costs associated with the other sections of this bill.

HEARINGS

On March 11, 2025, the Subcommittee on Economic Opportunity held a legislative hearing on H.R. 1458, and other bills that were pending before the subcommittee.

The following witnesses testified:

Mr. John Bell, Executive Director of Loan Guaranty Service, U.S. Department of Veterans Affairs; Mr. Nick Pamperin, Executive Director, Veterans Readiness and Employment, U.S. Department of Veterans Affairs; Mr. Thomas J. Alphonso, Assistant Director, Policy and Implementation, Veterans Benefits Administration, U.S. Department of Veterans Affairs; Ms. Jill Albanese, Director of Clinical Operations, U.S. Department of Veterans Affairs; Ms. Kristina Keenan, Deputy Director, National Legislative Service, Veterans of Foreign Wars; Ms. Julie Howell, Associate Legislative Director for Governmental Relations, Paralyzed Veterans of America; Ms. Elizabeth Balce, Executive Vice President of Servicing at Carrington Mortgage, Mortgage Bankers Association; Mr. Tobias Peter, Co-Director of the Housing Center, Senior Fellow, American Enterprise Institute; and Mr. Will Hubbard, Vice President for Veterans and Military Policy, Veterans Education Success.

The following individuals and organizations submitted statements for the record:

Freedom Mortgage, Student Veterans of America, the Veterans Education Project, National Association of Veterans Program Administrators, National Consumer Law Center, BraunAbility, National Mobility Equipment Dealers Association, and the National Alliance to End Homelessness.

SUBCOMMITTEE CONSIDERATION

On April 9, 2025, the Subcommittee on Economic Opportunity held a markup on the legislation included in the text of this bill H.R. 1458.

An amendment in the nature of a substitute to H.R. 1572, offered by Representative Van Orden, to provide a minimum of 10 days' notice for SCOs to prepare for compliance surveys and remove a section that allowed only one compliance survey for institutions with branch campuses, was agreed to by voice vote. A motion to favorably forward the bill offered by Ranking Member Pappas was agreed to by voice vote.

An amendment in the nature of a substitute to H.R. 1872, offered by Representative Van Orden, to correct the section of the code included in the bill and ensure servicemembers are reimbursed, was adopted by voice vote. A motion to favorably forward the bill to the full committee offered by Ranking Member Pappas, was agreed to by voice vote.

A motion by Representative Barrett to favorably forward H.R. 1458 to the full committee was agreed to by voice vote.

COMMITTEE CONSIDERATION

On May 6, 2025, the full Committee met in open markup session, a quorum being present to consider H.R. 1458.

During consideration of the bill an amendment in the nature of a substitute was offered by Chairman Bost of Illinois that would

include H.R. 1527 and H.R. 1872 in this bill and provide an offset. This amendment in the nature of a substitute was agreed to by voice vote.

An amendment to the amendment in the nature of a substitute offered by Ranking Member Takano of California was offered to require accredited college degree programs to use an annual debt to earnings ratio equal to or less than 20% to be eligible to participate in hybrid independent study programs. This amendment would require a discretionary debt-to-earnings ratio equal to or less than eight percent to participate in GI Bill funding. The amendment to the amendment in the nature of a substitute failed by voice vote.

An amendment to the amendment in the nature of a substitute was offered by Representative Ramirez from Illinois to include H.R. 1423, the Guard and Reserve GI Bill Parity Act of 2025, as a new section of the bill. This language would not be offset and would include language where individuals who never qualified for the GI Bill by service overseas during Iraq and Afghanistan would receive a better GI Bill than active-duty servicemembers who were deployed. This amendment to the amendment in the nature of a substitute failed by a vote of 11 ayes, 13 noes.

A motion by Representative Bergman to report H.R. 1458, as amended, favorably to the House of Representatives, was agreed to by voice vote.

COMMITTEE VOTES

In compliance with clause 3(b) of rule XIII of the Rules of the House of Representatives, one recorded vote was taken on an amendment to the amendment in the nature of a substitute to H.R. 1458.

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. 1458, as amended, are to improve and modernize GI Bill Programs to ensure they are working for veterans.

EARMARKS AND TAX AND TARIFF BENEFITS

H.R. 1458, as amended, 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

The Committee adopts as its own the Congressional Budget Office cost estimate on this measure.

BUDGET AUTHORITY AND CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE

Pursuant to clause (3)(c)(3) of rule XIII of the Rules of the House of Representatives, the following is the cost estimate for H.R. 1458, as amended, provided by the Congressional Budget Office (CBO) pursuant to section 402 of the Congressional Budget Act of 1974:

At a Glance			
H.R. 1458, Veterans Education and Technical Skills Opportunity Act of 2025			
As ordered reported by the House Committee on Veterans' Affairs on May 6, 2025			
By Fiscal Year, Millions of Dollars	2025	2025-2030	2025-2035
Direct Spending (Outlays)	2	38	-2
Revenues	0	0	0
Increase or Decrease (-) in the Deficit	2	38	-2
Spending Subject to Appropriation (Outlays)	*	*	*
Increases <i>net direct spending</i> in any of the four consecutive 10-year periods beginning in 2036?	< \$2.5 billion	Statutory pay-as-you-go procedures apply?	Yes
		Mandate Effects	
Increases <i>on-budget deficits</i> in any of the four consecutive 10-year periods beginning in 2036?	< \$5 billion	Contains intergovernmental mandate?	No
		Contains private-sector mandate?	No
* = between zero and \$500,000.			

The bill would:

- Increase certain refunds that are paid by the Department of Veterans Affairs (VA) under the Post-9/11 GI Bill
- Expand the types of educational institutions that can offer independent study courses to people who are using VA benefits
- Extend the reduction of pensions that VA pays to veterans and survivors residing in Medicaid nursing homes
- Require VA to notify schools about changes to policies concerning education benefits

Estimated budgetary effects would mainly stem from:

- Increasing payments under education benefit programs
- Reducing pension payments

Bill summary: H.R. 1458 would make several modifications, specifically related to GI Bill contributions and independent study courses, to education benefit programs administered by the Department of Veterans Affairs (VA). The bill also would extend the reduction of pension payments from VA for veterans and survivors who reside in Medicaid nursing homes. Finally, the bill would require VA to notify schools about changes to policies that affect education benefits.

