Public Law 634 CHAPTER 476

AN ACT

June 29, 1956
[H. R. 9824]

To establish an educational assistance program for children of servicemen who died as a result of a disability or disease incurred in line of duty during World War I, World War II, or the Korean conflict.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "War Orphans' Educational Assistance Act of 1956".

War Orphans' Educational Assistance Act of 1956.

TITLE I—STATEMENT OF POLICY; DEFINITIONS

STATEMENT OF POLICY

SEC. 101. The Congress hereby declares that the educational program established by this Act is for the purpose of providing opportunities for education to children whose education would otherwise be impeded or interrupted by reason of the death of a parent from a disease or injury incurred or aggravated in the Armed Forces during World War I, World War II, or the Korean conflict, and for the purpose of aiding such children in attaining the educational status which they might normally have aspired to and obtained but for the death of such parent.

DEFINITIONS

SEC. 102. (a) For the purposes of this Act—

(1) The term "World War I" means the period beginning on April 6, 1917, and ending on November 11, 1918.

(2) The term "World War II" means the period beginning on December 7, 1941, and ending on December 31, 1946.

(3) The term "Korean conflict" means the period beginning on June 27, 1950, and ending on January 31, 1955.

(4) The term "eligible person" means a child of a person who died of a disease or injury incurred or aggravated in line of duty in the active service in the Armed Forces during World War I, World War II, or the Korean conflict, but only if such service did not terminate under dishonorable conditions. The standards and criteria for determining incurrence or aggravation of a disease or injury in line of duty shall be those applicable under disability compensation laws administered by the Veterans' Administration.

(5) The term "child" means a legitimate or legally adopted child, a stepchild if he was a member of the household of the parent from whom eligibility is derived, or an illegitimate child if it is shown by evidence satisfactory to the Administrator that the person from whom eligibility is derived was the parent.

(6) The term "Armed Forces" means the Army, Navy, Air Force, Marine Corps, and Coast Guard of the United States.

(7) The term "duty with the Armed Forces" as used in section 203 means (A) full-time duty in the active military or naval service, other than for training purposes, (B) full-time active duty for training for a period of six or more consecutive months by a member of a reserve component (including the National Guard), or (C) active duty for training required by section 262 (c) (1) of the Armed Forces Reserve Act of 1952.

69 Stat. 600.
50 USC 1013.

(8) The term "parent or guardian" means a father, a mother, a father through adoption, a mother through adoption, a fiduciary legally appointed by a court of competent jurisdiction, or any person who is determined by the Administrator in accordance with section 21 of the World War Veterans' Act, 1924, as amended (38 U. S. C.,

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49 Stat. 607.

sec. 450), to be otherwise legally vested with the care of the eligible person.

(9) The term "program of education" means any curriculum or any combination of unit courses or subjects pursued at an educational institution which is generally accepted as necessary to fulfill the requirements for the attainment of a predetermined and identified educational, professional, or vocational objective.

(10) The term "educational institution" means any public or private secondary school, vocational school, business school, junior college, teachers' college, college, normal school, professional school, university, or scientific or technical institution, or any other institution if it furnishes education at the secondary school level or above.

(11) The term "State" means each of the several States, Territories, and possessions of the United States, the District of Columbia, and the Commonwealth of Puerto Rico.

(12) The term "Administrator" means the Administrator of Veterans' Affairs.

(13) The term "special restorative training" means training furnished under title IV.

(b) If an eligible person has attained his majority and is under no known legal disability, all references in this Act to "parent or guardian" shall refer to the eligible person himself.

(c) Any provision of this Act which requires any action to be taken by or with respect to the parent or guardian of an eligible person who has not attained his majority, or who, having attained his majority, is under a legal disability, shall not apply when the Administrator determines that its application would not be in the best interest of the eligible person, would result in undue delay, or would not be administratively feasible. In such a case the Administrator, where necessary to protect the interest of the eligible person, may designate some other person (who may be the eligible person himself) as the person by or with respect to whom the action so required should be taken.

TITLE II—ELIGIBILITY AND ENTITLEMENT

ELIGIBILITY AND ENTITLEMENT GENERALLY

SEC. 201. Each eligible person shall, subject to the provisions of this Act, be entitled to receive educational assistance.

