

Public Law 96-466  
96th Congress

An Act

To amend title 38, United States Code, to provide for updated and expanded rehabilitation programs for veterans with service-connected disabilities, to provide a 10-percent increase in the rates of educational assistance under the GI bill, to make certain improvements in the educational assistance programs for veterans and eligible survivors and dependents, to revise and expand veterans' employment and training programs, and to provide for certain cost savings; and for other purposes.

Oct. 17, 1980

[H.R. 5288]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That* (a) this Act may be cited as the "Veterans' Rehabilitation and Education Amendments of 1980".

Veterans'  
Rehabilitation  
and Education  
Amendments of  
1980.  
38 USC 101 note.

(b) Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of title 38, United States Code.

TITLE I—REHABILITATION AMENDMENTS

REVISION OF VETERANS' ADMINISTRATION REHABILITATION PROGRAMS

SEC. 101. (a) Chapter 31 is amended to read as follows:

**"CHAPTER 31—TRAINING AND REHABILITATION FOR  
VETERANS WITH SERVICE-CONNECTED DISABILITIES**

"Sec.

"1500. Purposes.

"1501. Definitions.

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"1517. Employment assistance.

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"1519. Rehabilitation research and special projects.

"1520. Pilot program of independent living services and assistance.

"1521. Veterans' Advisory Committee on Rehabilitation.

38 USC 1500.

**“§ 1500. Purposes**

“The purposes of this chapter are to provide for all services and assistance necessary to enable veterans with service-connected disabilities to achieve maximum independence in daily living and, to the maximum extent feasible, to become employable and to obtain and maintain suitable employment.

38 USC 1501.

**“§ 1501. Definitions**

“For the purposes of this chapter—

“(1) The term ‘employment handicap’ means an impairment of a veteran’s ability to prepare for, obtain, or retain employment consistent with such veteran’s abilities, aptitudes, and interests.

“(2) The term ‘independence in daily living’ means the ability of a veteran, without the services of others or with a reduced level of the services of others, to live and function within such veteran’s family and community.

38 USC 1652.

“(3) The term ‘program of education’ has the meaning provided in section 1652(b) of this title.

“(4) The term ‘program of independent living services and assistance’ includes (A) the services provided for in this chapter that are needed to enable a veteran to achieve independence in daily living, including such counseling, diagnostic, medical, social, psychological, and educational services as are determined by the Administrator to be needed for such veteran to achieve maximum independence in daily living, and (B) the assistance authorized by this chapter for such veteran.

“(5) The term ‘rehabilitated to the point of employability’ means rendered employable in an occupation for which a vocational rehabilitation program has been provided under this chapter.

“(6) The term ‘rehabilitation program’ means (A) a vocational rehabilitation program, or (B) a program of independent living services and assistance for a veteran for whom a vocational goal has been determined not to be reasonably feasible.

“(7) The term ‘serious employment handicap’ means a significant impairment of a veteran’s ability to prepare for, obtain, or retain employment consistent with such veteran’s abilities, aptitudes, and interests.

“(8) The term ‘vocational goal’ means a gainful employment status consistent with a veteran’s abilities, aptitudes, and interests.

“(9) The term ‘vocational rehabilitation program’ includes—

“(A) the services provided for in this chapter that are needed for the accomplishment of the purposes of this chapter, including such counseling, diagnostic, medical, social, psychological, independent living, economic, educational, vocational, and employment services as are determined by the Administrator to be needed—

“(i) in the case of a veteran for whom the achievement of a vocational goal has not been determined not to be reasonably feasible, (I) to determine whether a vocational goal is reasonably feasible, (II) to improve such veteran’s potential to participate in a program of services designed to achieve a vocational goal, and (III) to enable such veteran to achieve maximum independence in daily living, and

“(ii) in the case of a veteran for whom the achievement of a vocational goal is determined to be reasonably feasible, to enable such veteran to become, to the maximum extent

feasible, employable and to obtain and maintain suitable employment, and

“(B) the assistance authorized by this chapter for a veteran receiving any of the services described in clause (A) of this paragraph.

“§ 1502. Basic entitlement

38 USC 1502.

“A person shall be entitled to a rehabilitation program under the terms and conditions of this chapter if such person—

“(1)(A) is a veteran who has a service-connected disability which is, or but for the receipt of retired pay would be, compensable under chapter 11 of this title and which was incurred or aggravated in service on or after September 16, 1940, or (B) is hospitalized for a service-connected disability in a hospital over which the Secretary concerned has jurisdiction pending discharge or release from active military, naval, or air service and is suffering from a disability which the Administrator determines will likely be compensable under chapter 11 of this title; and

38 USC 301 *et seq.*

“(2) is determined by the Administrator to be in need of rehabilitation because of an employment handicap.

“§ 1503. Periods of eligibility

38 USC 1503.

“(a) Except as provided in subsection (b), (c), or (d) of this section, a rehabilitation program may not be afforded to a veteran under this chapter after the end of the twelve-year period beginning on the date of such veteran's discharge or release from active military, naval, or air service.

“(b)(1) In any case in which the Administrator determines that a veteran has been prevented from participating in a vocational rehabilitation program under this chapter within the period of eligibility prescribed in subsection (a) of this section because a medical condition of such veteran made it infeasible for such veteran to participate in such a program, the twelve-year period of eligibility shall not run during the period of time that such veteran was so prevented from participating in such a program, and such period of eligibility shall again begin to run on the first day following such veteran's recovery from such condition on which it is reasonably feasible, as determined under regulations which the Administrator shall prescribe, for such veteran to participate in such a program.

“(2) In any case in which the Administrator determines that a veteran has been prevented from participating in a vocational rehabilitation program under this chapter within the period of eligibility prescribed in subsection (a) of this section because—

“(A) such veteran had not met the requirement of a discharge or release from active military, naval, or air service under conditions other than dishonorable before (i) the nature of such discharge or release was changed by appropriate authority, or (ii) the Administrator determined, under regulations prescribed by the Administrator, that such discharge or release was under conditions other than dishonorable, or

“(B) such veteran's discharge or dismissal was, under section 3103 of this title, a bar to benefits under this title before the Administrator made a determination that such discharge or dismissal is not a bar to such benefits,

38 USC 3103.

the twelve-year period of eligibility shall not run during the period of time that such veteran was so prevented from participating in such a program.

“(3) In any case in which the Administrator determines that a veteran has been prevented from participating in a vocational rehabilitation program under this chapter within the period of eligibility prescribed in subsection (a) of this section because such veteran had not established the existence of a service-connected disability described in section 1502(1)(A) of this title, the twelve-year period of eligibility shall not run during the period such veteran was so prevented from participating in such a program.

“(c) In any case in which the Administrator determines that a veteran is in need of services to overcome a serious employment handicap, such veteran may be afforded a vocational rehabilitation program after the expiration of the period of eligibility otherwise applicable to such veteran if the Administrator also determines, on the basis of such veteran’s particular employment handicap and need for such services, that an extension of the applicable period of eligibility is necessary for such veteran and—

“(1) that such veteran had not previously been rehabilitated to the point of employability;

“(2) that such veteran had previously been rehabilitated to the point of employability but (A) the need for such services had arisen out of a worsening of such veteran’s service-connected disability that precludes such veteran from performing the duties of the occupation for which such veteran was previously trained in a vocational rehabilitation program under this chapter, or (B) the occupation for which such veteran had been so trained is not suitable in view of such veteran’s employment handicap and capabilities; or

“(3) under regulations which the Administrator shall prescribe, that an extension of the period of eligibility of such veteran is necessary to accomplish the purposes of a rehabilitation program for such veteran.

“(d) In any case in which the Administrator has determined that a veteran’s disability or disabilities are so severe that the achievement of a vocational goal is not reasonably feasible, such veteran may be afforded a program of independent living services and assistance under this chapter after the expiration of the period of eligibility otherwise applicable to such veteran if the Administrator also determines that an extension of the period of eligibility of such veteran is necessary for such veteran to achieve maximum independence in daily living.

38 USC 1504.

#### “§ 1504. Scope of services and assistance

“(a) Services and assistance which the Administrator may provide under this chapter, pursuant to regulations which the Administrator shall prescribe, include the following:

“(1) Evaluation, including periodic reevaluations as appropriate with respect to a veteran participating in a rehabilitation program, of the potential for rehabilitation of a veteran, including diagnostic and related services (A) to determine whether such veteran’s disability or disabilities cause a serious employment handicap and whether a vocational goal is feasible for such veteran, and (B) to provide a basis for planning a suitable vocational rehabilitation program or a program of services and assistance to improve the vocational rehabilitation potential or independent living status of such veteran, as appropriate.

“(2) Educational, vocational, psychological, employment, and personal adjustment counseling.

“(3) An allowance and other appropriate assistance, as authorized by section 1508 of this title.

“(4) A work-study allowance as authorized by section 1685 of this title.

38 USC 1685.

“(5) Placement services to effect suitable placement in employment, and postplacement services to attempt to insure satisfactory adjustment in employment.

“(6) Personal adjustment and work adjustment training.

“(7) Vocational and other training services and assistance, including individualized tutorial assistance, tuition, fees, books, supplies, and licensing fees, and equipment and other training materials determined by the Administrator to be necessary to accomplish the purposes of the rehabilitation program in the individual case.

“(8) Loans as authorized by section 1512 of this title.

“(9) Treatment, care, and services described in chapter 17 of this title.

38 USC 601 *et seq.*

“(10) Prosthetic appliances, eyeglasses, and other corrective and assistive devices.

“(11) Services to a veteran's family as necessary for the effective rehabilitation of such veteran.

“(12) For the most severely disabled veterans requiring homebound training or self-employment, or both homebound training and self-employment, such license fees and essential equipment, supplies, and minimum stocks of materials as the Administrator determines to be necessary for such a veteran to begin employment and are within the criteria and cost limitations that the Administrator shall prescribe in regulations for the furnishing of such fees, equipment, supplies, and stocks.

“(13) Travel and incidental expenses under the terms and conditions set forth in section 111 of this title, plus, in the case of a veteran who because of such veteran's disability has transportation expenses in addition to those incurred by persons not so disabled, a special transportation allowance to defray such additional expenses during rehabilitation, job seeking, and the initial employment stage.

38 USC 111.

“(14) Special services (including services related to blindness and deafness) including—

Special services.

“(A) language training, speech and voice correction, training in ambulation, and one-hand typewriting;

“(B) orientation, adjustment, mobility, reader, interpreter, and related services; and

“(C) telecommunications, sensory, and other technical aids and devices.

“(15) Services necessary to enable a veteran to achieve maximum independence in daily living.

“(16) Other incidental goods and services determined by the Administrator to be necessary to accomplish the purposes of a rehabilitation program in an individual case.

“(b) A program of independent living services and assistance may include the types of services and assistance described in section 702 of the Rehabilitation Act of 1973 (29 U.S.C. 796).

29 USC 796a.

“(c) A rehabilitation program (including individual courses) to be pursued by a veteran shall be subject to the approval of the Administrator.

38 USC 1505.

**“§ 1505. Duration of rehabilitation programs**

“(a) In any case in which the Administrator is unable to determine whether it is reasonably feasible for a veteran to achieve a vocational goal, the period of extended evaluation under section 1506(c) of this title may not exceed twelve months, except that such period may be extended for additional periods of up to six months each if the Administrator determines before granting any such extension that it is reasonably likely that, during the period of any such extension, a determination can be made whether the achievement of a vocational goal is reasonably feasible in the case of such veteran.