Estimated Federal cost: The estimated budgetary effects of H.R. 1458 are shown in Table 1. The costs of the legislation fall within budget functions 550 (health) and 700 (veterans benefits and services).

TABLE 1.—ESTIMATED BUDGETARY EFFECTS OF H.R. 1458

	By fiscal year, millions of dollars—													
	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2025– 2030	2025– 2035	
INCREASES OR DECREASES (–) IN DIRECT SPENDING														
Contribution Refunds:														
Estimated Budget Authority ...	1	5	5	4	4	3	2	1	1	1	1	22	28	
Estimated Outlays	1	5	5	4	4	3	2	1	1	1	1	22	28	
Independent Study:														
Estimated Budget Authority ...	1	3	3	3	3	3	3	3	4	4	4	16	34	
Estimated Outlays	1	3	3	3	3	3	3	3	4	4	4	16	34	
Pensions:														
Estimated Budget Authority ...	0	0	0	0	0	0	0	–40	–24	0	0	0	–64	
Estimated Outlays	0	0	0	0	0	0	0	–40	–24	0	0	0	–64	
Total Changes:														
Estimated Budget Authority ...	2	8	8	7	7	6	5	–36	–19	5	5	38	–2	
Estimated Outlays	2	8	8	7	7	6	5	–36	–19	5	5	38	–2	

In addition to the amounts shown here, H.R. 1458 would increase spending subject to appropriation by less than \$500,000 over the 2025–2035 period.

Basis of estimate: For this estimate, CBO assumes that H.R. 1458 will be enacted in fiscal year 2025 and that provisions will take effect upon enactment. CBO also estimates that outlays will follow historical spending patterns for affected programs.

Direct spending: H.R. 1458 would make several changes to VA education benefit programs described below. The costs of those programs are paid from mandatory appropriations. The bill also would extend the reduction of pension payments for veterans and survivors who reside in Medicaid nursing homes. In total, the bill would decrease net direct spending by \$2 million over the 2025–2035 period.

Education Benefit Reforms. Several sections of H.R. 1458 would modify education benefit programs administered by VA. Those changes would increase net direct spending by \$62 million over the 2025–2035 period.

Contribution refunds. Under the Montgomery GI Bill (MGIB), service members must contribute at least \$1,200 from their basic pay to become eligible for benefits. Contributions are not required for eligibility under the Post-9/11 GI Bill, which pays for tuition and fees and, in most cases, includes a monthly housing allowance. People who are eligible for both the MGIB and Post-9/11 GI Bill may receive a refund of their MGIB contributions if they received benefits—including a housing allowance—under the Post-9/11 GI Bill. That refund is made if they use all 36 months of Post-9/11 GI Bill benefits for which they are eligible. The refund is paid along with their last monthly housing payment.

Section 2 would require VA to refund MGIB contributions to beneficiaries within 60 days of the last benefit payment they receive under the Post-9/11 GI Bill, regardless of whether they receive a housing allowance. Using data from VA, CBO estimates that, under H.R. 1458, roughly 24,000 more people would receive refunds over the 2025–2035 period, increasing direct spending by \$28 million.

Independent Study. Section 3 would allow veterans to use their education benefits for independent study programs offered by for-profit schools that are approved to participate in the Department of Education’s financial assistance programs. Independent study is

training through which an individual student and instructor meet or communicate directly to explore a chosen subject rather than regularly gathering in a classroom with a group of students. Benefits cannot be used for independent study programs at for-profit schools under current law.

Using information from VA, CBO estimates that under this provision, about 150 people would use more education benefits each year than they would use under current law. The average cost of those benefits would be about \$18,000 in 2025. After adjusting for annual inflation, those additional benefit payments would increase direct spending by \$34 million over the 2025–2035 period, CBO estimates.

Activation During School. Section 4 would expand the options available to students using VA education benefits who are activated for military service during an academic term. Those students could agree with their schools to complete courses by other means if they have completed at least half of the courses in their program of education. Students are currently able to take a leave of absence if activated, after which schools must allow them to attempt to complete the academic term. Because both options enable students to complete their academic obligations and the section would not affect benefits paid for tuition and fees, CBO does not expect section 4 to significantly change direct spending.

Pensions. Under current law, VA reduces pension payments to veterans and survivors who reside in Medicaid nursing homes to \$90 per month. That required reduction expires November 30, 2031. Section 7 would extend that reduction for 16 months through March 31, 2033. CBO estimates that extending that requirement would reduce VA benefits by \$10 million per month. (Those benefits are paid from mandatory appropriations and are therefore considered direct spending.) As a result of that reduction in beneficiaries' income, Medicaid would pay more of the cost of their care, increasing spending for that program by \$6 million per month. Thus, enacting section 7 would reduce net direct spending by \$64 million over the 2025–2035 period.

Spending subject to appropriation: Section 6 would require VA to notify schools that participate in education benefit programs administered by the department of changes to policies that affect those programs within two weeks. CBO estimates that such notifications would increase spending subject to appropriation by less than \$500,000 over the 2025–2035 period.

Pay-As-You-Go considerations: The Statutory Pay-As-You-Go Act of 2010 establishes budget-reporting and enforcement procedures for legislation affecting direct spending or revenues. The net changes in outlays that are subject to those pay-as-you-go procedures are shown in Table 1.

Increase in long-term net direct spending and deficits: CBO estimates that enacting H.R. 1458 would not increase net direct spending by more than \$2.5 billion in any of the four consecutive 10-year periods beginning in 2036.

CBO estimates that enacting H.R. 1458 would not increase on-budget deficits by more than \$5 billion in any of the four consecutive 10-year periods beginning in 2036.

Mandates: The bill contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act.

Estimate prepared by: Federal Costs: Paul B.A. Holland (for education benefits); Logan Smith (for pensions); Mandates: Grace Watson.

Estimate reviewed by: David Newman, Chief, Defense, International Affairs, and Veterans' Affairs Cost Estimates Unit; Kathleen FitzGerald, Chief, Public and Private Mandates Unit; Christina Hawley Anthony, Deputy Director of Budget Analysis.