DURATION OF EDUCATIONAL ASSISTANCE

SEC. 202. (a) Each eligible person shall be entitled to educational assistance under this Act for a period not in excess of thirty-six months (or to the equivalent thereof in part-time training).

(b) The period of entitlement of an eligible person under this Act shall be reduced by a period equivalent to any period of education or training received by him under title II of the Veterans' Readjustment Assistance Act of 1952 or of vocational rehabilitation training received by him under Public Law 894, Eighty-first Congress.

66 Stat. 663; 64 Stat. 1121. 38 USC 911, 701a.

(c) The period of entitlement of an eligible veteran under title II of the Veterans' Readjustment Assistance Act of 1952 shall be reduced by an amount equivalent to any period of educational assistance received by him under this Act.

(d) If an eligible person is entitled to educational assistance under this Act and also to vocational rehabilitation under Public Law 894, Eighty-first Congress, he must elect whether he will receive educational assistance or vocational rehabilitation. If an eligible person is entitled to educational assistance under this Act and is not entitled to

such vocational rehabilitation, but after beginning his program of education or special restorative training becomes entitled (as determined by the Administrator) to such vocational rehabilitation, he must elect whether to continue to receive educational assistance or whether to receive such vocational rehabilitation. If he elects to receive vocational rehabilitation, the program of education or special restorative training pursued under this Act shall be utilized to the fullest extent practicable in determining the character and duration of vocational rehabilitation to be furnished him.

PERIODS OF ELIGIBILITY

SEC. 203. (a) The educational assistance to which an eligible person is entitled under section 202 may be afforded him during the period beginning on his eighteenth birthday, or on the successful completion of his secondary schooling, whichever first occurs, and ending on his twenty-third birthday, except that—

(1) if he is above the age of compulsory school attendance under applicable State law, and the Administrator determines that his best interests will be served thereby, such period may begin before his eighteenth birthday;

(2) if he has not reached his twenty-third birthday on the effective date of this Act and—

(A) he has reached his eighteenth birthday on such effective date, or

(B) he serves on duty with the Armed Forces as an eligible person before his twenty-third birthday and on or after such effective date, or

(C) the death of the parent from whom eligibility was derived occurs after such effective date and after his eighteenth birthday but before his twenty-third birthday—

then such period shall end five years after such effective date, his first discharge or release after such effective date from duty with the Armed Forces if such duty began before his twenty-third birthday, or the death of such parent, whichever occurs last, except that in no event shall such period be extended beyond his thirty-first birthday by reason of this paragraph; and

(3) (A) if he is enrolled in an educational institution regularly operated on a quarter or semester system and such period ends during the last half of a quarter or semester, such period shall be extended to the end of the quarter or semester; or

(B) if he is enrolled in an educational institution operated other than on a quarter or semester basis and such period ends during the last half of the course, such period shall be extended to the end of the course, or until nine weeks have expired, whichever first occurs.

(b) No eligible person may be afforded educational assistance under this Act unless he was discharged or released after each period he was on duty with the Armed Forces under conditions other than dishonorable, or while he is on duty with the Armed Forces. Honorable discharge.

APPLICATION

SEC. 204. The parent or guardian of a person for whom educational assistance is sought under this Act shall submit an application to the Administrator which shall be in such form and contain such information as the Administrator shall prescribe. If the Administrator finds that the person on whose behalf the application is submitted is

an eligible person, he shall approve the application provisionally. The Administrator shall notify the parent or guardian of his provisional approval, or of his disapproval of the application.

PROCESSING OF APPLICATIONS

SEC. 205. (a) Further processing of an application for educational assistance and the award of such assistance shall be pursuant to the requirements of title III, unless the parent or guardian requests special restorative training for the eligible person, in which case the application will be processed under title IV.

(b) If the request for special restorative training is approved, educational assistance will be afforded pursuant to the terms of title IV. If the request for special restorative training is disapproved, or if approved the restorative training is completed or discontinued, any educational assistance subsequently afforded will be in accordance with title III.