“(b) Except as provided in subsection (c) of this section, the period of a vocational rehabilitation program for a veteran under this chapter following a determination of the reasonable feasibility of achieving a vocational goal may not exceed forty-eight months, except that the counseling and placement and postplacement services described in section 1504(a) (2) and (5) of this title may be provided for an additional period not to exceed eighteen months in any case in which the Administrator determines the provision of such counseling and services to be necessary to accomplish the purposes of a rehabilitation program in the individual case.

Extensions.

“(c) The Administrator may extend the period of a vocational rehabilitation program for a veteran to the extent that the Administrator determines that an extension of such period is necessary to enable such veteran to achieve a vocational goal if the Administrator also determines—

“(1) that such veteran had previously been rehabilitated to the point of employability but (A) such veteran’s need for further vocational rehabilitation has arisen out of a worsening of such veteran’s service-connected disability that precludes such veteran from performing the duties of the occupation for which such veteran had been so rehabilitated, or (B) the occupation for which such veteran had been so rehabilitated is not suitable in view of such veteran’s employment handicap and capabilities; or

“(2) under regulations which the Administrator shall prescribe, that such veteran has a serious employment handicap and that an extension of such period is necessary to accomplish the purposes of a rehabilitation program for such veteran.

“(d) Unless the Administrator determines that a longer period is necessary and likely to result in a substantial increase in a veteran’s level of independence in daily living, the period of a program of independent living services and assistance for a veteran under this chapter (following a determination by the Administrator that such veteran’s disability or disabilities are so severe that the achievement of a vocational goal is not reasonably feasible) may not exceed twenty-four months.

38 USC 1506.

**“§ 1506. Initial and extended evaluations; determinations regarding serious employment handicap**

“(a) The Administrator shall provide any veteran who has a service-connected disability described in section 1502(1) (A) or (B) of this title and who applies for benefits under this chapter with an initial evaluation consisting of such services described in section 1504(a)(1) of this title as are necessary (1) to determine whether such veteran is entitled to and eligible for benefits under this chapter, and (2) in the case of a veteran who is determined to be entitled to and eligible for such benefits, to determine—

“(A) whether such veteran has a serious employment handicap, and

“(B) whether the achievement of a vocational goal is reasonably feasible for such veteran if it is reasonably feasible to make such determination without extended evaluation.

“(b) In any case in which the Administrator has determined that a veteran has a serious employment handicap and that the achievement of a vocational goal is reasonably feasible for such veteran, such veteran shall be provided counseling in accordance with an individualized written plan of vocational rehabilitation developed under section 1507(a) of this title.

“(c) In any case in which the Administrator has determined that a veteran has a serious employment handicap but the Administrator is unable to determine, in an initial evaluation pursuant to subsection (a) of this section, whether or not the achievement of a vocational goal is reasonably feasible, such veteran shall be provided with extended evaluation consisting of the services described in section 1504(a)(1) of this title, such services under this chapter as the Administrator determines necessary to improve such veteran's potential for participation in a program of services designed to achieve a vocational goal and enable such veteran to achieve maximum independence in daily living, and assistance as authorized by section 1508 of this title.

“(d) The Administrator shall in all cases determine as expeditiously as possible whether the achievement of a vocational goal by a veteran is reasonably feasible. In the case of a veteran provided extended evaluation under subsection (c) of this section (including any periods of extensions under section 1505(a) of this title), the Administrator shall make such determination not later than the end of such extended evaluation or period of extension, as the case may be. In determining whether the achievement of a vocational goal is reasonably feasible, the Administrator shall resolve any reasonable doubt in favor of determining that such achievement is reasonably feasible.

“(e) In connection with each period of extended evaluation of a veteran and each rehabilitation program for a veteran who is determined to have a serious employment handicap, the Administrator shall assign a Veterans' Administration employee to be responsible for the management and followup of the provision of all services (including appropriate coordination of employment assistance under section 1517 of this title) and assistance under this chapter to such veteran.

#### “§ 1507. Individualized vocational rehabilitation plan

38 USC 1507.

“(a) The Administrator shall formulate an individualized written plan of vocational rehabilitation for a veteran described in section 1506(b) of this title. Such plan shall be developed with such veteran and shall include, but not be limited to (1) a statement of long-range rehabilitation goals for such veteran and intermediate rehabilitation objectives related to achieving such goals, (2) a statement of the specific services (which shall include counseling in all cases) and assistance to be provided under this chapter, (3) the projected date for the initiation and the anticipated duration of each such service, and (4) objective criteria and an evaluation procedure and schedule for determining whether such objectives and goals are being achieved.

“(b) The Administrator shall review at least annually the plan formulated under subsection (a) of this section for a veteran and shall afford such veteran the opportunity to participate in each such review. On the basis of such review, the Administrator shall (1) redevelop such plan with such veteran if the Administrator deter-

Review.

mines, under regulations which the Administrator shall prescribe, that redevelopment of such plan is appropriate, or (2) disapprove redevelopment of such plan if the Administrator determines, under such regulations, that redevelopment of such plan is not appropriate.

“(c)(1) Each veteran for whom a plan has been developed or redeveloped under subsection (a) or (b)(1), respectively, of this section or in whose case redevelopment of a plan has been disapproved under subsection (b)(2) of this section, shall be informed of such veteran’s opportunity for a review as provided in paragraph (2) of this subsection.

Written  
disagreement  
statement.

“(2) In any case in which a veteran does not agree to such plan as proposed, to such plan as redeveloped, or to the disapproval of redevelopment of such plan, such veteran may submit to the person described in section 1506(e) of this title a written statement containing such veteran’s objections and request a review of such plan as proposed or redeveloped, or a review of the disapproval of redevelopment of such plan, as the case may be.

Statement  
review.

“(3) The Administrator shall review the statement submitted under paragraph (2) of this subsection and the plan as proposed or as redeveloped, and, if applicable, the disapproval of redevelopment of the plan, and render a decision on such review not later than ninety days after the date on which such veteran submits such statement, unless the case is one for which a longer period for review, not to exceed 150 days after such veteran submits such statement, is allowed under regulations prescribed by the Administrator, in which case the Administrator shall render a decision no later than the last day of the period prescribed in such regulations.

38 USC 1508.

“§ 1508. Allowances

“(a)(1) Except in the case of a veteran who makes an election under subsection (f) of this section and subject to the provisions of paragraph (3) of this subsection, each veteran shall be paid a subsistence allowance in accordance with this section during a period determined by the Administrator to be a period of such veteran’s participation under this chapter in a rehabilitation program.

“(2) In any case in which the Administrator determines, at the conclusion of such veteran’s pursuit of a vocational rehabilitation program under this chapter, that such veteran has been rehabilitated to the point of employability, such veteran shall be paid a subsistence allowance, as prescribed in this section for full-time training for the type of program that the veteran was pursuing, for two months following the conclusion of such pursuit.

“(3) A subsistence allowance may not be paid under this chapter to a veteran for any period during which such veteran is being provided with an initial evaluation under section 1506(a) of this title or during which such veteran is being provided only with counseling or with placement or postplacement services under section 1505(b) of this title.

“(b) Except as otherwise provided in this section, the Administrator shall determine the subsistence allowance to be paid to a veteran under this chapter in accordance with the following table, which shall be the monthly amount shown in column II, III, IV, or V (whichever is applicable as determined by the veteran’s dependency status) opposite the appropriate type of program being pursued as specified in column I:



“Column I	Column II	Column III	Column IV	Column V
Type of program	No dependents	One dependent	Two dependents	More than two dependents
Institutional training:				The amount in column IV, plus the following for each dependent in excess of two:
Full-time.....	\$282	\$349	\$411	\$30
Three-quarter-time .....	212	262	308	23
Half-time .....	141	175	206	15
Farm cooperative, apprentice, or other on-job training:				
Full-time.....	246	297	343	22
Extended evaluation:				
Full-time.....	282	349	411	30
Independent living training:				
Full-time.....	282	349	411	30
Three-quarter-time .....	212	262	308	23
Half-time .....	141	175	206	15”.

“(c)(1) In any case in which the vocational rehabilitation program for a veteran includes training on the job by an employer in any month, such employer shall be required to submit to the Administrator a statement in writing showing any wage, compensation, or other income paid (directly or indirectly) by the employer to such veteran for such month. Based upon such written statement, the Administrator is authorized to reduce the subsistence allowance of such veteran to an amount considered equitable and just in accordance with criteria which the Administrator shall establish in regulations which the Administrator shall prescribe.

On-job training, required employer statement.

“(2) A veteran pursuing on-job training or work experience as part of a vocational rehabilitation program in a Federal agency under the provisions of section 1515(a)(1) of this title without pay or for nominal pay shall be paid the appropriate subsistence allowance rate provided in subsection (b) of this section for an institutional program.

“(d)(1) The Administrator shall, in accordance with regulations which the Administrator shall prescribe, define full-time and each part-time status for veterans participating in rehabilitation programs under this chapter.

“(2) A veteran participating in extended evaluation on less than a full-time basis may be paid a proportional subsistence allowance in accordance with regulations which the Administrator shall prescribe.

“(e) In any case in which a veteran is pursuing a rehabilitation program on a residential basis in a specialized rehabilitation facility, the Administrator may (1) pay to such facility the cost of such veteran’s room and board in lieu of payment to such veteran of the subsistence allowance (not including any portion payable for any dependents) payable under subsection (b) of this section, and (2) pay to such veteran that portion of the allowance for dependents payable, as

determined by such veteran's dependency status, under subsection (b) of this section for a full-time institutional program.

Educational  
assistance  
program.

38 USC 1651 *et*  
*seq.*

“(f)(1)(A) In any case in which the Administrator determines that a veteran is entitled to rehabilitation under this chapter, to the extent that such veteran has remaining eligibility for and entitlement to educational assistance benefits under chapter 34 of this title, such veteran may elect, as part of a vocational rehabilitation program under this chapter, to pursue an approved program of education and receive allowances and other forms of assistance equivalent to those authorized for veterans enrolled under chapter 34 of this title, if the Administrator approves the educational, professional, or vocational objective chosen by such veteran for such program.

“(B) In the event that such veteran makes such an election, the terms and conditions applicable to the pursuit of a comparable program of education and the payment of allowances and provision of assistance under chapter 34 of this title for such a comparable program shall be applied to the pursuit of the approved program of education under this chapter.

“(2) A veteran who is receiving an allowance pursuant to paragraph (1) of this subsection may not receive any of the services or assistance described in section 1504(a) (3), (7), and (8) of this title (other than an allowance and other assistance under this subsection).

Convicted felons,  
subsistence  
nonpayment.

“(g)(1) Notwithstanding any other provision of this title and subject to the provisions of paragraph (2) of this subsection, no subsistence allowance may be paid under this section in the case of any veteran who is pursuing a rehabilitation program under this chapter while incarcerated in a Federal, State, or local penal institution for conviction of a felony.

“(2) Paragraph (1) of this subsection shall apply in the case of any veteran who is pursuing a rehabilitation program under this chapter while residing in a halfway house or participating in a work-release program in connection with such veteran's conviction of a felony if the Administrator determines that all the veteran's living expenses are being defrayed by a Federal, State, or local government.

“(h) Notwithstanding any other provision of this title, the amount of subsistence allowance, or other allowance under subsection (f) of this section, that may be paid to a veteran pursuing a rehabilitation program for any month for which such veteran receives compensation at the rate prescribed in section 314(j) of this title as the result of hospital treatment (not including post-hospital convalescence) or observation at the expense of the Veterans' Administration may not exceed, when added to any compensation to which such veteran is entitled for such month, an amount equal to the greater of—

38 USC 314.

“(1) the sum of—

“(A) the amount of monthly subsistence or other allowance that would otherwise be paid to such veteran under this section, and

“(B) the amount of monthly compensation that would be paid to such veteran if such veteran were not receiving compensation at such rate as the result of such hospital treatment or observation; or

“(2) the amount of monthly compensation payable under section 314(j) of this title.