Estimate approved by: Phillip L. Swagel, Director, Congressional Budget Office.

FEDERAL MANDATES STATEMENT

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 is inapplicable to H.R. 1458, as amended.

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. 1458, as amended.

APPLICABILITY TO LEGISLATIVE BRANCH

The Committee finds that H.R. 1458, as amended, 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. 1458, as amended, would establish or reauthorize 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.

SECTION-BY-SECTION ANALYSIS OF THE LEGISLATION

Section 1. Short title

This section would establish the short title of the bill as the "Veterans Education and Technical Skills Opportunity Act of 2025" or the "VETS Opportunity Act."

Section 2: Repayment of members of the armed forces for contributions towards post 9/11 educational assistance: timing, mechanism for individuals not eligible for a monthly housing stipend

This section would amend 38 U.S.C. § 3327 to add in a new subsection (f) and strike the word together in order to ensure that veterans who do not receive their \$1,200 refund in their last monthly housing allowance are able to receive it as a lump sum payment. Veterans who do receive this payment through their last monthly housing stipend would still be able to receive it through that process.

Section 3: Treatment of independent study programs under educational assistance programs under educational assistance programs of Department of Veterans Affairs

This section would amend 38 U.S.C. § 3680(A)(a)(4)(ii)(III) by inserting “that requires regular and substantive interaction between students and instructors ‘after’ ‘course of study.’” This section would also add language identical to the language in section 102 of the Higher Education Act of 1965 (20 U.S.C. 1002) for schools approved through Title IV. This would make it clear that to participate in the GI Bill a program would need to have the requisite amount of interaction between students and instructors.

Section 4: Absence from certain education due to certain service

This section would amend 38 U.S.C. § 3691A by inserting a new section which would allow National Guard and Reservists who get called into active duty and have completed more than half of a course to receive a grade instead of having to withdraw if they can work out an arrangement with the educational institution to receive a grade.

Section 5: Department of Veterans Affairs compliance surveys

This section would amend 38 U.S.C. § 3693 of this title by striking “not more than 10 business days’ notice” and inserting in “in the case of an educational institution or training establishment with a time stamp database collection feature, not fewer than 10, and not more than 15, business days of notice; and “(2) in the case of any other educational institution or training establishment, not more than 10 business days of notice.” This would provide a minimum number of days’ notice for schools and allow for more notice for schools that use time stamp technology to make sure that records cannot be tampered with. This flexibility in notice would allow SCOs to adjust their schedules to be able to complete the compliance survey.

Section 6: Notification of school certifying officials of handbook updates

This section would require VA to notify SCOs within 14 days of an update to the SCO handbook. The current version is not accessible in PDF form and is only located online. This section would also ensure that SCOs are aware of any updates to compliance.

Section 7: Extension of certain limits on payments of pension

Section 7 would extend the limitation of pension payable to certain veterans, their surviving spouses, and their children as established in section 5503(d)(7) of title 38, United States Code, from November 30, 2031, to March 31, 2033.

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 italics, 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 (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italics, 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 III—ADMINISTRATIVE PROVISIONS

* * * * *

§ 3327. Election to receive educational assistance

(a) **INDIVIDUALS ELIGIBLE TO ELECT PARTICIPATION IN POST-9/11 EDUCATIONAL ASSISTANCE.**—An individual may elect to receive educational assistance under this chapter if such individual—

(1) as of August 1, 2009—

(A) is entitled to basic educational assistance under chapter 30 of this title and has used, but retains unused, entitlement under that chapter;

(B) is entitled to educational assistance under chapter 107, 1606, or 1607 of title 10 and has used, but retains unused, entitlement under the applicable chapter;

(C) is entitled to basic educational assistance under chapter 30 of this title but has not used any entitlement under that chapter;

(D) is entitled to educational assistance under chapter 107, 1606, or 1607 of title 10 but has not used any entitlement under such chapter;

(E) is a member of the Armed Forces who is eligible for receipt of basic educational assistance under chapter 30 of this title and is making contributions toward such assistance under section 3011(b) or 3012(c) of this title; or

(F) is a member of the Armed Forces who is not entitled to basic educational assistance under chapter 30 of this title by reason of an election under section 3011(c)(1) or 3012(d)(1) of this title; and

(2) as of the date of the individual's election under this paragraph, meets the requirements for entitlement to educational assistance under this chapter.

(b) **CESSATION OF CONTRIBUTIONS TOWARD GI BILL.**—Effective as of the first month beginning on or after the date of an election under subsection (a) of an individual described by paragraph (1)(E)

of that subsection, the obligation of the individual to make contributions under section 3011(b) or 3012(c) of this title, as applicable, shall cease, and the requirements of such section shall be deemed to be no longer applicable to the individual.

(c) REVOCATION OF REMAINING TRANSFERRED ENTITLEMENT.—

(1) ELECTION TO REVOKE.—If, on the date an individual described in paragraph (1)(A) or (1)(C) of subsection (a) makes an election under that subsection, a transfer of the entitlement of the individual to basic educational assistance under section 3020 of this title is in effect and a number of months of the entitlement so transferred remain unutilized, the individual may elect to revoke all or a portion of the entitlement so transferred that remains unutilized.

(2) AVAILABILITY OF REVOKED ENTITLEMENT.—Any entitlement revoked by an individual under this subsection shall no longer be available to the dependent to whom transferred, but shall be available to the individual instead for educational assistance under chapter 33 of this title in accordance with the provisions of this section.

(3) AVAILABILITY OF UNREVOKED ENTITLEMENT.—Any entitlement described in paragraph (1) that is not revoked by an individual in accordance with that paragraph shall remain available to the dependent or dependents concerned in accordance with the current transfer of such entitlement under section 3020 of this title.

(d) POST-9/11 EDUCATIONAL ASSISTANCE.—

(1) IN GENERAL.—Subject to paragraph (2) and except as provided in subsection (e), an individual making an election under subsection (a) shall be entitled to educational assistance under this chapter in accordance with the provisions of this chapter, instead of basic educational assistance under chapter 30 of this title, or educational assistance under chapter 107, 1606, or 1607 of title 10, as applicable.