TITLE III—PROGRAM OF EDUCATION

DEVELOPMENT OF EDUCATIONAL PLAN

SEC. 301. Upon provisional approval of an application for educational assistance, the Administrator shall arrange for, and the eligible person shall take advantage of, educational or vocational counseling to assist the parent or guardian and the eligible person in selecting his educational, vocational, or professional objective and in developing his program of education. During, or subsequent to, such counseling, the parent or guardian shall prepare for the eligible person an educational plan which shall set forth the selected objective, the proposed program of education, a list of the educational institutions at which such program would be pursued, an estimate of the sum which would be required for tuition and fees in completion of such program, and such other information as the Administrator shall require. This educational plan shall be signed by the parent or guardian and shall become an integral part of the application for educational assistance under this Act.

FINAL APPROVAL OF APPLICATION

SEC. 302. The Administrator shall finally approve an application if he finds (1) that section 301 has been complied with, (2) that the proposed program of education constitutes a "program of education" as that term is defined in this Act, (3) that the eligible person is not already qualified, by reason of previous education or training, for the educational, professional, or vocational objective for which the courses of the program of education are offered, and (4) that it does not appear that the pursuit of such program would violate any provison of this Act.

CHANGE OF PROGRAM

SEC. 303. An eligible person, with the concurrence of his parent or guardian, may request changes in his program. The Administrator shall approve an initial change of program, and may approve not more than one additional change, if he finds that—

(1) the program of education which the eligible person proposes to pursue is suitable to his aptitudes, interests, and abilities; and

(2) in any instance where the eligible person has interrupted, or failed to progress in, his program due to his own misconduct,

his own neglect, or his own lack of application, there exists a reasonable likelihood with respect to the program which the eligible person proposes to pursue that there will not be a recurrence of such an interruption or failure to progress.

DISAPPROVAL OF ENROLLMENT IN CERTAIN COURSES

SEC. 304. (a) (1) The Administrator shall not approve the enrollment of an eligible person in any bartending course, dancing course, or personality development course.

(2) The Administrator shall not approve the enrollment of an eligible person—

(1) in any photography course or entertainment course, or

(2) in any music course—instrumental or vocal—public speaking course, or course in sports or athletics such as horseback riding, swimming, fishing, skiing, golf, baseball, tennis, bowling, sports officiating, or other sport or athletic courses, except courses of applied music, physical education, or public speaking which are offered by institutions of higher learning for credit as an integral part of a program leading to an educational objective, or

(3) in any other type of course which the Administrator finds to be avocational or recreational in character;

unless the eligible person submits justification showing that the course will be of bona fide use in the pursuit of his present or contemplated business or occupation.

(b) The Administrator shall not approve the enrollment of an eligible person 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 person is seeking.

(c) The Administrator shall not approve the enrollment of an eligible person in any course of apprentice or other training on the job, any course of institutional on-farm training, any course to be pursued by correspondence, television, or radio, or any course to be pursued at an educational institution not located in a State.

(d) The Administrator shall not approve the enrollment of an eligible person in any course which is to be pursued as a part of his regular secondary school education, but this subsection shall not prevent the enrollment of an eligible person in a course to be pursued below the college level if the Administrator finds that such person has ended his secondary school education (by completion or otherwise) and that such course is a specialized vocational course pursued for the purpose of qualifying in a bona fide vocational objective.

DISCONTINUANCE FOR UNSATISFACTORY PROGRESS

SEC. 305. The Administrator shall discontinue the educational assistance allowance on behalf of an eligible person if, at any time, the Administrator finds that according to the regularly prescribed standards and practices of the educational institution he is attending, his conduct or progress is unsatisfactory. The Administrator may renew the payment of the educational assistance allowance only if he finds that—

(1) the cause of the unsatisfactory conduct or progress of the eligible person has been removed, and

(2) the program which the eligible person now proposes to pursue (whether the same or revised) is suitable to his aptitudes, interests, and abilities.

PERIOD OF OPERATION FOR APPROVAL

SEC. 306. (a) The Administrator shall not approve the enrollment of an eligible person in any course offered by an educational institution when such course has been in operation for less than two years.