38 USC 1780.

“(i) Payment of a subsistence allowance may be made in advance in accordance with the provisions of section 1780(d) of this title.

**“§ 1509. Entitlement to independent living services and assistance** 38 USC 1509.

“In any case in which the Administrator has determined under section 1506(d) of this title that the achievement of a vocational goal by a veteran is not reasonably feasible, such veteran shall be entitled, in accordance with the provisions of section 1520 of this title, to a program of independent living services and assistance designed to enable such veteran to achieve maximum independence in daily living.

**“§ 1510. Leaves of absence**Regulations.  
38 USC 1510.

“The Administrator shall prescribe such regulations as the Administrator determines necessary for granting leaves of absence to veterans pursuing rehabilitation programs under this chapter. During authorized leaves of absence, a veteran shall be considered to be pursuing such program.

**“§ 1511. Regulations to promote satisfactory conduct and cooperation** 38 USC 1511.

“The Administrator shall prescribe such rules and regulations as the Administrator determines necessary to promote satisfactory conduct and cooperation on the part of veterans who are pursuing rehabilitation programs under this chapter. In any case in which the Administrator determines that a veteran has failed to maintain satisfactory conduct or cooperation, the Administrator may, after determining that all reasonable counseling efforts have been made and are not reasonably likely to be effective, discontinue services and assistance unless the Administrator determines that mitigating circumstances exist. In any case in which such services and assistance have been discontinued, the Administrator may reinstitute such services and assistance only if the Administrator determines that—

“(1) the cause of the unsatisfactory conduct or cooperation of such veteran has been removed; and

“(2) the rehabilitation program which such veteran proposes to pursue (whether the same or revised) is suitable to such veteran's abilities, aptitudes, and interests.

**“§ 1512. Revolving fund loans**

38 USC 1512.

“The revolving fund established pursuant to part VII of Veterans Regulation Numbered 1(a) is continued in effect, and may be used by the Administrator, under regulations prescribed by the Administrator, for making advances, not in excess of twice the amount of the full-time institutional monthly subsistence allowance for a veteran with no dependents (as provided in section 1508(b) of this title) to veterans pursuing rehabilitation programs under this chapter. Such advances, and advances from such fund made before the effective date of the Veterans' Rehabilitation and Education Amendments of 1980, shall bear no interest and shall be repaid in such installments, as may be determined by the Administrator, by proper deductions from future payments of compensation, pension, subsistence allowance, educational assistance allowance, or retirement pay.

*Ante*, p. 2171.**“§ 1513. Vocational rehabilitation for hospitalized members of the Armed Forces and veterans** 38 USC 1513.

“(a) Services and assistance may be provided under this chapter to a person described in section 1502 (1)(B) and (2) of this title who is hospitalized pending discharge from active military, naval, or air service. In such cases, no subsistence allowance shall be paid.

“(b) Services and assistance may be provided under this chapter to a veteran who is receiving care in a Veterans’ Administration hospital, nursing home, or domiciliary facility or in any other hospital or medical facility.

38 USC 1514.

**“§ 1514. Vocational rehabilitation outside the United States**

“Under regulations which the Administrator shall prescribe, a vocational rehabilitation program under this chapter may be provided outside the United States if the Administrator determines that such training is (1) necessary in the particular case to provide the preparation needed to render a veteran employable and enable such veteran to obtain and retain suitable employment, and (2) in the best interest of such veteran and the Federal Government.

38 USC 1515.

**“§ 1515. Rehabilitation resources**

“(a) Notwithstanding any other provision of law, for the purpose of providing services under this chapter, the Administrator may—

“(1) use the facilities of any Federal agency (including the Veterans’ Administration) to provide training or work experience as part or all of a veteran’s vocational rehabilitation program without pay or for nominal pay in any case in which the Administrator determines that such training or work experience is necessary to accomplish such veteran’s rehabilitation;

“(2) use the facilities, staff, and other resources of the Veterans’ Administration;

“(3) employ such additional personnel and experts as the Administrator considers necessary; and

“(4) use the facilities and services of any Federal, State, or other public agency, any agency maintained by joint Federal and State contributions, any public or private institution or establishment, and any private individual.

“(b)(1) While pursuing on-job training or work experience under subsection (a)(1) of this section, a veteran shall be considered to be an employee of the United States for the purposes of the benefits of chapter 81 of title 5, but not for the purposes of laws administered by the Office of Personnel Management.

5 USC 8101 *et seq.*

“(2) Except as provided in chapter 17 of this title, hospital care and medical services provided under this chapter shall be furnished in facilities over which the Administrator has direct jurisdiction.

38 USC 601 *et seq.*

“(3) Use of facilities and services under clause (4) of subsection (a) of this section, shall be procured through contract, agreement, or other cooperative arrangement.

38 USC 1516.

**“§ 1516. Promotion of employment and training opportunities**

“(a) The Administrator shall actively promote the development and establishment of employment, training, and other related opportunities for (1) veterans who are participating or who have participated in a rehabilitation program under this chapter, (2) veterans with service-connected disabilities, and (3) other veterans to whom the employment emphases set forth in chapter 42 of this title apply. The Administrator shall promote the development and establishment of such opportunities through Veterans’ Administration staff outreach efforts to employers and through Veterans’ Administration coordination with Federal, State, and local governmental agencies and appropriate nongovernmental organizations. In carrying out the provisions of this subsection with respect to veterans referred to in clause (3) of the first sentence of this subsection, the Administrator shall place particular emphasis on the needs of catego-

38 USC 2011 *et seq.*

ries of such veterans on the basis of applicable rates of unemployment.

“(b)(1) The Administrator, pursuant to regulations prescribed in accordance with paragraph (3) of this subsection, may make payments to employers for providing on-job training to veterans who have been rehabilitated to the point of employability in individual cases in which the Administrator determines that such payment is necessary to obtain needed on-job training or to begin employment. Such payments may not exceed the direct expenses incurred by such employers in providing such on-job training or employment opportunity.

On-job training  
payments.

“(2) In any case in which a veteran described in paragraph (1) of this subsection participates in on-job training described in such paragraph that satisfies the criteria for payment of a training assistance allowance under section 1787 of this title, such veteran shall, to the extent that such veteran has remaining eligibility for and entitlement to such allowance, be paid such allowance.

38 USC 1787.

“(3) The Administrator shall prescribe regulations under this subsection in consultation with the Secretary of Labor and, in prescribing such regulations, shall take into consideration the provisions of title V of the Rehabilitation Act of 1973 (29 U.S.C. ch. 16, subch. V) and section 2012 of this title, and regulations prescribed under such provisions.

Regulations.

29 USC 790.  
38 USC 2012.

#### “§ 1517. Employment assistance

38 USC 1517.

“(a)(1) A veteran with a service-connected disability who has participated in a vocational rehabilitation program under this chapter or a similar program under the Rehabilitation Act of 1973 and who the Administrator has determined to be employable shall be furnished assistance in obtaining employment consistent with such veteran's abilities, aptitudes, interests, and employment handicap, including assistance necessary to insure that such veteran receives the benefit of any applicable provisions of law or regulation providing for special consideration or emphasis or preference for such veteran in employment or training.

29 USC 701 note.

“(2) Assistance provided under this subsection may include—

“(A) direct placement of such veteran in employment;

“(B) utilization of the services of disabled veterans outreach program specialists under section 2003A of this title; and

Post, p. 2204.

“(C) utilization of the job development and placement services of (i) programs under the Rehabilitation Act of 1973, (ii) the State employment service and the Veterans' Employment Service of the Department of Labor, (iii) the Office of Personnel Management, and (iv) any other public or nonprofit organization having placement services available.

“(b)(1) In any case in which a veteran has completed a vocational rehabilitation program for self-employment in a small business enterprise under this chapter, the Administrator shall cooperate with the Small Business Administration to assist such veteran to secure a loan for the purchase of equipment needed to establish such veteran's own business and to insure that such veteran receives the special consideration provided for in section 8 of the Small Business Act (15 U.S.C. 633(b)).

“(2) In the case of a veteran described in clause (12) of section 1504(a) of this title who has trained under a State rehabilitation program with the objective of self-employment in a small business enterprise, the Administrator may, subject to the limitations and criteria provided for in such clause, provide such veteran with such

supplementary equipment and initial stocks and supplies as are determined to be needed by such veteran if such supplementary equipment and initial stocks and supplies, or assistance in acquiring them, are not available through the State program or other sources.

38 USC 1518.

**“§ 1518. Personnel training, development, and qualifications**

“(a) The Administrator shall provide a program of ongoing professional training and development for Veterans’ Administration counseling and rehabilitation personnel engaged in providing rehabilitation services under this chapter. The objective of such training shall be to insure that rehabilitation services for disabled veterans are provided in accordance with the most advanced knowledge, methods, and techniques available for the rehabilitation of handicapped persons. For this purpose, the Administrator may employ the services of consultants and may make grants to and contract with public or private agencies (including institutions of higher learning) to conduct such training and development.

“(b) The Administrator shall coordinate with the Commissioner of the Rehabilitation Services Administration in the Department of Education and the Assistant Secretary for Veterans’ Employment in the Department of Labor in planning and carrying out personnel training in areas of mutual programmatic concern.

“(c) Notwithstanding any other provision of law, the Administrator shall establish such qualifications for personnel providing evaluation and rehabilitation services to veterans under this chapter and for employees performing the functions described in section 1506(e) of this title as the Administrator determines are necessary and appropriate to insure the quality of rehabilitation programs under this chapter. In establishing such qualifications, the Administrator shall take into account the qualifications established for comparable personnel under the Rehabilitation Act of 1973 (29 U.S.C. ch. 16).

29 USC 701 *et seq.*

38 USC 1519.

**“§ 1519. Rehabilitation research and special projects**

“(a) The Administrator shall carry out an ongoing program of activities for the purpose of advancing the knowledge, methods, techniques, and resources available for use in rehabilitation programs for veterans. For this purpose, the Administrator shall conduct and provide support for the development or conduct, or both the development and conduct, of—

“(1) studies and research concerning the psychological, educational, employment, social, vocational, industrial, and economic aspects of the rehabilitation of disabled veterans, including new methods of rehabilitation; and

“(2) projects which are designed to increase the resources and potential for accomplishing the rehabilitation of disabled veterans.

Grants or contracts.

“(b) For the purpose specified in subsection (a) of this section, the Administrator is authorized to make grants to or contract with public or nonprofit agencies, including institutions of higher learning.

“(c) The Administrator shall cooperate with the Commissioner of the Rehabilitation Services Administration and the Director of the Institute of Handicapped Research in the Department of Education, the Assistant Secretary for Veterans’ Employment in the Department of Labor, and the Secretary of Health and Human Services regarding rehabilitation studies, research, and special projects of mutual programmatic concern.

**“§ 1520. Pilot program of independent living services and assistance** 38 USC 1520.

“(a)(1) During fiscal years 1982 through 1985, the Administrator may, under contracts with public or nonprofit private agencies or organizations, or through facilities of the Department of Medicine and Surgery, which possess a demonstrated capability to conduct programs of independent living services for severely handicapped persons, provide, under regulations which the Administrator shall prescribe, programs of independent living services and assistance under this chapter, in various geographic regions of the United States, to veterans described in paragraph (2) of this subsection.