(2) LIMITATION ON ENTITLEMENT FOR CERTAIN INDIVIDUALS.—In the case of an individual making an election under subsection (a) who is described by paragraph (1)(A) of that subsection, the number of months of entitlement of the individual to educational assistance under this chapter shall be the number of months equal to—

(A) the number of months of unused entitlement of the individual under chapter 30 of this title, as of the date of the election, plus

(B) the number of months, if any, of entitlement revoked by the individual under subsection (c)(1).

(e) CONTINUING ENTITLEMENT TO EDUCATIONAL ASSISTANCE NOT AVAILABLE UNDER POST-9/11 EDUCATIONAL ASSISTANCE PROGRAM.—

(1) IN GENERAL.—In the event educational assistance to which an individual making an election under subsection (a) would be entitled under chapter 30 of this title, or chapter 107, 1606, or 1607 of title 10, as applicable, is not authorized to be available to the individual under the provisions of this chapter, the individual shall remain entitled to such educational assistance in accordance with the provisions of the applicable chapter.

(2) CHARGE FOR USE OF ENTITLEMENT.—The utilization by an individual of entitlement under paragraph (1) shall be chargeable against the entitlement of the individual to educational assistance under this chapter at the rate of 1 month of entitlement under this chapter for each month of entitlement utilized by the individual under paragraph (1) (as determined as if such entitlement were utilized under the provisions of chapter 30 of this title, or chapter 107, 1606, or 1607 of title 10, as applicable).

(f) ADDITIONAL POST-9/11 ASSISTANCE FOR MEMBERS HAVING MADE CONTRIBUTIONS TOWARD GI BILL.—

(1) ADDITIONAL ASSISTANCE FOR AN INDIVIDUAL ELIGIBLE FOR A MONTHLY HOUSING STIPEND.—In the case of an individual making an election under subsection (a) who is described by subparagraph (A), (C), or (E) of paragraph (1) of that subsection, the amount of educational assistance payable to the individual under this chapter as a monthly stipend payable under paragraph (1)(B) of section 3313(c) of this title, or under [paragraphs (2) through (7)] *paragraphs (2) through (6)* of that section (as applicable), shall be the amount otherwise payable as a monthly stipend under the applicable paragraph increased by the amount equal to—

(A) the total amount of contributions toward basic educational assistance made by the individual under section 3011(b) or 3012(c) of this title, as of the date of the election, multiplied by

(B) the fraction—

(i) the numerator of which is—

(I) the number of months of entitlement to basic educational assistance under chapter 30 of this title remaining to the individual at the time of the election; plus

(II) the number of months, if any, of entitlement under chapter 30 of this title revoked by the individual under subsection (c)(1); and

(ii) the denominator of which is 36 months.

(2) MONTHS OF REMAINING ENTITLEMENT FOR CERTAIN INDIVIDUALS.—In the case of an individual covered by paragraph (1) who is described by subsection (a)(1)(E), the number of months of entitlement to basic educational assistance remaining to the individual for purposes of paragraph (1)(B)(i)(II) shall be 36 months.

(3) TIMING OF PAYMENT.—The amount payable with respect to an individual under paragraph (1) shall be paid to the individual [together with the last payment of the monthly stipend payable to the individual under paragraph (1)(B) of section 3313(c) of this title, or under paragraphs (2) through (7) of that section (as applicable), before] *not later than 60 days after the exhaustion of the individual's entitlement to educational assistance under this chapter.*

(4) ADDITIONAL ASSISTANCE FOR AN INDIVIDUAL NOT ELIGIBLE FOR A MONTHLY HOUSING STIPEND.—*In the case of an individual making an election under subsection (a) who is described by subparagraph (A), (C), or (E) of paragraph (1) of that subsection, and who is not eligible for a monthly stipend payable*

under section 3313(c) of this title, the educational assistance payable to the individual under this chapter shall be paid—

(A) in a lump sum calculated by multiplying—

(i) the total amount of contributions described in paragraph (1)(A) with regards to such individual; and

(ii) the sum of the number of months described in subclauses (I) and (II) of paragraph (1)(B)(i) with regards to such individual; and

(B) to the individual not later than 60 days after the exhaustion of the individual's entitlement to educational assistance under this chapter.

(g) CONTINUING ENTITLEMENT TO ADDITIONAL ASSISTANCE FOR CRITICAL SKILLS OR SPECIALTY AND ADDITIONAL SERVICE.—An individual making an election under subsection (a)(1) who, at the time of the election, is entitled to increased educational assistance under section 3015(d) of this title, or section 16131(i) of title 10, or supplemental educational assistance under subchapter III of chapter 30 of this title, shall remain entitled to such increased educational assistance or supplemental educational assistance in the utilization of entitlement to educational assistance under this chapter, in an amount equal to the quarter, semester, or term, as applicable, equivalent of the monthly amount of such increased educational assistance or supplemental educational assistance payable with respect to the individual at the time of the election.

(h) ALTERNATIVE ELECTION BY SECRETARY.—

(1) IN GENERAL.—In the case of an individual who, on or after January 1, 2017, submits to the Secretary an election under this section that the Secretary determines is clearly against the interests of the individual, or who fails to make an election under this section, the Secretary may make an alternative election on behalf of the individual that the Secretary determines is in the best interests of the individual.

(2) NOTICE.—If the Secretary makes an election on behalf of an individual under this subsection, the Secretary shall notify the individual by not later than seven days after making such election and shall provide the individual with a 30-day period, beginning on the date of the individual's receipt of such notice, during which the individual may modify or revoke the election made by the Secretary on the individual's behalf. The Secretary shall include, as part of such notice, a clear statement of why the alternative election made by the Secretary is in the best interests of the individual as compared to the election submitted by the individual. The Secretary shall provide the notice required under this paragraph by electronic means whenever possible.

(i) IRREVOCABILITY OF ELECTIONS.—An election under subsection (a) or (c)(1) is irrevocable.

* * * * *

CHAPTER 36—ADMINISTRATION OF EDUCATIONAL BENEFITS

Sec.