(b) Subsection (a) shall not apply to—

(1) any course to be pursued in a public or other tax-supported educational institution;

(2) any course which is offered by an educational institution which has been in operation for more than two years, if such course is similar in character to the instruction previously given by such institution; or

(3) any course which has been offered by an institution for a period of more than two years, notwithstanding the institution has moved to another location within the same general locality.

INSTITUTIONS LISTED BY ATTORNEY GENERAL

SEC. 307. The Administrator shall not approve the enrollment of, or payment of an educational assistance allowance to, any eligible person in any course in an educational institution while it is listed by the Attorney General under section 3 of part III of Executive Order 9835, as amended.

5 USC 631 note.

EDUCATIONAL ASSISTANCE ALLOWANCE

SEC. 308. (a) The Administrator shall pay to the parent or guardian of each eligible person who is pursuing a program of education under this Act, and who applies therefor on behalf of such eligible person, an educational assistance allowance to meet, in part, the expenses of the eligible person's subsistence, tuition, fees, supplies, books, equipment, and other educational costs.

(b) The educational assistance allowance on behalf of an eligible person shall be paid, as provided in section 309, only for the period of his enrollment as approved by the Administrator, but no allowance shall be paid—

(1) on behalf of any person enrolled in a course which leads to a standard college degree for any period when such person is not pursuing his course in accordance with the regularly established policies and regulations of the educational institution and the requirements of this Act, or

(2) on behalf of any person enrolled in a course which does not lead to a standard college degree for any day of absence in excess of thirty days in a twelve-month period, not counting as absences weekends or legal holidays established by Federal or State law during which the institution is not regularly in session.

(c) No educational assistance allowance shall be paid on behalf of an eligible person for any period until the Administrator shall have received—

(1) from the eligible person (A) in the case of an eligible person enrolled in a course which leads to a standard college degree, a certification that he was actually enrolled in and pursuing the course as approved by the Administrator, or (B) in the case of an eligible person enrolled in a course which does not lead to a standard college degree, a certification as to actual attendance during such period, and

(2) from the educational institution a certification, or an endorsement on the eligible person's certificate, that he was enrolled in and pursuing a course of education during such period.

Educational assistance allowances shall, insofar as practicable, be paid within twenty days after receipt by the Administrator of the certifications required by this subsection.

COMPUTATION OF EDUCATIONAL ASSISTANCE ALLOWANCE

SEC. 309. (a) The educational assistance allowance on behalf of an eligible person who is pursuing a program of education consisting of institutional courses shall be computed at the rate of (1) $110 per month if pursued on a full-time basis, (2) $80 per month if pursued on a three-quarters time basis, and (3) $50 per month if pursued on a half-time basis.

(b) The educational assistance allowance to be paid on behalf of an eligible person who is pursuing a full-time program of education which consists of institutional courses and alternate phases of training in a business or industrial establishment with the training in the business or industrial establishment being strictly supplemental to the institutional portion, shall be computed at the rate of $90 per month.

(c) No educational assistance allowance shall be paid on behalf of an eligible person for any period during which he is enrolled in and pursuing an institutional course on a less than half-time basis, or any course described in subsection (b) on a less than full-time basis.

MEASUREMENT OF COURSES

SEC. 310. (a) For the purposes of this Act, (1) an institutional trade or technical course offered on a clock-hour basis below the college level involving shop practice as an integral part thereof, shall be considered a full-time course when a minimum of thirty hours per week of attendance is required with no more than two and one-half hours of rest periods per week allowed, (2) an institutional course offered on a clock-hour basis below the college level in which theoretical or classroom instruction predominates shall be considered a full-time course when a minimum of twenty-five hours per week net of instruction is required, and (3) an institutional undergraduate course offered by a college or university on a quarter or semester hour basis for which credit is granted toward a standard college degree shall be considered a full-time course when a minimum of fourteen semester hours or its equivalent is required.

(b) The Administrator shall define part-time training in the case of the types of courses referred to in subsection (a), and shall define full-time and part-time training in the cases of all other types of courses pursued under this Act.

OVERCHARGES BY EDUCATIONAL INSTITUTIONS

SEC. 311. (a) If the Administrator finds that an educational institution has charged or received from any eligible person any amount in excess of the charges for tuition and fees which such institution requires similarly circumstanced students, not receiving educational assistance under this Act, who are enrolled in the same course to pay, he may disapprove such educational institution for the enrollment of any eligible person not already enrolled therein under this Act and any eligible veteran not already enrolled therein under the Veterans' Readjustment Assistance Act of 1952. 66 Stat. 663. 38 USC 901 note.