“(2) A program of independent living services and assistance may be made available under this section only to a veteran who has a service-connected disability described in section 1502(1)(A) of this title and with respect to whom it is determined under section 1506(d) of this title that the achievement of a vocational goal is not reasonably feasible and who is selected pursuant to criteria provided for in regulations prescribed under paragraph (1) of this subsection.

“(3) The Administrator shall, to the maximum extent feasible, include among those veterans who are provided with programs of independent living services and assistance under this section substantial numbers of veterans described in paragraph (2) of this subsection who are receiving long-term care in Veterans' Administration hospitals and nursing homes and in nursing homes with which the Administrator contracts for the provision of care to veterans.

“(4) A program of independent living services and assistance for a veteran shall consist of such services described in section 1504 (a) and (b) of this title as the Administrator determines necessary to enable such veteran to achieve maximum independence in daily living. Such veteran shall have the same rights with respect to an individualized written plan of services and assistance as are afforded veterans under section 1507 of this title.

“(5) Any contract for services initiated with respect to any veteran under this section before the end of fiscal year 1985 may be continued in effect after the end of such year for the purposes of providing services and assistance to such veteran in accordance with the provisions of this chapter.

“(6) Programs of independent living services and assistance shall be initiated for no more than five hundred veterans in each of the fiscal years 1982 through 1985, and the first priority in the provision of such programs shall be afforded to veterans for whom the reasonable feasibility of achieving a vocational goal is precluded solely as a result of a service-connected disability.

“(b) Not later than September 30, 1984, the Administrator shall submit to the Congress a report on the programs of independent living services and assistance provided for in subsection (a) of this section. Such report shall include—

Report to  
Congress.

“(1) the results of a study which the Administrator shall conduct of the accomplishments and cost-effectiveness of such programs, including the extent to which (A) such programs have met needs for comprehensive independent living services that would not otherwise have been met, (B) severely disabled veterans have achieved and maintained greater independence in daily living as a result of participation in the programs, and (C) costs of care in hospital, nursing home, and domiciliary facilities have been and may be avoided as the result of such programs; and

“(2) the Administrator’s recommendations for any legislative changes with respect to the provision of independent living services and assistance to veterans for whom the achievement of a vocational goal is not feasible.

Establishment.  
38 USC 1521.

“§ 1521. Veterans’ Advisory Committee on Rehabilitation

“(a)(1) The Administrator shall appoint an advisory committee to be known as the Veterans’ Advisory Committee on Rehabilitation (hereinafter in this section referred to as the ‘Committee’).

Membership.

“(2) The members of the Committee shall be appointed by the Administrator from the general public and shall serve for terms to be determined by the Administrator not to exceed three years. Veterans with service-connected disabilities shall be appropriately represented in the membership of the Committee, and the Committee shall also include persons who have distinguished themselves in the public and private sectors in the fields of rehabilitation medicine, vocational guidance, vocational rehabilitation, and employment and training programs. The Administrator may designate one of the members of the Committee appointed under this paragraph to chair the Committee.

“(3) The Committee shall also include as *ex officio* members the following: (A) one representative from the Department of Medicine and Surgery and one from the Department of Veterans’ Benefits, (B) one representative from the Rehabilitation Services Administration of the Department of Education and one from the National Institute for Handicapped Research of the Department of Education, and (C) one representative of the Assistant Secretary of Labor for Veterans’ Employment of the Department of Labor.

“(b) The Administrator shall, on a regular basis, consult with and seek the advice of the Committee with respect to the administration of veterans’ rehabilitation programs under this title.

Report to  
Administrator.

“(c) The Committee shall submit to the Administrator an annual report on the rehabilitation programs and activities of the Veterans’ Administration and shall submit such other reports and recommendations to the Administrator as the Committee determines appropriate. The annual report shall include an assessment of the rehabilitation needs of veterans and a review of the programs and activities of the Veterans’ Administration designed to meet such needs. The Administrator shall submit with each annual report submitted to the Congress pursuant to section 214 of this title a copy of all reports and recommendations of the Committee submitted to the Administrator since the previous annual report of the Administrator was submitted to the Congress pursuant to such section.”.

Report to  
Congress.  
38 USC 214.

(b) The items relating to chapter 31 in the table of chapters at the beginning of title 38, United States Code, and in the table of chapters at the beginning of part III of such title, are amended to read as follows:

“31. Training and Rehabilitation for Veterans with Service-Connected Disabilities ..... 1,500”.

38 USC 1508  
note.  
Ante, p. 2178.  
38 USC 3107.

(c) The provisions of section 1508(g)(1) of title 38, United States Code, as added by subsection (a), shall not apply to an apportionment made under section 3107(c) of such title before the date of the enactment of this Act.

38 USC 1507  
note.  
Ante, p. 2171.

(d) With respect to veterans who are participating in a program of vocational rehabilitation under chapter 31 of title 38, United States Code, on March 31, 1981—



(1) individualized written plans of vocational rehabilitation shall be formulated under section 1507 of such title (as amended by subsection (a)) for such veterans to the extent that and at such times as the Administrator determines that the formulation of such plans is feasible and on the basis of such priorities for the formulation of such plans as the Administrator shall prescribe; and

*Ante*, p. 2177.

(2) extensions may be granted a veteran under sections 1503(c) and 1505(c)(2) of such title (as amended by subsection (a)) without regard to the requirement for a determination of a serious employment handicap.

*Ante*, pp. 2173, 2176.

#### LIMITATION ON PAYMENT OF SUBSISTENCE ALLOWANCE

SEC. 102. Section 1781 is amended by inserting a comma and “or subsistence allowance granted under chapter 31,” after “36”.

38 USC 1781.

#### LIMITATION ON PERIOD OF ASSISTANCE UNDER TWO OR MORE PROGRAMS

SEC. 103. Section 1795 is amended by—

38 USC 1795.

(1) inserting “(a)” before “The aggregate”;

(2) striking out clause (4) and inserting in lieu thereof the following:

“(4) chapters 32, 34, 35, and 36 of this title and the former chapter 33;”

38 USC 1601 *et seq.*, 1651 *et seq.*, 1700 *et seq.*, 1770 *et seq.*

(3) striking out after “thereof” the comma and “but this section shall not be deemed to limit the period for which assistance may be received under chapter 31 alone” and inserting in lieu thereof a period; and

*Ante*, p. 2171.

(4) adding at the end the following new subsection:

“(b) No person may receive assistance under chapter 31 of this title in combination with assistance under any of the provisions of law cited in clauses (1), (2), (3), and (4) of this section in excess of forty-eight months (or the part-time equivalent thereof) unless the Administrator determines that additional months of benefits under chapter 31 of this title are necessary to accomplish the purposes of a rehabilitation program (as defined in section 1501(5) of this title) in the individual case.”

*Ante*, p. 2172.

### TITLE II—GI BILL RATE INCREASES

#### PART A—INCREASES EFFECTIVE OCTOBER 1, 1980

##### RATES OF EDUCATIONAL ASSISTANCE FOR VETERANS

SEC. 201. Chapter 34 is amended by—

(1) striking out “\$288” in the last sentence of section 1677(b) and inserting in lieu thereof “\$302”;

38 USC 1677.

(2) amending the table contained in paragraph (1) of section 1682(a) to read as follows:

38 USC 1682.

"Column I Type of program	Column II No dependents	Column III One dependent	Column IV Two dependents	Column V More than two dependents
				The amount in column IV, plus the following for each dependent in excess of two:
<b>Institutional:</b>				
Full-time.....	\$327	\$389	\$443	\$27
Three-quarter-time.	245	292	332	20
Half-time.....	164	195	222	14
<b>Cooperative.....</b>	<b>264</b>	<b>309</b>	<b>351</b>	<b>21";</b>

38 USC 1682.

(3) striking out "\$311" in section 1682(b) and inserting in lieu thereof "\$327";

(4) amending the table contained in paragraph (2) of section 1682(c) to read as follows:

"Column I Basis	Column II No dependents	Column III One dependent	Column IV Two dependents	Column V More than two dependents
				The amount in column IV, plus the following for each dependent in excess of two:
Full-time.....	\$264	\$309	\$351	\$20
Three-quarter-time.	198	232	263	15
Half-time.....	132	155	176	10";

and

38 USC 1692.

(5) striking out "\$69" and "\$828" in section 1692(b) and inserting in lieu thereof "\$72" and "\$869", respectively.

**RATES OF EDUCATIONAL ASSISTANCE FOR SURVIVORS AND DEPENDENTS**

**SEC. 202.** Chapter 35 is amended by—

38 USC 1732.

(1) striking out "\$251" in section 1732(b) and inserting in lieu thereof "\$264"; and

38 USC 1742.

(2) striking out "\$311", "\$98", "\$98", and "\$10.40" in section 1742(a) and inserting in lieu thereof "\$327", "\$103", "\$103", and "\$10.92", respectively.

**RATES FOR STATE APPROVING AGENCIES' ADMINISTRATIVE EXPENSES, TRAINING ALLOWANCES FOR TRAINING ON THE JOB, AND FOR EDUCATION LOANS**

**SEC. 203.** Chapter 36 is amended by—

38 USC 1774.

(1) amending subsection (b) of section 1774 to read as follows:

“(b) The allowance for administrative expenses incurred pursuant to subsection (a) of this section shall be paid in accordance with the following formula:

“Total salary cost reimbursable under this section	Allowable for administrative expense
\$5,000 or less .....	\$662.
Over \$5,000 but not exceeding \$10,000.....	\$1,191.
Over \$10,000 but not exceeding \$35,000....	\$1,191 for the first \$10,000, plus \$1,103 for each additional \$5,000 or fraction thereof.
Over \$35,000 but not exceeding \$40,000....	\$7,205.
Over \$40,000 but not exceeding \$75,000....	\$7,205 for the first \$40,000, plus \$953 for each additional \$5,000 or fraction thereof.
Over \$75,000 but not exceeding \$80,000....	\$14,288.
Over \$80,000 .....	\$14,288 for the first \$80,000, plus \$833 for each additional \$5,000 or fraction thereof.”

(2) striking out “\$311” in section 1786(a)(2) and inserting in lieu thereof “\$327”; 38 USC 1786.

(3) amending the table contained in paragraph (1) of section 1787(b) to read as follows: 38 USC 1787.

“Column I	Column II	Column III	Column IV	Column V
Periods of training	No dependents	One dependent	Two dependents	More than two dependents
First 6 months.....	\$237	\$267	\$291	The amount in column IV, plus the following for each dependent in excess of two: \$13
Second 6 months.....	177	207	232	13
Third 6 months .....	119	148	172	13
Fourth and any succeeding 6-month periods.	59	88	113	13”;

and  
 (4) striking out “\$311” in paragraph (3) of section 1798(b) and inserting in lieu thereof “\$327”. 38 USC 1798.

**PART B—INCREASES EFFECTIVE JANUARY 1, 1981**

**RATES OF EDUCATIONAL ASSISTANCE FOR VETERANS**

SEC. 211. Chapter 34 is amended by—

(1) striking out “\$302” in the last sentence of section 1677(b) and inserting in lieu thereof “\$317”; 38 USC 1677.

(2) amending the table contained in paragraph (1) of section 1682(a) to read as follows: 38 USC 1682.

"Column I	Column II	Column III	Column IV	Column V
Type of program	No dependents	One dependent	Two dependents	More than two dependents
				The amount in column IV, plus the following for each dependent in excess of two:
<b>Institutional:</b>				
Full-time.....	\$342	\$407	\$464	\$29
Three-quarter-time.	257	305	348	22
Half-time.....	171	204	232	15
Cooperative.....	276	323	367	21".