SUBCHAPTER I—EMERGENCY SITUATIONS

* * * * *

SUBCHAPTER III—MISCELLANEOUS PROVISIONS

* * * * *

[3691A. Withdrawal or leave of absence from certain education.]

3691A. *Absence from certain education due to certain service.*

* * * * *

SUBCHAPTER III—MISCELLANEOUS PROVISIONS

* * * * *

§ 3680A. Disapproval of enrollment in certain courses

(a) The Secretary shall not approve the enrollment of an eligible veteran in any of the following:

(1) Any bartending course or personality development course.

(2) Any sales or sales management course which does not provide specialized training within a specific vocational field.

(3) Any type of course which the Secretary finds to be avocational or recreational in character (or the advertising for which the Secretary finds contains significant avocational or recreational themes) unless the veteran submits justification showing that the course will be of bona fide use in the pursuit of the veteran's present or contemplated business or occupation.

(4) Any independent study program except—

(A) an independent study program (including such a program taken over open circuit television) that—

(i) is accredited by an accrediting agency or association recognized by the Secretary of Education under subpart 2 of part H of title IV of the Higher Education Act of 1965 (20 U.S.C. 1099b);

(ii) leads to—

(I) a standard college degree;

(II) a certificate that reflects educational attainment offered by an institution of higher learning;
or

(III) a certificate that reflects graduation from a course of study *that requires regular and substantive interaction between students and instructors* offered by—

(aa) an area career and technical education school (as defined in subparagraphs (C) and (D) of section 3(3) of the Carl D. Perkins Career and Technical Education Act of 2006 (20 U.S.C. 2302(3))) that provides education at the postsecondary level[; or];

(bb) a postsecondary vocational institution (as defined in section 102(c) of the Higher Education Act of 1965 (20 U.S.C. 1002(c))) that provides education at the postsecondary level[; and]; or

(cc) *an institution of higher education, as such term is defined in section 102 of the Higher Education Act of 1965 (20 U.S.C.*

1002), that is approved to participate or participating in the student financial assistance programs authorized by title IV of that Act; and

(iii) in the case of a program described in clause (ii)(III)—

(I) provides training aligned with the requirements of employers in the State or local area where the program is located, which may include in-demand industry sectors or occupations;

(II) provides a student, upon graduation from the program, with a recognized postsecondary credential that is recognized by employers in the relevant industry, which may include a credential recognized by industry or sector partnerships in the State or local area where the industry is located; and

(III) meets such content and instructional standards as may be required to comply with the criteria under section 3676(c)(14) and (15) of this title; or

(B) an online high technology program of education (as defined in subsection (h)(2) of section 3699C of this title)—

(i) the provider of which has entered into a contract with the Secretary under subsection (c) of such section;

(ii) that has been provided to covered individuals (as defined in subsection (h)(1) of such section) under such contract for a period of at least five years;

(iii) regarding which the Secretary has determined that the average employment rate of covered individuals who graduated from such program of education is 65 percent or higher for the year preceding such determination; and

(iv) that satisfies the requirements of subsection (e) of such section.

(b) Except to the extent otherwise specifically provided in this title or chapter 106 of title 10, the Secretary shall not approve the enrollment of an eligible veteran in any course of flight training other than one given by an educational institution of higher learning for credit toward a standard college degree the eligible veteran is seeking.

(c) The Secretary shall not approve the enrollment of an eligible veteran in any course to be pursued by radio.

(d)(1) The Secretary shall not approve the enrollment of any eligible veteran, not already enrolled, in any course for any period during which the Secretary finds that more than 85 percent of the students enrolled in the course are having all or part of their tuition, fees, or other charges paid to or for them by the educational institution or by the Department of Veterans Affairs under this title or under chapter 1606 of title 10, except with respect to tuition, fees, or other charges that are paid under a payment plan at an educational institution that the Secretary determines has a history of offering payment plans that are completed not later than 180 days after the end of the applicable term, quarter, or semester.

(2) The Secretary may waive the requirements of paragraph (1), in whole or in part, if the Secretary determines, pursuant to regulations which the Secretary shall prescribe, it to be in the interest of the eligible veteran and the Federal Government.

(3)(A) The Secretary shall establish a process by which an educational institution may request a review of a determination that the educational institution does not meet the requirements of paragraph (1).

(B) An educational institution that requests a review under subparagraph (A)—

(i) shall request the review not later than 30 days after the start of the term, quarter, or semester for which the determination described in subparagraph (A) applies; and

(ii) may include any information that the educational institution believes the Department should have taken into account when making the determination, including with respect to any mitigating circumstances.

(C) The Under Secretary of Benefits shall issue an initial decision for each review requested under subparagraph (A) by not later than 30 days after the date of the request, to the extent feasible.

(D) An educational institution may request the Secretary to review the decision by the Under Secretary under subparagraph (C). The Secretary shall review each decision so requested and, pursuant to such review, shall issue a final decision sustaining, modifying, or overturning the decision by the Under Secretary.

(E) The Secretary shall carry out this paragraph without regard to any review process carried out by the Secretary under chapter 51 of this title.

(4) Paragraph (1) shall not apply to any course offered by an educational institution if—

(A) the majority of courses offered by the educational institution are approved under section 3672 or 3675 of this title; and

(B) the total number of veterans and persons receiving assistance under this title or under chapter 1606 of title 10 who are enrolled in such institution equals 35 percent or less of the total student enrollment at such institution (computed separately for the main campus and any branch or extension of such institution).

(5)(A) Paragraph (1) shall not apply to any course offered by an educational institution if—

(i) the majority of courses offered by the educational institution are approved under section 3676 of this title; and

(ii) the total number of veterans and persons receiving assistance under this title or under chapter 1606 of title 10 who are enrolled in such institution equals 35 percent or less of the total student enrollment at such institution (computed separately for the main campus and any branch or extension of such institution).

(B) Notwithstanding subparagraph (A), on a case by case basis, the Secretary may apply paragraph (1) with respect to any course otherwise covered by such subparagraph if the Secretary has reason to believe that the enrollment of veterans and persons described in clause (ii) of such subparagraph may be in excess of 85 percent of the total student enrollment in such course.