(b) Any educational institution which has been disapproved under section 234 of the Veterans' Readjustment Assistance Act of 1952 shall be deemed to be disapproved for the enrollment under this Act of any eligible person not already enrolled therein. 38 USC 944.

APPROVAL OF COURSES

SEC. 312. (a) An eligible person shall receive the benefits of this title while enrolled in a course of education offered by an educational institution only if such course is approved in accordance with the provisions of this section.

(b) Any course offered by an educational institution (as defined in this Act) shall be considered approved for the purposes of this title if it is approved under either section 253 or section 254 of the Veterans' Readjustment Assistance Act of 1952 prior to the date for the expiration of all education and training thereunder, and has not been disapproved under the provisions of section 256 of that Act.

66 Stat. 675.
38 USC 963; 964, 966.

(c) Subsequent to the date for the expiration of all education and training under the Veterans' Readjustment Assistance Act of 1952, the Administrator shall be responsible for the approval of any additional courses for the purposes of this title. In approving such a course, the criteria of section 253 and section 254 of that Act, as now or as hereafter amended, shall be applicable to approvals under this subsection and the Administrator may utilize the services of State educational agencies in connection therewith.

38 USC 901 note.
38 USC 963; 964.

DISCONTINUANCE OF ALLOWANCES

SEC. 313. The Administrator may discontinue the educational assistance allowance of any eligible person if he finds that the course of education in which the eligible person is enrolled fails to meet any of the requirements of this Act or any of the standards and criteria of section 253 or 254 of the Veterans' Readjustment Assistance Act of 1952 or if he finds that the educational institution offering such course has violated any provision of this Act or fails to meet any of its requirements.

38 USC 963, 964.

TITLE IV—SPECIAL RESTORATIVE TRAINING

PURPOSE

SEC. 401. The purpose of special restorative training is to overcome, or lessen, the effects of a manifest physical or mental disability which would handicap an eligible person in the pursuit of a program of education.

ENTITLEMENT TO SPECIAL RESTORATIVE TRAINING

SEC. 402. (a) The Administrator at the request of the parent or guardian of an eligible person is authorized—

(1) to determine whether such person is in need of special restorative training; and

(2) where need is found to exist, to prescribe a course which is suitable to accomplish the purposes of this title.

Such a course, at the discretion of the Administrator, may contain elements that would contribute toward an ultimate objective of a program of education.

(b) In no event shall the total period of educational assistance under this title and other titles of this Act exceed the amount of entitlement as established in section 202, and the provisions of section 203 shall be applicable.

SPECIAL TRAINING ALLOWANCE

SEC. 403. (a) While the eligible person is enrolled in and pursuing a full-time course of special restorative training, the parent or guardian shall be entitled to receive on his behalf a special training allowance computed at the basic rate of $110 per month. If the charges for tuition and fees applicable to any such course are in excess of $35 per calendar month the basic monthly allowance may be increased by the amount that such charges exceed $35 a month, upon election by the parent or guardian of the eligible person to have such person's period of entitlement reduced by one day for each $3.60 that the special training allowance paid exceeds the basic monthly allowance.

(b) No payments of a special training allowance shall be made for the same period for which the payment of an educational assistance allowance is made or for any period during which the training is pursued on less than a full-time basis.

(c) Full-time training for the purpose of this section shall be determined by the Administrator with respect to the capacities of the individual trainee.

SPECIAL ADMINISTRATIVE PROVISIONS

SEC. 404. (a) In carrying out his responsibilities under this title the Administrator may by agreement arrange with public or private educational institutions or others to provide training arrangements as may be suitable and necessary to accomplish the purposes of this title. In any instance where the Administrator finds that a customary tuition charge is not applicable, he may agree on the fair and reasonable amounts which may be charged the parent or guardian for the training provided to an eligible person.

(b) The Administrator shall make such rules and regulations as he may deem necessary in order to promote good conduct on the part of the persons who are following courses of special restorative training and to otherwise carry out the purpose of this Act.