38 USC 1682.

(3) striking out "\$327" in section 1682(b) and inserting in lieu thereof "\$342";

(4) amending the table contained in paragraph (2) of section 1682(c) to read as follows:

"Column I	Column II	Column III	Column IV	Column V
Basis	No dependents	One dependent	Two dependents	More than two dependents
				The amount in column IV, plus the following for each dependent in excess of two:
Full-time.....	\$276	\$323	\$367	\$21
Three-quarter-time.	207	242	275	16
Half-time.....	138	162	184	11".

38 USC 1692.

and

(5) striking out "\$72" and "\$869" in section 1692(b) and inserting in lieu thereof "\$76" and "\$911", respectively.

**RATES OF EDUCATIONAL ASSISTANCE FOR SURVIVORS AND DEPENDENTS**

38 USC 1732.

SEC. 212. Chapter 35 is amended by—

(1) striking out "\$264" in section 1732(b) and inserting in lieu thereof "\$276"; and

38 USC 1742.

(2) striking out "\$327", "\$103", "\$103", and "\$10.92" in section 1742(a) and inserting in lieu thereof "\$342", "\$108", "\$108", and "\$11.44", respectively.

**RATES FOR STATE APPROVING AGENCIES' ADMINISTRATIVE EXPENSES, FOR TRAINING ALLOWANCE FOR TRAINING ON THE JOB, AND FOR EDUCATION LOANS**

38 USC 1774.

SEC. 213. Chapter 36 is amended by—

(1) amending subsection (b) of section 1774 to read as follows:

“(b) The allowance for administrative expenses incurred pursuant to subsection (a) of this section shall be paid in accordance with the following formula:

“Total salary cost reimbursable under this section	Allowable for administrative expense
\$5,000 or less .....	\$693.
Over \$5,000 but not exceeding \$10,000.....	\$1,247.
Over \$10,000 but not exceeding \$35,000....	\$1,247 for the first \$10,000, plus \$1,155 for each additional \$5,000 or fraction thereof.
Over \$35,000 but not exceeding \$40,000....	\$7,548.
Over \$40,000 but not exceeding \$75,000....	\$7,548 for the first \$40,000, plus \$999 for each additional \$5,000 or fraction thereof.
Over \$75,000 but not exceeding \$80,000....	\$14,969.
Over \$80,000 .....	\$14,969 for the first \$80,000, plus \$872 for each additional \$5,000 or fraction thereof.”

(2) striking out “\$327” in section 1786(a)(2) and inserting in lieu thereof “\$342”; 38 USC 1786.

(3) amending the table contained in paragraph (1) of section 1787(b) to read as follows: 38 USC 1787.

“Column I	Column II	Column III	Column IV	Column V
Periods of training	No dependents	One dependent	Two dependents	More than two dependents
First 6 months.....	\$249	\$279	\$305	The amount in column IV, plus the following for each dependent in excess of two: \$13
Second 6 months.....	186	217	243	13
Third 6 months .....	124	155	180	13
Fourth and any succeeding 6-month periods.	62	92	119	13”.

and  
 (4) striking out “\$327” in paragraph (3) of section 1798(b) and inserting in lieu thereof “\$342”. 38 USC 1798.

**TITLE III—EDUCATIONAL ASSISTANCE PROGRAM  
 ADJUSTMENTS**

**PART A—EDUCATIONAL ASSISTANCE FOR VETERANS**

**PERIOD WITHIN WHICH APPLICATION FOR EXTENSION OF DELIMITING PERIOD MUST BE FILED AND MEASUREMENT OF EXTENSION**

**SEC. 301.** Section 1662(a)(1) is amended by— 38 USC 1662.

(1) inserting “made within one year after (A) the last date of the delimiting period otherwise applicable under this section, (B) the termination of the period of such mental or physical disability, or (C) the effective date of the Veterans’ Rehabilitation and Education Amendments of 1980, whichever is the latest” after “application”; Ante, p. 2171.

(2) inserting "so" after "that such veteran was" in such paragraph; and

(3) adding at the end the following new sentence: "When an extension of the applicable delimiting period is granted a veteran under the preceding sentence, the delimiting period with respect to such veteran will again begin running on the first day following such veteran's recovery from such disability on which it is reasonably feasible, as determined in accordance with regulations which the Administrator shall prescribe, for such veteran to initiate or resume pursuit of a program of education with educational assistance under this chapter."

CLARIFICATION OF AUTHORITY OF ADMINISTRATOR TO DISAPPROVE AN APPLICATION FOR BENEFITS

38 USC 1671.

SEC. 302. The second sentence of section 1671 is amended to read as follows: "The Administrator shall approve such application unless the Administrator finds that (1) such veteran or person is not eligible for or entitled to the educational assistance for which application is made, (2) the veteran's or person's selected educational institution or training establishment fails to meet any requirement of this chapter or chapter 36 of this title, (3) the veteran's or person's enrollment in, or pursuit of, the program of education selected would violate any provision of this chapter or chapter 36 of this title, or (4) the veteran or person is already qualified, by reason of previous education or training, for the educational, professional, or vocational objective for which the program of education is offered."

38 USC 1770 *et seq.*

MODIFICATION OF 50-PERCENT EMPLOYMENT RULE FOR VOCATIONAL COURSES

38 USC 1673.

SEC. 303. Section 1673(a) is amended by—

(1) inserting "(1)" before "The";

(2) redesignating clauses (1), (2), (3), and (4) as clauses (A), (B), (C), and (D), respectively;

(3) amending clause (B) of paragraph (1), as redesignated by clause (2) of this section, to read as follows:

"(B) any course with a vocational objective, unless the eligible veteran or the institution offering such course presents evidence satisfactory to the Administrator showing that at least one-half of the persons who completed such course over such period, and who are not unavailable for employment, attained employment for an average of ten hours a week in an occupational category for which the course was designed to provide training;" and

(4) adding at the end the following new paragraph:

"(2)(A) For the purposes of clause (B) of paragraph (1) of this subsection, in computing the number of persons who discontinued or completed a course over any two-year period, there shall not be included in such number those persons who received assistance under this title for pursuing such course while serving on active duty.

"(B) The provisions of clause (B) of paragraph (1) of this subsection shall not apply in the case of a particular course offered by an educational institution in a particular year if the total number of eligible veterans and eligible persons (as defined in section 1701(a)(1) of this title) enrolled in the institution during the two-year period preceding such year did not exceed 35 percent of the total enrollment in such institution during such period and the course has met the

38 USC 1701.

requirements of such clause for any two-year period ending on or after the date of the enactment of this paragraph.

“(C) The Administrator may waive the requirements under clause (B) of paragraph (1) of this subsection if the Administrator determines, under regulations which the Administrator shall prescribe, that such requirements would work an undue administrative hardship on an educational institution because of the small proportion of eligible veterans and eligible persons (as defined in section 1701(a)(1) of this title) enrolled in such institution.”

Requirements,  
waiver.

38 USC 1701.

#### APPROVAL OF COURSES OFFERED THROUGH OPEN CIRCUIT TELEVISION

SEC. 304. Subsection (c) of section 1673 is amended to read as follows:

38 USC 1673.

“(c) The Administrator shall not approve the enrollment of an eligible veteran in any course to be pursued by radio or by open circuit television, except that the Administrator may approve the enrollment of an eligible veteran in a course, to be pursued in residence, leading to a standard college degree which includes, as an integral part thereof, subjects offered through open circuit television.”

#### ELIMINATION FROM COMPUTATION OF 85-15 RULE OF THE NUMBER OF PERSONS RECEIVING BASIC ECONOMIC OPPORTUNITY GRANTS AND SUPPLEMENTAL ECONOMIC OPPORTUNITY GRANTS

SEC. 305. The first sentence of section 1673(d) is amended by—  
(1) striking out the comma after “institution” and inserting in lieu thereof “or”; and  
(2) striking out “and/or by grants from any Federal agency”.

38 USC 1673.

#### STANDARDS FOR DETERMINING SATISFACTORY PROGRESS

SEC. 306. Section 1674 is amended by striking out the second sentence.

38 USC 1674.

#### EDUCATION OUTSIDE THE UNITED STATES

SEC. 307. (a) Section 1652(f) is amended by adding at the end the following new sentence: “Such term shall also include an educational institution which is not located in a State, which offers a course leading to a standard college degree, or the equivalent, and which is recognized as such by the secretary of education (or comparable official) of the country or other jurisdiction in which the institution is located.”

38 USC 1652.

(b) The text of section 1676 is amended to read as follows:

38 USC 1676.

“An eligible veteran may not enroll in any course at an educational institution not located in a State unless such course is pursued at an approved institution of higher learning and the course is approved by the Administrator. The Administrator may deny or discontinue educational assistance under this chapter in the case of any veteran enrolled in an institution of higher learning not located in a State if the Administrator determines that such enrollment is not in the best interest of the veteran or the Federal Government.”

**CHARGE AGAINST ENTITLEMENT FOR PURSUIT OF A PROGRAM OF EDUCATION WHILE ON ACTIVE DUTY OR ON A LESS THAN HALF-TIME BASIS**

38 USC 1682. SEC. 308. Section 1682(b) is amended by adding at the end the following new sentence: "An individual's entitlement shall be charged for institutional courses on the basis of the applicable monthly training time rate as determined under section 1788 of this title."

38 USC 1788.

**COMPUTATION OF EDUCATIONAL ASSISTANCE ALLOWANCES AND CHARGES AGAINST ENTITLEMENT FOR PURSUIT OF INDEPENDENT STUDY**

38 USC 1682. SEC. 309. Subsection (e) of section 1682 is amended to read as follows:

"(e) The educational assistance allowance of an eligible veteran pursuing an independent study program which leads to a standard college degree shall be computed at the rate provided in subsection (b) of this section. If the entire training is to be pursued by independent study, entitlement shall be charged at one-half of the full-time institutional rate. In any case in which independent study is combined with resident training, the educational assistance allowance shall be paid at the applicable institutional rate based on the total training time determined by adding the number of semester hours (or the equivalent thereof) of resident training to the number of semester hours (or the equivalent thereof) of independent study that do not exceed the number of semester hours (or the equivalent thereof) required for the less than half-time institutional rate, as determined by the Administrator, for resident training. A veteran's entitlement shall be charged for a combination of independent study and resident training on the basis of the applicable monthly training time rate as determined under section 1788 of this title."

38 USC 1788.

**COMPUTATION OF EDUCATIONAL ASSISTANCE ALLOWANCE FOR PURSUIT OF COURSES BY OPEN CIRCUIT TELEVISION**

38 USC 1682. SEC. 310. Section 1682 is amended by adding at the end thereof the following new subsection:

"(f) The educational assistance allowance of an eligible veteran pursuing a course in part by open circuit television shall be computed in the same manner that such allowance is computed under subsection (e) of this section for an independent study program."

**ENTITLEMENT-FREE PURSUIT OF PROGRAMS OF SECONDARY EDUCATION**

38 USC 1691. SEC. 311. Section 1691 is amended—

(1) in subsection (a) by—

(A) striking out "not on active duty";

(B) striking out "at the time of the veteran's discharge or release from active duty"; and

(C) inserting "is not on active duty and who," after "(2)";

(2) in subsection (b) by—

(A) inserting "(1)" before "The";

(B) inserting "(2)" after "subsection (a)"; and

(C) adding at the end the following new paragraph:

"(2) The Administrator shall pay to an eligible veteran described in subsection (a)(1) of this section who is pursuing a course or courses or program under this subchapter for the purpose of attaining a secondary school diploma (or an equivalency certificate) an educational assistance allowance (A) at the rate of established charges for tuition



and fees required of similarly circumstanced nonveterans enrolled in the same course, courses, or program, or (B) at the institutional full-time rate provided in section 1682(a), whichever is the lesser.”; and

(3) by adding at the end the following new subsection:

“(c) The provisions of section 1673(d) of this title, relating to the disapproval of enrollment in certain courses, shall be applicable to the enrollment of an eligible veteran who, while serving on active duty, enrolls in one or more courses under this subchapter for the purpose of attaining a secondary school diploma (or an equivalency certificate).”.