(6) The Secretary shall ensure that an educational institution that meets the requirements of paragraph (4) or (5) submits information to the Secretary on a biennial basis to verify meeting such requirements. During such biennial period in which an educational institution is covered by such verification, the Secretary may not require the educational institution to submit information with respect to meeting the requirements of paragraph (1).

(7) Paragraph (1) shall not apply with respect to the enrollment of a veteran—

(A) in a program of education for which fewer than 10 students are having all or part of their tuition, fees, or other charges paid to or for them by the educational institution or by the Department of Veterans Affairs under this title or under chapter 1606 of title 10;

(B) in a course offered pursuant to section 3019, 3034(a)(3), 3234, or 3241(a)(2) of this title;

(C) in a farm cooperative training course; or

(D) in a course described in subsection (g).

(8) Paragraph (1) shall not apply to the enrollment of a veteran in an online high technology program described in subsection (a)(4)(B).

(e)(1) The Secretary may not approve the enrollment of an eligible veteran in a course not leading to a standard college degree offered by a proprietary profit or proprietary nonprofit educational institution if—

(A) the educational institution has been operating for less than two years;

(B) except as provided in paragraph (2), the course is offered at a branch of the educational institution and the branch has been operating for less than two years; or

(C) following either a change in ownership or a complete move outside its original general locality, the educational institution does not retain substantially the same faculty, student body, and courses as before the change in ownership or the move outside the general locality (as determined in accordance with regulations the Secretary shall prescribe) unless the educational institution following such change or move has been in operation for at least two years.

(2)(A) Subject to this paragraph, a commercial driver education program is exempt from paragraph (1)(B) for a branch of an educational institution if—

(i) the commercial driver education program offered at the branch by the educational institution is approved for purposes of this chapter by a State approving agency (or the Secretary when acting in the role of a State approving agency); and

(ii)(I) such branch is located in a State in which such educational institution offers such commercial driver education program at another branch of such educational institution; or

(II) such branch—

(aa) has been operating for at least one year; and

(bb) offers such commercial driver education program, using the same curriculum as another branch of such educational institution.

(B)(i) In order for a commercial driver education program of an educational institution offered at a branch described in paragraph

(1)(B) to be exempt under subparagraph (A) of this paragraph, the educational institution shall submit to the Secretary each year that paragraph (1)(B) would otherwise apply a report that demonstrates that the curriculum at the new branch is the same as the curriculum at the primary location.

(ii) Reporting under clause (i) shall be submitted in accordance with such requirements as the Secretary shall establish in consultation with the State approving agencies.

(C)(i) The Secretary may withhold an exemption under subparagraph (A) for any educational institution or branch of an educational institution as the Secretary considers appropriate.

(ii) In making any determination under clause (i), the Secretary may consult with the Secretary of Transportation on the performance of a provider of a commercial driver program, including the status of the provider within the Training Provider Registry of the Federal Motor Carrier Safety Administration when appropriate.

(D) The Secretary shall submit to the Committees on Veterans' Affairs of the Senate and House of Representatives a notification not later than 30 days after the Secretary grants an exemption under subparagraph (A). Such notification shall identify the educational institution, and the branch thereof, granted such exemption.

(f)(1) Except as provided in paragraph (2), the Secretary may not approve the enrollment of an eligible veteran in a course as a part of a program of education offered by an educational institution if the course is provided under contract by another educational institution or entity and—

(A) the Secretary would be barred under subsection (e) from approving the enrollment of an eligible veteran in the course of the educational institution or entity providing the course under contract; or

(B) the educational institution or entity providing the course under contract has not obtained approval for the course under this chapter.

(2)(A) In the case of a covered study-abroad course, the Secretary may approve the course for a period of not more than five years, if the contract or other written agreement under which the course is offered provides that—

(i) the educational institution that offers a course that is approved under this chapter agrees—

(I) to assume responsibility for the quality and content of the covered study-abroad course; and

(II) to serve as the certifying official for the course for purposes of this chapter; and

(ii) the educational institution that offers the covered study-abroad course agrees to seek the approval of the course under this chapter by not later than five years after the date of the agreement.

(B) In this paragraph, the term “covered study-abroad course” means a course that—

(i) is provided as a part of a program of education offered by an educational institution under a contract or other written agreement by another educational institution that offers a course that is approved under this chapter;

(ii) is provided at a location in a foreign country; and

(iii) has not been approved under this chapter.

(g) Notwithstanding subsections (e) and (f)(1), the Secretary may approve the enrollment of an eligible veteran in a course approved under this chapter if the course is offered by an educational institution under contract with the Department of Defense or the Department of Homeland Security and is given on or immediately adjacent to a military base, Coast Guard station, National Guard facility, or facility of the Selected Reserve.

(h) In this section, the terms “State or local area”, “recognized postsecondary credential”, “industry or sector partnership”, and “in-demand industry sector or occupation” have the meaning given such terms in section 3 of the Workforce Innovation and Opportunity Act (29 U.S.C. 3102).

* * * * *

§ 3691A. [Withdrawal or leave of absence from certain education] *Absence from certain education due to certain service*

(a) IN GENERAL.—[(1) A covered member may, after receiving orders to enter a period of covered service, withdraw or take a leave of absence from covered education.] *(1) A covered member may, after receiving orders to enter a period of covered service—*

(A) withdraw from covered education;

(B) take a leave of absence from covered education; or

(C) subject to subsection (d), enter into an agreement with the institution concerned to complete a course of covered education to the satisfaction of such institution concerned.

(2)(A) The institution concerned may not take any adverse action against a covered member on the basis that such covered member withdraws [or takes a leave of absence], *takes a leave of absence, or enters into an agreement* under paragraph (1).

(B) Adverse actions under subparagraph (A) include the following:

(i) The assignment of a failing grade to a covered member for covered education.

(ii) The reduction of the grade point average of a covered member for covered education.

(iii) The characterization of any absence of a covered member from covered education as unexcused.

(iv) The assessment of any financial penalty against a covered member.

(b) WITHDRAWAL.—If a covered member withdraws from covered education under subsection (a), the institution concerned shall refund all tuition and fees (including payments for housing) for the academic term from which the covered member withdraws.