TITLE V—MISCELLANEOUS PROVISIONS

AUTHORITY AND DUTIES OF ADMINISTRATOR

SEC. 501. (a) The Administrator is authorized to prescribe, promulgate, and publish such rules and regulations as are consistent with the provisions of this Act and necessary to carry out its purposes. Notwithstanding the provisions of section 11 of the Act of October 17, 1940, as amended (54 Stat. 1193), payments under this Act shall be subject to audit and review by the General Accounting Office, as provided by the Budget and Accounting Act of 1921, as amended, and the Budget and Accounting Procedures Act of 1950.

54 Stat. 1197.
38 USC 11a-2.

42 Stat. 20.
31 USC 1.
64 Stat. 832.
31 USC 2 note.

(b) The Administrator is authorized to accept uncompensated services and to enter into contracts or agreements with private or public agencies, or persons, for necessary services, incident to the administration of this Act, including personal services, as he may deem practicable.

(c) The Administrator is authorized to provide the educational and vocational counseling required under section 301, and may provide or require additional counseling if he deems it to be necessary to accomplish the purposes of this Act. Where educational or vocational counseling is required pursuant to this Act, the Administrator is authorized, in his discretion, to defray or reimburse the parent or guardian for the necessary traveling expenses of the eligible person to and from the place of counseling.

(d) The Administrator may advise and consult with the Advisory Committee established pursuant to section 262 of the Veterans' Readjustment Assistance Act of 1952, with respect to the administration of this Act.

66 Stat. 679.
38 USC 972.

(e) In carrying out his functions under this Act, the Administrator may utilize the facilities and services of any other Federal department or agency. Any such utilization shall be pursuant to proper agreement with the Federal department or agency concerned; and payment to cover the cost thereof shall be made either in advance or by way of reimbursement, as may be provided in such agreement.

NONDUPLICATION OF BENEFITS

SEC. 502. (a) The commencement of a program of education or special restorative training under this Act shall be a bar to subsequent payments of compensation or pension under any law administered by the Veterans' Administration based on the death of a parent to an eligible person over the age of eighteen by reason of pursuing a course in an educational institution, or of increased rates, or additional amounts, of compensation or pension under any law administered by the Veterans' Administration because of such a person.

(b) No educational assistance allowance or special training allowance shall be paid on behalf of any eligible person under this Act for any period during which such person is enrolled in and pursuing a course of education or training paid for by the United States under any provision of law other than this Act, where the payment of an allowance would constitute a duplication of benefits paid from the Federal Treasury to the eligible person or to his parent or guardian in his behalf.

CONTROL BY AGENCIES OF UNITED STATES

SEC. 503. No department, agency, or officer of the United States, in carrying out this Act, shall exercise any supervision or control, whatsoever, over any State approving agency, or State educational agency, or any educational institution; however, nothing in this section shall be deemed to prevent any department, agency, or officer of the United States from exercising any supervision or control which such department, agency, or officer is authorized, by existing provisions of law, to exercise over any Federal educational institution or to prevent the furnishing of education under this Act in any institution over which supervision or control is exercised by such other department, agency, or officer under authority of existing provisions of law.

CONFLICTING INTERESTS

SEC. 504. (a) Every officer or employee of the Veterans' Administration who has, while such an officer or employee, owned any interest in, or received any wages, salary, dividends, profits, gratuities, or services from, any educational institution operated for profit in which an eligible person was pursuing a course of education under this Act shall be immediately dismissed from his office or employment.

(b) The Administrator may, after reasonable notice and public hearings, waive in writing the application of this section in the case of any officer or employee of the Veterans' Administration, if he finds that no detriment will result to the United States or to eligible persons by reason of such interest or connection of such officer or employee.

REPORTS BY INSTITUTIONS

SEC. 505. (a) Educational institutions shall, without delay, report to the Administrator in the form prescribed by him, the enrollment, interruption, and termination of the education of each eligible person enrolled therein under this Act.