*Ante*, pp. 2187, 2189.

38 USC 1673.

#### DISQUALIFICATION OF CERTAIN FAMILY MEMBERS FROM ELIGIBILITY AS QUALIFIED TUTORS

SEC. 312. Section 1692(b)(2) is amended by inserting “and is not the eligible veteran’s parent, spouse, child (whether or not married or over eighteen years of age), brother, or sister” after “is qualified”.

38 USC 1692.

#### PART B—EDUCATIONAL ASSISTANCE FOR SURVIVORS AND DEPENDENTS

##### EXTENSION OF DEPENDENTS’ PERIOD OF ELIGIBILITY IN CERTAIN CASES

SEC. 321. Section 1712(a) is amended by—

38 USC 1712.

(1) striking out “and” at the end of clause (4);

(2) redesignating clause (5) as clause (6); and

(3) inserting after clause (4) the following new clause (5):

“(5) if the person becomes eligible by reason of the provisions of section 1701(a)(1)(A)(iii) of this title after the person’s eighteenth birthday but before the person’s twenty-sixth birthday, then (unless clause (4) of this subsection applies) such period shall end eight years after the date on which the person becomes eligible by reason of such provisions, but in no event shall such period be extended beyond the person’s thirty-first birthday by reason of this clause; and”.

38 USC 1701.

##### PERIOD WITHIN WHICH APPLICATION FOR EXTENSION OF DELIMITING PERIOD MUST BE FILED AND MEASUREMENT OF EXTENSION

SEC. 322. Section 1712(b)(2) is amended by—

38 USC 1712.

(1) inserting “made within one year after (A) the last date of the delimiting period otherwise applicable under this section, (B) the termination of the period of mental or physical disability, or (C) the effective date of the Veterans’ Rehabilitation and Education Amendments of 1980, whichever is the latest” after “application”;

*Ante*, p. 2171.

(2) inserting “so” after “that such person was” in such paragraph; and

(3) adding at the end the following new sentence: “When an extension of the applicable delimiting period is granted under the exception in the preceding sentence, the delimiting period will again begin running on the first day following such eligible person’s recovery from such disability on which it is reasonably feasible, as determined in accordance with regulations which the Administrator shall prescribe, for such eligible person to initiate or resume pursuit of a program of education with educational assistance under this chapter.”.

## REPEAL OF MANDATORY COUNSELING FOR DEPENDENTS

- 38 USC 1720. SEC. 323. (a) Section 1720(a) is amended by—  
 (1) striking out “shall arrange for, and the eligible person shall take advantage of,” and inserting in lieu thereof “may, upon request, arrange for”; and  
 (2) striking out the second sentence.
- 38 USC 1761. (b) Section 1761(a) is amended by—  
 (1) striking out “required” and inserting in lieu thereof “authorized”; and  
 (2) striking out “or require”.

## CLARIFICATION OF AUTHORITY OF ADMINISTRATOR TO DISAPPROVE AN APPLICATION FOR BENEFITS

- 38 USC 1721. SEC. 324. The text of section 1721 is amended to read as follows:  
 “The Administrator shall finally approve an application if the Administrator finds that—
- 38 USC 1720. “(1) section 1720 of this title has been complied with;  
 “(2) the proposed program of education constitutes a ‘program of education’ as that term is defined in this chapter;  
 “(3) the eligible person is not already qualified, by reason of previous education or training, for the educational, professional, or vocational objective for which the program of education is offered;  
 “(4) the eligible person’s proposed educational institution or training establishment is in compliance with all the requirements of this chapter and chapter 36 of this title; and  
 “(5) it does not appear that the enrollment in or pursuit of such person’s program of education would violate any provisions of this chapter or chapter 36 of this title.”
- 38 USC 1770 et seq.

## MODIFICATION OF 50-PERCENT EMPLOYMENT RULE FOR VOCATIONAL COURSES

- 38 USC 1723. SEC. 325. Section 1723(a) is amended by—  
 (1) inserting “(1)” before “The”;  
 (2) redesignating clauses (1), (2), (3), and (4) as clauses (A), (B), (C), and (D), respectively;  
 (3) amending clause (B) of paragraph (1), as redesignated by clause (2) of this section, to read as follows:  
 “(B) any course with a vocational objective, unless the eligible person or the institution offering such course presents evidence satisfactory to the Administrator showing that at least one-half of the persons who completed such course over such period, and who are not unavailable for employment, attained employment for an average of ten hours a week in an occupational category for which the course was designed to provide training”; and  
 (4) adding at the end the following new paragraph:  
 “(2)(A) For the purposes of clause (B) of paragraph (1) of this subsection, in computing the number of persons who discontinued or completed a course over any two-year period, there shall not be included in such number those persons who received assistance under this title for pursuing such course while serving on active duty.  
 “(B) The provisions of clause (B) of paragraph (1) of this subsection shall not apply in the case of a particular course offered by an educational institution in a particular year if the total number of eligible veterans (as defined in section 1652(a)(1) of this title) and
- 38 USC 1652.

eligible persons enrolled in the institution during the two-year period preceding such year did not exceed 35 percent of the total enrollment in such institution during such period and the course has met the requirements of such clause for any two-year period ending on or after the date of the enactment of this paragraph.

“(C) The Administrator may waive the requirements under clause (B) of paragraph (1) of this subsection if the Administrator determines, under regulations which the Administrator shall prescribe, that such requirements would work an undue administrative hardship on an educational institution because of the small proportion of eligible veterans (as defined in section 1652(a)(1) of this title) and eligible persons enrolled in such institution.”

Requirements,  
waiver.

38 USC 1652.

#### APPROVAL OF COURSES OFFERED THROUGH OPEN CIRCUIT TELEVISION

SEC. 326. Subsection (c) of section 1723 is amended to read as follows:

38 USC 1723.

“(c) The Administrator shall not approve the enrollment of an eligible person in any course to be pursued by radio or by open circuit television, except that the Administrator may approve the enrollment of an eligible person in a course, to be pursued in residence, leading to a standard college degree which includes, as an integral part thereof, subjects offered through open circuit television.”

#### EDUCATION OUTSIDE THE UNITED STATES

SEC. 327. (a) Paragraph (10) of section 1701(a) is amended by adding at the end the following new sentence: “Such term shall also include an educational institution which is not located in a State, which offers a course leading to a standard college degree, or the equivalent, and which is recognized by the secretary of education (or comparable official) of the country or other jurisdiction in which the institution is located.”

38 USC 1701.

(b) Section 1723 is amended by adding at the end the following new subsection:

38 USC 1723.

“(e) An eligible person may not enroll in any course at an educational institution which is not located in a State or in the Republic of the Philippines, unless such course is pursued at an approved institution of higher learning and the course is approved by the Administrator. The Administrator, in the Administrator's discretion, may deny or discontinue educational assistance under this chapter in the case of any eligible person in such an institution if the Administrator determines that such enrollment is not in the best interest of the eligible person or the Federal Government.”

#### STANDARDS FOR DETERMINING SATISFACTORY PROGRESS

SEC. 328. Section 1724 is amended by striking out the second sentence.

38 USC 1724.

#### PAYMENT OF EDUCATIONAL ASSISTANCE ALLOWANCE ON BEHALF OF ELIGIBLE PERSONS

SEC. 329. Subsection (b) of section 1731 is amended to read as follows:

38 USC 1731.

“(b) The educational assistance allowance of an eligible person pursuing a program of education at an educational institution shall be paid as provided in chapter 36 of this title.”

38 USC 1770 *et seq.*

COMPUTATION OF EDUCATIONAL ASSISTANCE ALLOWANCE FOR PURSUIT  
OF COURSES BY OPEN CIRCUIT TELEVISION

38 USC 1732.

SEC. 330. Section 1732(c) is amended by adding at the end the following new paragraph:

*Ante*, p. 2194.

“(4) The monthly educational assistance allowance to be paid on behalf of an eligible person pursuing a course in part by open circuit television shall be computed in the same manner that such allowance is computed under section 1682(e) of this title for an independent study program.”.

ELIGIBILITY FOR SPECIAL RESTORATIVE TRAINING

38 USC 1740.

38 USC 1701.

SEC. 331. Section 1740 is amended by inserting “(as defined in section 1701(a)(1)(A) of this title)” after “person”.

PART C—AMENDMENTS RELATING TO THE ADMINISTRATION OF  
EDUCATIONAL BENEFITS

PERIODS FOR WHICH PAYMENT OF EDUCATIONAL ASSISTANCE OR  
SUBSISTENCE ALLOWANCES MAY BE PAID

38 USC 1780.

SEC. 341. (a) Subsection (a) of section 1780 is amended by—

38 USC 1651 *et*  
*seq.*, 1700 *et seq.*

(1) inserting “in, and pursuit of, such program” after “enrollment” in the second sentence; and

(2) striking out “institution and the requirements of this chapter or of chapter 34 or 35 of this title” in clause (1) and inserting in lieu thereof “institution, with the provisions of such regulations as may be prescribed by the Administrator pursuant to subsection (g) of this section, and with the requirements of this chapter or of chapter 34 or 35 of this title, but payment may be made for an actual period of pursuit of one or more unit subjects pursued for a period of time shorter than the enrollment period at the educational institution”.

(b) Subsection (g) of such section is amended by inserting “and define” after “determine” in the first sentence.

BREAKS IN EDUCATION WHICH ARE NOT COUNTED AS ABSENCES

38 USC 1780.

SEC. 342. Section 1780(a)(2) is amended by inserting after “session” the following: “and periods (not to exceed five days in any twelve-month period) when the institution is not in session because of teacher conferences or teacher training sessions”.

REPORTS BY VETERANS, ELIGIBLE PERSONS, AND EDUCATIONAL  
INSTITUTIONS TO THE VETERANS’ ADMINISTRATION

38 USC 1784.

SEC. 343. (a) Section 1784 is amended by—

(1) amending subsection (a) to read as follows:

38 USC 1651 *et*  
*seq.*, 1700 *et seq.*,  
1770 *et seq.*

“(a) The veteran or eligible person and the educational institution offering a course in which such veteran or eligible person is enrolled under chapter 34, 35, or 36 of this title shall, without delay, report to the Administrator, in the form prescribed by the Administrator, such enrollment and any interruption or termination of the education of each such veteran or eligible person. The date of such interruption or termination will be the last date of pursuit, or, in the case of correspondence training, the last date a lesson was serviced by a school.”; and

(2) redesignating subsection (b) as subsection (c) and inserting after subsection (a) the following new subsection (b):

“(b) The Administrator, prior to making payment of a reporting fee to an educational institution, as provided for in subsection (c) of this section, shall require such institution to certify that it has exercised reasonable diligence in determining whether such institution or any course offered by such institution approved for the enrollment of veterans or eligible persons meets all of the applicable requirements of chapters 34, 35, and 36 of this title and that it will, without delay, report any failure to meet any such requirement to the Administrator.”

38 USC 1651 *et seq.*, 1700 *et seq.*, 1770 *et seq.*

(b)(1) The catchline of such section is amended to read as follows:

“§ 1784. Reports by veterans, eligible persons, and institutions; reporting fee”.