(c) LEAVE OF ABSENCE.—If a covered member takes a leave of absence from covered education under subsection (a), the institution concerned shall—

(1) assign a grade of “incomplete” (or equivalent) to the covered member for covered education for the academic term from which the covered member takes such leave of absence; and

(2) to the extent practicable, permit the covered member, upon completion of the period covered service, to complete such academic term.

(d) *AGREEMENT WITH INSTITUTION CONCERNED.*—A covered member may enter into an agreement under subsection (a) only if the covered member has completed at least half of a course of covered education.

[(d)] (e) *DEFINITIONS.*—In this section:

(1) The term “covered education” means a course of education—

(A) at an institution of higher education; and

(B) paid for with educational assistance furnished under a law administered by the Secretary.

(2) The term “covered member” means a member of the Armed Forces (including the reserve components) enrolled in covered education.

(3) The term “covered service” means—

(A) active service or inactive-duty training, as such terms are defined in section 101 of title 10; or

(B) State active duty, as defined in section 4303 of this title.

(4) The term “institution concerned” means, with respect to a covered member, the institution of higher education where the covered member is enrolled in covered education.

(5) The term “institution of higher education” has the meaning given such term in section 101 of the Higher Education Act of 1965 (20 U.S.C. 1001).

(6) The term “period of covered service” means the period beginning on the date on which a covered member enters covered service and ending on the date on which the covered member is released from covered service or dies while in covered service.

* * * * *

§ 3693. Compliance surveys

(a)(1) Except as provided in subsection (b), the Secretary shall conduct an annual compliance survey of educational institutions and training establishments offering one or more courses approved for the enrollment of eligible veterans or persons if at least 20 such veterans or persons are enrolled in any such course. The Secretary shall—

(A) design the compliance surveys to ensure that such institutions or establishments, as the case may be, and approved courses are in compliance with all applicable provisions of chapters 30 through 36 of this title;

(B) survey each such educational institution and training establishment not less than once during every 2-year period; and

(C) assign not fewer than 1 education compliance specialist to work on compliance surveys in any year for each 40 compliance surveys required to be made under this section for such year.

(2) The Secretary, in consultation with the State approving agencies, shall—

(A) annually determine the parameters of the surveys required under paragraph (1); and

(B) not later than September 1 of each year, make available to the State approving agencies a list of the educational institutions and training establishments that will be surveyed dur-

ing the fiscal year following the date of making such list available.

(b) The Secretary may waive the requirement in subsection (a)(1) for a compliance survey with respect to an educational institution or training establishment if the Secretary determines, based on the record of compliance of such institution or establishment with all the applicable provisions of chapters 30 through 36 of this title, that the waiver would be appropriate and in the best interest of the United States Government.

(c) To the maximum extent feasible, the Secretary, or a State approving agency, as applicable, shall provide [not more than 10 business days of notice] to an educational institution or training establishment before conducting a compliance survey of the institution or establishment under [this section.] *this section—*

(1) in the case of an educational institution or training establishment with a time stamp database collection feature, not fewer than 10, and not more than 15, business days of notice; and

(2) in the case of any other educational institution or training establishment, not more than 10 business days of notice.

[(d) In this section, the terms “educational institution” and “training establishment” have the meanings given such terms in section 3452 of this title.]

(d) *DEFINITIONS.—In this section:*

(1) The terms “educational institution” and “training establishment” have the meanings given such terms in section 3452 of this title.

(2) The term “school certifying official” means an employee of an educational institution with primary responsibility for certifying veteran enrollment at the educational institution.

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PART IV—GENERAL ADMINISTRATIVE PROVISIONS

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CHAPTER 55—MINORS, INCOMPETENTS, AND OTHER WARDS

* * * * *

§ 5503. Hospitalized veterans and estates of incompetent institutionalized veterans

(a)(1)(A) Where any veteran having neither spouse nor child is being furnished domiciliary care by the Department, no pension in excess of \$90 per month shall be paid to or for the veteran for any period after the end of the third full calendar month following the month of admission for such care.

(B) Except as provided in subparagraph (D) of this paragraph, where any veteran having neither spouse nor child is being furnished nursing home care by the Department, no pension in excess of \$90 per month shall be paid to or for the veteran for any period after the end of the third full calendar month following the month of admission for such care. Any amount in excess of \$90 per month

to which the veteran would be entitled but for the application of the preceding sentence shall be deposited in a revolving fund at the Department medical facility which furnished the veteran nursing care, and such amount shall be available for obligation without fiscal year limitation to help defray operating expenses of that facility.

(C) No pension in excess of \$90 per month shall be paid to or for a veteran having neither spouse nor child for any period after the month in which such veteran is readmitted for care described in subparagraph (A) or (B) of this paragraph and furnished by the Department if such veteran is readmitted within six months of a period of care in connection with which pension was reduced pursuant to subparagraph (A) or (B) of this paragraph.

(D) In the case of a veteran being furnished nursing home care by the Department and with respect to whom subparagraph (B) of this paragraph requires a reduction in pension, such reduction shall not be made for a period of up to three additional calendar months after the last day of the third month referred to in such subparagraph if the Secretary determines that the primary purpose for the furnishing of such care during such additional period is for the Department to provide such veteran with a prescribed program of rehabilitation services, under chapter 17 of this title, designed to restore such veteran's ability to function within such veteran's family and community. If the Secretary determines that it is necessary, after such period, for the veteran to continue such program of rehabilitation services in order to achieve the purposes of such program and that the primary purpose of furnishing nursing home care to the veteran continues to be the provision of such program to the veteran, the reduction in pension required by subparagraph (B) of this paragraph shall not be made for the number of calendar months that the Secretary determines is necessary for the veteran to achieve the purposes of such program.

(2) The provisions of paragraph (1) shall also apply to a veteran being furnished such care who has a spouse but whose pension is payable under section 1521(b) of this title. In such a case, the Secretary may apportion and pay to the spouse, upon an affirmative showing of hardship, all or any part of the amounts in excess of the amount payable to the veteran while being furnished such care which would be payable to the veteran if pension were payable under section 1521(c) of this title.