(b) The Administrator shall pay to each educational institution which is required to submit reports and certifications to the Administrator under this Act, an allowance at the rate of $1 per month for each eligible person enrolled in and attending such institution under the provisions of this Act to assist the educational institution in defraying the expense of preparing and submitting such reports and certifications. Such allowances shall be paid in such manner and at such times as may be prescribed by the Administrator, except that in the event any institution fails to submit reports or certifications to the Administrator as required by this Act, no allowance shall be paid to such institution for the month or months during which such reports or certifications were not submitted as required by the Administrator.

OVERPAYMENTS TO ELIGIBLE PERSONS

SEC. 506. If the Administrator finds that an overpayment has been made to an eligible person as the result of (1) the willful or negligent failure of an educational institution to report, as required by this Act and applicable regulations, to the Veterans' Administration excessive absences from a course, or discontinuance or interruption of a course by the eligible person or (2) false certification by an educational institution, the amount of such overpayment shall constitute a liability of such institution, and may be recovered in the same manner as any other debt due the United States. Any amount so collected shall be reimbursed if the overpayment is recovered from the eligible person. This section shall not preclude the imposition of any civil or criminal action under this or any other Act.

EXAMINATION OF RECORDS

SEC. 507. The records and accounts of educational institutions pertaining to eligible persons who received education under this Act shall be available for examination by duly authorized representatives of the Government.

FALSE OR MISLEADING STATEMENTS

SEC. 508. The Administrator shall not make any payments under this Act to any person found by him to have willfully submitted any false or misleading claims. Whenever the Administrator finds that an educational institution has willfully submitted a false or misleading claim, or that a person with the complicity of an educational institution, has submitted such a claim, he shall make a complete report of the facts of the case to the appropriate State approving agency and where deemed advisable to the Attorney General of the United States for appropriate action.

CRIMINAL PENALTIES

SEC. 509. Whoever knowingly and willfully—

(1) makes or presents any false, fictitious, or fraudulent affidavit, declaration, certificate, voucher, endorsement, or paper or

writing purporting to be such, concerning any claim for payment under this Act, or pertaining to any matter arising under this Act,

(2) makes or presents any paper required under this Act on which paper a date other than the date upon which it was actually signed or acknowledged by the claimant has been willfully inserted,

(3) certifies falsely that the declarant, affiant, or witness named in such affidavit, declaration, voucher, endorsement, or other paper or writing personally appeared before him and was sworn thereto, or acknowledged the execution thereof, or

(4) accepts and converts to his own use payments for any period during which he was not actually pursuing a course of education under this Act for which period payment was made,

shall be fined not more than $5,000 or imprisoned not more than three years, or both.

APPLICATION OF OTHER LAWS

38 USC 450 note.

SEC. 510. The provisions of Public Law Numbered 262, Seventy-fourth Congress, approved August 12, 1935 (49 Stat. 607), as amended, the provisions of section 15 of Public Law Numbered 2, Seventy-third Congress, as amended, the provisions of paragraph V, part I, Veterans Regulation Numbered 2 (a), as amended, and the provisions of titles II and III of Public Law Numbered 844, Seventy-fourth Congress, approved June 29, 1936, as amended, shall be for application under this Act.

48 Stat. 11.
38 USC 715.
38 USC ch. 12A.
49 Stat. 2031.
38 USC 101-104, 619 note, 131-133.

WAIVER OF RECOVERY OF OVERPAYMENTS

SEC. 511. There shall be no recovery of payments of educational assistance allowance made under this Act from any person who, in the judgment of the Administrator, is without fault on his part and where, in the judgment of the Administrator, such recovery would defeat the purpose of benefits otherwise authorized or would be against equity and good conscience. No disbursing officer or certifying officer shall be held liable for any amount paid to any person where the recovery of such amount is waived under this section.

EFFECTIVE DATE

SEC. 512. This Act shall take effect on the date of its enactment, but no educational assistance allowance shall be paid for any period before the first day of the first month which begins more than ninety days after the date of the enactment of this Act.

APPROPRIATIONS

SEC. 513. The appropriations for the Veterans' Administration under the headings "General Operating Expenses" and "Readjustment Benefits" are hereby made available for expenditures necessary to carry out the provisions of this Act and there is hereby authorized to be appropriated such additional amounts as may be necessary to accomplish the purposes of this Act.

Approved June 29, 1956.