(2) The item relating to such section in the table of sections at the beginning of chapter 36 is amended to read as follows:

“1784. Reports by veterans, eligible persons, and institutions; reporting fee.”

#### LIABILITY FOR OVERPAYMENT OF BENEFITS

SEC. 344. The text of section 1785 is amended to read as follows:

38 USC 1785.

“(a) Whenever the Administrator finds that an overpayment has been made to a veteran or eligible person, the amount of such overpayment shall constitute a liability of such veteran or eligible person to the United States.

“(b) Whenever the Administrator finds that an overpayment has been made to a veteran or eligible person as the result of (1) the willful or negligent failure of an educational institution to report, as required under this chapter or chapter 34 or 35 of this title, to the Veterans' Administration excessive absences from a course, or discontinuance or interruption of a course by the veteran or eligible person, or (2) the willful or negligent false certification by an educational institution, the amount of such overpayment shall constitute a liability of the educational institution to the United States.

38 USC 1651 *et seq.*, 1700 *et seq.*

“(c) Any overpayment referred to in subsection (a) or (b) of this section may be recovered, except as otherwise provided in the last sentence of section 1784(c) of this title, in the same manner as any other debt due the United States.

38 USC 1784.

“(d) Any overpayment referred to in subsection (a) or (b) of this section may be waived as to a veteran or eligible person as provided in section 3102 of this title. Waiver of any such overpayment as to a veteran or eligible person shall in no way release any educational institution from liability under subsection (b) of this section.

Waiver.

38 USC 3102.

“(e)(1) Any amount collected from a veteran or eligible person pursuant to this section shall be reimbursed to the educational institution which is liable pursuant to subsection (b) of this section to the extent that collection was made from the educational institution.

“(2) Nothing in this section or any other provision of this title shall be construed as (A) precluding the imposition of any civil or criminal liability under this title or any other law, or (B) requiring any institution of higher learning to maintain daily attendance records for any course leading to a standard college degree.”

#### MEASUREMENT OF COURSES

SEC. 345. (a) Subsection (a) of section 1788 is amended by—

38 USC 1788.

(1) inserting “(a)(1)” after “1775” in clauses (1) and (2);

(2) striking out "on a" in clause (4) and inserting in lieu thereof "in residence on a standard"; and

(3) inserting "per semester" in clause (4) after "fourteen semester hours" the first place it appears.

(b) Such section is further amended by adding at the end the following new subsections:

Definitions.

"(c) For the purposes of subsection (a)(4) of this section, the term 'in residence on a standard quarter- or semester-hour basis' means a study at a site or campus of a college or university, or off-campus at an official resident center, requiring pursuit of regularly scheduled weekly class instruction at the rate of one standard class session per week throughout the quarter or semester for one quarter or one semester hour of credit. For the purposes of the preceding sentence, the term 'standard class session' means one hour (or fifty-minute period) of academic instruction, two hours of laboratory instruction, or three hours of workshop training.

Institutional undergraduate course.

"(d) Notwithstanding any other provision of this title, an institutional undergraduate course leading to a standard college degree offered by a college or university in residence shall be considered to be a full-time course if—

"(1) the educational institution offering such course considers such course to be a full-time course and treats such course as a full-time course for all purposes, including (A) payment of tuition and fees, (B) the awarding of academic credit for the purpose of meeting graduation requirements, and (C) the transfer of such credits to an undergraduate course meeting the criteria set forth in subsection (a)(4) of this section;

"(2) less than 50 percent of the persons enrolled in such course are receiving educational assistance under this title;

"(3) such course would qualify as a full-time course under subsection (a)(4) of this section, except that it does not meet the requirements of such subsection with respect to weekly class instruction; and

"(4) the course requires—

"(A) pursuit of standard class sessions for each credit at a rate not less frequent than every two weeks; and

"(B) monthly pursuit of a total number of standard class sessions equal to that number of standard class sessions which, during the same period of time, is required for a course qualifying as a full-time course under subsection (a)(4) of this section."

ADVISORY COMMITTEE ON VETERANS' EDUCATIONAL ASSISTANCE PROGRAMS

38 USC 1792.

SEC. 346. The text of section 1792 is amended to read as follows:

"(a) There shall be an advisory committee formed by the Administrator which shall be composed of persons who are eminent in their respective fields of education, labor, and management and of representatives of institutions and establishments furnishing education to eligible veterans or persons enrolled under chapter 32, 34, or 35 of this title. The committee shall also include veterans representative of World War II, the Korean conflict era, the post-Korean conflict era, the Vietnam era, and the post-Vietnam era. The Assistant Secretary of Education for Postsecondary Education (or such other comparable official of the Department of Education as the Secretary of Education may designate) and the Assistant Secretary of Labor for Veterans' Employment shall be ex officio members of the advisory committee.

38 USC 1601 et seq., 1651 et seq., 1700 et seq.

“(b) The Administrator shall consult with and seek the advice of the committee from time to time with respect to the administration of this chapter and chapters 32, 34, and 35 of this title. The committee may make such reports and recommendations as it considers desirable to the Administrator and the Congress.

38 USC 1601 *et seq.*, 1651 *et seq.*, 1700 *et seq.*  
Report to Congress.

“(c) The committee shall remain in existence until December 31, 1989.”.

#### TITLE IV—POST-VIETNAM ERA VETERANS' EDUCATIONAL ASSISTANCE PROGRAM ADJUSTMENTS

##### ELIGIBILITY OF CERTAIN VETERANS FOR THE POST-VIETNAM ERA VETERANS' EDUCATIONAL ASSISTANCE PROGRAM

SEC. 401. Section 1602(1)(A) is amended by—

38 USC 1602.

- (1) inserting “who is not eligible for educational assistance under chapter 34 of this title and” after “any veteran”; and
- (2) striking out “initially” in clauses (i) and (ii).

38 USC 1651 *et seq.*

##### DISTRIBUTION OF UNUSED CONTRIBUTIONS UPON DEATH OF PARTICIPANT

SEC. 402. Section 1624 is amended to read as follows:

###### “§ 1624. Death of participant

38 USC 1624.

“In the event of a participant's death, the amount of such participant's unused contributions to the fund shall be paid to the living person or persons first listed below:

“(1) The beneficiary or beneficiaries designated by such participant under such participant's Servicemen's Group Life Insurance policy.

“(2) The surviving spouse of the participant.

“(3) The surviving child or children of the participant, in equal shares.

“(4) The surviving parent or parents of the participant, in equal shares.

If there is no such person living, such amount shall be paid to such participant's estate.”.

##### ENTITLEMENT-FREE PURSUIT OF PROGRAMS OF SECONDARY EDUCATION

SEC. 403. Subsection (b) of section 1631 is amended to read as follows:

38 USC 1631.

“(b) Any enlisted member of the Armed Forces participating in the program shall be eligible to enroll in a course, courses, or program of education for the purpose of attaining a secondary school diploma (or an equivalency certificate), as authorized by section 1691(a) of this title, during the last six months of such member's first enlistment and at any time thereafter.”.

38 USC 1691.

##### LIMITATION ON PERIOD OF ASSISTANCE UNDER TWO OR MORE PROGRAMS

SEC. 404. Paragraph (1) of section 1631(a) is amended to read as follows:

38 USC 1631.

“(1) Subject to the provisions of section 1795 of this title limiting the aggregate period for which any person may receive assistance under two or more programs of educational or vocational assistance administered by the Veterans' Administration, a participant shall be

38 USC 1795.

entitled to a maximum of 36 monthly benefit payments (or their equivalent in the event of part-time benefits).”.

#### APPLICABILITY OF CERTAIN PROVISIONS OF CHAPTER 34

38 USC 1641.

**SEC. 405.** Section 1641 is amended by—

- (1) inserting “1663,” after “sections” the first place it appears; and
- (2) striking out “1696, and 1698” and inserting in lieu thereof “and 1691(a)(1)”.

#### AMENDMENTS RELATING TO MONTHLY CONTRIBUTIONS

38 USC 1622.

**SEC. 406.** (a) Subsection (a) of section 1622 is amended by—

- (1) striking out “Each” in the first sentence and inserting in lieu thereof “Except as provided in subsections (c) and (d) of this section, each”; and
  - (2) striking out “\$50” and “\$75” in the second sentence and inserting in lieu thereof “\$25” and “\$100”, respectively.
- (b) Subsection (c) of such section is amended by inserting after “Forces” a comma and “including contributions in lieu of, or to reduce the amount of, monthly deductions under subsection (a) of this section”.

(c) Such section is further amended by adding at the end the following new subsection:

“(d) Subject to the maximum contribution prescribed by subsection (a) of this section, a participant shall be permitted, while serving on active duty, to make a lump-sum contribution to the fund. A lump-sum contribution to the fund by a participant shall be in addition to or in lieu of monthly deductions made from such participant’s military pay and shall be considered, for the purposes of paragraph (2) of section 1631(a), to have been made by monthly deductions from such participant’s military pay in the amount of \$75 per month or in such lesser amount as may be specified by such participant pursuant to regulations issued jointly by the Secretary and the Administrator.”.

38 USC 1631.

### TITLE V—VETERANS’ EMPLOYMENT ASSISTANCE AMENDMENTS

#### PROMOTION OF THE DEVELOPMENT AND ESTABLISHMENT OF EMPLOYMENT, TRAINING, AND OTHER OPPORTUNITIES

38 USC 244.

**SEC. 501.** Section 244 is amended by—

- (1) redesignating clauses (2) through (5) as clauses (3) through (6), respectively; and

(2) inserting after clause (1) the following new clause (2):

“(2) in consultation with the Secretary of Labor, actively seek to promote the development and establishment of employment, training, and other opportunities for veterans, with particular emphasis on the needs of veterans with service-connected disabilities and other eligible veterans, taking into account applicable rates of unemployment and the employment emphases set forth in chapter 42 of this title;”.

38 USC 2011 *et seq.*



PROMOTION OF THE DEVELOPMENT OF PROGRAMS OF TRAINING ON THE  
JOB

SEC. 502. Section 1772 is amended by adding at the end the following new subsection: 38 USC 1772.

“(d) Pursuant to regulations prescribed by the Administrator in consultation with the Secretary of Labor, the Administrator shall actively promote the development of programs of training on the job (including programs of apprenticeship) for the purposes of sections 1777 and 1787 of this title and shall utilize the services of disabled veterans’ outreach program specialists under section 2003A of this title to promote the development of such programs.”. 38 USC 1777, 1787.  
Post, p. 2204.

ELIGIBILITY FOR JOB COUNSELING, TRAINING, AND PLACEMENT  
SERVICES

SEC. 503. Section 2001 is amended by— 38 USC 2001.

(1) amending paragraph (1) to read as follows:

“(1) The term ‘special disabled veteran’ has the same meaning provided in section 2011(1) of this title.”; and Post, p. 2206.

(2) redesignating paragraphs (2) and (3) as paragraphs (5) and (6), respectively, and inserting after paragraph (1) the following new paragraphs:

“(2) The term ‘veteran of the Vietnam era’ has the same meaning provided in section 2011(2) of this title.

“(3) The term ‘disabled veteran’ has the same meaning provided in section 2011(3) of this title.

“(4) The term ‘eligible veteran’ has the same meaning provided in section 2011(4) of this title.”.

ELEVATION OF DEPUTY ASSISTANT SECRETARY OF LABOR FOR VETERANS’  
EMPLOYMENT TO ASSISTANT SECRETARY

SEC. 504. (a) Chapter 41 is amended by—

(1) striking out “Deputy” in the item relating to section 2002A in the table of sections at the beginning of such chapter; 38 USC 2002A.