(b) Notwithstanding any other provision of this section or any other provision of law, no reduction shall be made in the pension of any veteran for any part of the period during which the veteran is furnished hospital treatment, or institutional or domiciliary care, for Hansen's disease, by the United States or any political subdivision thereof.

(c) Where any veteran in receipt of an aid and attendance allowance described in subsection (r) or (t) of section 1114 of this title is hospitalized at Government expense, such allowance shall be discontinued from the first day of the second calendar month which begins after the date of the veteran's admission for such hospitalization for so long as such hospitalization continues. Any discontinuance required by administrative regulation, during hospitalization of a veteran by the Department, of increased pension based on need of regular aid and attendance or additional com-

compensation based on need of regular aid and attendance as described in subsection (l) or (m) of section 1114 of this title, shall not be effective earlier than the first day of the second calendar month which begins after the date of the veteran's admission for hospitalization. In case a veteran affected by this subsection leaves a hospital against medical advice and is thereafter admitted to hospitalization within six months from the date of such departure, such allowance, increased pension, or additional compensation, as the case may be, shall be discontinued from the date of such readmission for so long as such hospitalization continues.

(d)(1) For the purposes of this subsection—

(A) the term “Medicaid plan” means a State plan for medical assistance referred to in section 1902(a) of the Social Security Act (42 U.S.C. 1396a(a)); and

(B) the term “nursing facility” means a nursing facility described in section 1919 of such Act (42 U.S.C. 1396r), other than a facility that is a State home with respect to which the Secretary makes per diem payments for nursing home care pursuant to section 1741(a) of this title.

(2) If a veteran having neither spouse nor child is covered by a Medicaid plan for services furnished such veteran by a nursing facility, no pension in excess of \$90 per month shall be paid to or for the veteran for any period after the month of admission to such nursing facility.

(3) Notwithstanding any provision of title XIX of the Social Security Act, the amount of the payment paid a nursing facility pursuant to a Medicaid plan for services furnished a veteran may not be reduced by any amount of pension permitted to be paid such veteran under paragraph (2) of this subsection.

(4) A veteran is not liable to the United States for any payment of pension in excess of the amount permitted under this subsection that is paid to or for the veteran by reason of the inability or failure of the Secretary to reduce the veteran's pension under this subsection unless such inability or failure is the result of a willful concealment by the veteran of information necessary to make a reduction in pension under this subsection.

(5)(A) The provisions of this subsection shall apply with respect to a surviving spouse having no child in the same manner as they apply to a veteran having neither spouse nor child.

(B) The provisions of this subsection shall apply with respect to a child entitled to pension under section 1542 of this title in the same manner as they apply to a veteran having neither spouse nor child.

(6) The costs of administering this subsection shall be paid for from amounts available to the Department of Veterans Affairs for the payment of compensation and pension.

(7) This subsection expires on **November 30, 2031** *March 31, 2033*.

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MINORITY VIEWS

While we strongly support expanding educational access for our nation's veterans, we have concerns with some unintended consequences that H.R. 1458 may cause as currently drafted.

Specifically, Section 3 of the bill, which would authorize the use of Post-9/11 GI Bill benefits for independent study programs taught at non-degree-granting, for-profit institutions, might be used by predatory operators to target veterans with subpar programs and rob them of the benefits they have so rightfully earned. While the Committee believes student veterans should have the freedom to pursue higher education in the manner that is most effective for them, H.R. 1458 risks exposing student veterans to unnecessary risks. With the U.S. Department of Education's ability to provide oversight in jeopardy, expanding program approvals for new programs now is misguided.

The GI Bill is one of the most important tools we have to support the long-term success and economic mobility of veterans. With that comes a responsibility to ensure that the programs we approve for GI Bill funding are high-quality, accountable, and lead to meaningful employment. H.R. 1458, while well-intentioned, opens the door for a surge in non-degree-granting, for-profit providers seeking to enroll veterans in high-cost, low-quality programs that, in the vast majority of cases, would not deliver on their promises. The lack of minimal quality assurance mechanisms for non-degree programs is what led to congressional action to exclude them from eligibility for the Department of Defense's Tuition Assistance Program in 2013.¹

H.R. 1458 compounds the risks associated with non-degree programs with the additional fraud pathways inherent to independent study, which is the paradigmatic cash-cow offering for most providers because it eliminates their most costly (and most impactful) contribution to students' education, i.e., qualified teachers and actual instruction. Many independent study programs lack transparent data on graduation rates, employment outcomes, or credential value. For example, we have seen examples of independent study programs repurposing free web seminars on YouTube as their own training and then having unqualified staff "lead" the class. A student veteran from Florida said of his program, "The videos were outdated, obsolete, and did not even follow along with the materials we had been given."²

Another student veteran in Virginia complained about her program's quality to an official at the school, saying, "You told me and several students that the instructor is not there to instruct us and

¹National Defense Authorization Act of 2014, Pub. L. 113-66, Sec. 541 (2013).

²Veteran Education Success (VES) provided examples of student complaints to the Committee in September 2022.

we should study the courses on YouTube. Also, most of your materials are outdated and are not included in the exams.”³

Further, a student veteran in Ohio shared, “The school offered us a program to certify as a Microsoft Certified Systems Engineer and we would need to take 3 courses to start . . . [R]esearching the classes that we took, none of them are requirement classes for the Microsoft certification and in fact Microsoft has retired the Certified Systems Engineer certification altogether as a “Legacy” certification.”⁴

While the requirement for an institution to provide “regular and substantive interaction between students and instructors” would provide a meaningful guardrail for legitimate providers who voluntarily comply with the law, the Committee Democrats believe further work is necessary to provide a sufficient quality control mechanism for predatory providers who can easily sidestep its intent through performative compliance. Without strong and enforceable guardrails, the Department of Veterans Affairs will struggle to prevent waste, fraud, and abuse—at the expense of the very veterans we aim to serve.

Veterans deserve the widest possible array of educational opportunities—but not at the cost of diminished quality, oversight, or value.

MARK TAKANO,
Ranking Member.



³ Veteran Education Success intake of student complaints, October 2021.

⁴ Veteran Education Success intake of student complaints, July 2022.