(2) striking out “Deputy” before “Assistant Secretary” in section 2002; 38 USC 2002.

(3) striking out “Deputy” in the catchline of section 2002A; and 38 USC 2002A.

(4) striking out “Deputy” before “Assistant Secretary” in section 2002A.

(b) Any reference in any law, regulation, directive, or other document to the Deputy Assistant Secretary of Labor for Veterans’ Employment shall be deemed to be a reference to the Assistant Secretary of Labor for Veterans’ Employment. 38 USC 2002A note.

(c) Notwithstanding any other provision of law, the position of Deputy Assistant Secretary of Labor for Veterans’ Employment, as constituted on the day before the date of the enactment of this section, shall remain in existence until a person has been appointed to and has qualified for the position of Assistant Secretary of Labor for Veterans’ Employment (established by the amendments made by subsection (a)). 38 USC 2002A note.

(d) Section 5316 of title 5, United States Code, is amended by adding at the end thereof the following new paragraph:

“Assistant Secretary of Labor for Veterans’ Employment.”.

CLERICAL SUPPORT FOR VETERANS' EMPLOYMENT REPRESENTATIVES

38 USC 2003.

SEC. 505. Section 2003 is amended by inserting "(and shall assign full-time clerical support to each such representative)" after employment representative" the first time such term appears in the first sentence.

DISABLED VETERANS' OUTREACH PROGRAM

SEC. 506. (a) Chapter 41 is amended by inserting after section 2003 the following new section:

38 USC 2003A.

"§ 2003A. Disabled veterans' outreach program

"(a)(1) The Secretary of Labor shall make available to each State, directly or by grant or contract, such funds as may be necessary to support a disabled veterans' outreach program designed to meet the employment needs of veterans, especially disabled veterans of the Vietnam era.

"(2) Funds provided to a State under this subsection shall be sufficient to support the appointment of one disabled veterans' outreach program specialist for each 5,300 veterans of the Vietnam era and disabled veterans residing in such State. Each such specialist shall be a veteran. Preference shall be given in the appointment of such specialists to disabled veterans of the Vietnam era. If the Secretary finds that a disabled veteran of the Vietnam era is not available for any such appointment, preference for such appointment shall be given to other disabled veterans. If the Secretary finds that no disabled veteran is available for such appointment, such appointment may be given to any veteran. Each such specialist shall be compensated at a rate not less than the rate prescribed for an entry level professional in the State government of the State concerned.

"(3) The Secretary shall also make available to the States such funds, in addition to those made available to carry out paragraphs (1) and (2) of this subsection, as may be necessary to support the reasonable expenses of such specialists for training, travel, supplies, and fringe benefits.

"(4) Specialists appointed pursuant to paragraph (2) of this subsection shall be in addition to and shall not supplant employees assigned to local employment service offices pursuant to section 2004 of this title.

38 USC 2004.

"(b)(1) Pursuant to regulations prescribed by the Secretary of Labor, disabled veterans' outreach program specialists shall be assigned only those duties directly related to meeting the employment needs of eligible veterans, with priority for the provision of services in the following order:

Ante, p. 2171.

"(A) Services to disabled veterans of the Vietnam era who are participating in or have completed a program of vocational rehabilitation under chapter 31 of this title.

"(B) Services to other disabled veterans.

"(C) Services to other eligible veterans in accordance with priorities determined by the Secretary taking into account applicable rates of unemployment and the employment emphases set forth in chapter 42 of this title.

38 USC 2011 et seq.

In the provision of services in accordance with this paragraph, maximum emphasis in meeting the employment needs of veterans shall be placed on assisting economically or educationally disadvantaged veterans.

"(2) Not more than three-fourths of the disabled veterans' outreach program specialists in each State shall be stationed at local employ-

ment service offices in such State. Specialists not so stationed shall be stationed at centers established by the Veterans' Administration to provide a program of readjustment counseling pursuant to section 621A of this title, veterans assistance offices established by the Veterans' Administration pursuant to section 242 of this title, and such other sites as may be determined to be appropriate in accordance with regulations prescribed by the Secretary after consultation with the Administrator.

38 USC 621A.  
38 USC 242.

“(c) Each disabled veterans' outreach program specialist shall carry out the following functions for the purpose of providing services to eligible veterans in accordance with the priorities set forth in subsection (b) of this section:

“(1) Development of job and job training opportunities for such veterans through contacts with employers, especially small- and medium-size private sector employers.

“(2) Pursuant to regulations prescribed by the Secretary after consultation with the Administrator, promotion and development of apprenticeship and other on-job training positions pursuant to section 1787 of this title.

38 USC 1787.

“(3) The carrying out of outreach activities to locate such veterans through contacts with local veterans organizations, the Veterans' Administration, the State employment service agency and local employment service offices, and community-based organizations.

“(4) Provision of appropriate assistance to community-based groups and organizations and prime sponsors under the Comprehensive Employment and Training Act in providing services to such veterans.

29 USC 801 note.

“(5) Provision of appropriate assistance to local employment service office employees with responsibility for veterans in carrying out their responsibilities pursuant to this chapter.

“(6) Consultation and coordination with other appropriate representatives of Federal, State, and local programs for the purpose of developing maximum linkages to promote employment opportunities for and provide maximum employment assistance to such veterans.

“(7) The carrying out of such other duties as will promote the development of entry-level and career job opportunities for such veterans.

“(d) Persons serving as staff in the disabled veterans outreach program conducted under title III of the Comprehensive Employment and Training Act on the date of enactment of this section shall be appointed as disabled veterans' outreach program specialists in the State in which such individual is so serving, unless the Secretary for good cause shown determines that such individual is not qualified for such appointment.

29 USC 871.

“(e) The Secretary of Labor shall administer the program provided for by this section through the Assistant Secretary of Labor for Veterans' Employment.”

(b) The table of sections at the beginning of chapter 41 is amended by inserting after the item relating to section 2003 the following new item:

“2003A. Disabled veterans' outreach program.”

**EMPHASIS ON VETERANS OF THE VIETNAM ERA AND DISABLED VETERANS;  
REVISION OF ANNUAL REPORT**

**Sec. 507. Section 2007 is amended by—**

38 USC 2007.

(1) striking out "those veterans who have been recently discharged or released from active duty" in subsection (a)(1) and inserting in lieu thereof "veterans of the Vietnam era and disabled veterans"; and

(2) striking out the second sentence of subsection (c) and inserting in lieu thereof the following: "The report shall include, by State, specification of the numbers of eligible veterans, veterans of the Vietnam era, disabled veterans, special disabled veterans, and eligible persons who registered for assistance with the public employment service system and, of each of such categories, the number referred to jobs, the number placed in permanent jobs as defined by the Secretary, the number referred to and the number placed in employment and job training programs supported by the Federal Government, the number counseled, and the number who received some reportable service."

**ELIGIBILITY FOR EMPLOYMENT AND TRAINING PROGRAMS FOR  
VETERANS OF THE VIETNAM ERA**

Definitions.  
38 USC 2011.

SEC. 508. The text of section 2011 is amended to read as follows:  
"As used in this chapter—

"(1) The term 'special disabled veteran' means (A) a veteran who is entitled to compensation under laws administered by the Veterans' Administration for a disability rated at 30 percent or more, or (B) a person who was discharged or released from active duty because of a service-connected disability.

"(2)(A) Subject to subparagraph (B) of this paragraph, the term 'veteran of the Vietnam era' means an eligible veteran any part of whose active military, naval, or air service was during the Vietnam era.

"(B) No veteran may be considered to be a veteran of the Vietnam era under this paragraph after December 31, 1991.

"(3) The term 'disabled veteran' means (A) a veteran who is entitled to compensation under laws administered by the Veterans' Administration, or (B) a person who was discharged or released from active duty because of a service-connected disability.

"(4) The term 'eligible veteran' means a person who (A) served on active duty for a period of more than 180 days and was discharged or released therefrom with other than a dishonorable discharge, or (B) was discharged or released from active duty because of a service-connected disability.

"(5) The term 'department or agency' means any agency of the Federal Government or the District of Columbia, including any Executive agency as defined in section 105 of title 5."

5 USC 105.

**FILING OF COMPLAINTS REGARDING VIOLATIONS OF EMPLOYMENT  
EMPHASIS PROVISIONS IN FEDERAL CONTRACTS**

38 USC 2012.

SEC. 509. Subsection (b) of section 2012 is amended to read as follows:

"(b) If any special disabled veteran or veteran of the Vietnam era believes any contractor of the United States has failed to comply or refuses to comply with the provisions of the contractor's contract relating to the employment of veterans, the veteran may file a complaint with the Secretary of Labor, who shall promptly investigate such complaint and take appropriate action in accordance with the terms of the contract and applicable laws and regulations."

## EMPLOYMENT WITHIN THE FEDERAL GOVERNMENT

SEC. 510. Section 2014 is amended by adding at the end the following new subsection: 38 USC 2014.

“(g) To further the policy stated in subsection (a) of this section, the Administrator may give preference to qualified special disabled veterans and qualified veterans of the Vietnam era for employment in the Veterans’ Administration as veterans’ benefits counselors and veterans’ claims examiners and in positions to provide the outreach services required under section 241 of this title, to serve as veterans’ representatives at certain educational institutions as provided in section 243 of this title, or to provide readjustment counseling under section 612A of this title to veterans of the Vietnam era.” 38 USC 241.  
38 USC 243.  
38 USC 612A.

## REEMPLOYMENT RIGHTS OF RESERVES CALLED TO ACTIVE DUTY

SEC. 511. (a) Subsections (c) and (g) of section 2024 are amended by striking out “three consecutive months” and inserting in lieu thereof “twelve consecutive weeks”. 38 USC 2024.

(b) Subsection (f) of such section is amended to read as follows:

“(f) For the purposes of subsections (c) and (d) of this section, full-time training or other full-time duty performed by a member of the National Guard under section 316, 502, 503, 504, or 505 of title 32 is considered active duty for training. For the purposes of subsection (d) of this section, inactive duty training performed by that member under section 502 of title 32 or section 206, 301, 309, 402, or 1002 of title 37 is considered inactive duty training.”

## EMPLOYMENT ASSISTANCE AND SERVICES FOR VETERANS INELIGIBLE FOR ASSISTANCE UNDER CHAPTER 41

SEC. 512. The Secretary of Labor shall assure that any veteran who is made ineligible for employment assistance under chapter 41 of title 38, United States Code, by virtue of the amendments made by section 503(1) of this Act shall be provided with the employment assistance and services made available under the provisions of the Act entitled “An Act to provide for the establishment of a national employment system and for cooperation with the States in the promotion of such system, and for other purposes”, approved June 6, 1933 (commonly referred to as the “Wagner-Peyser Act”), (29 U.S.C. 49-49k), the Comprehensive Employment and Training Act (29 U.S.C. et seq.), and other applicable provisions of law. 38 USC 2001 note.  
38 USC 503.  
29 USC 801 note.

## REQUIREMENT FOR BUREAU OF LABOR STATISTICS TO PUBLISH CERTAIN UNEMPLOYMENT INFORMATION ANNUALLY

SEC. 513. (a) When the Commissioner of the Bureau of Labor Statistics publishes annual labor-market statistics relating specifically to veterans who served in the Armed Forces during the Vietnam era, the Commissioner shall also publish separate labor-market statistics on the same subject matter which apply only to veterans who served in the Vietnam theatre of operations. When the Commissioner of the Bureau of Labor Statistics publishes labor-market statistics which relate specifically to veterans who served in the Armed Forces during the Vietnam era in addition to those statistics published on an annual basis to which the preceding sentence applies, the Commissioner shall also, if feasible, publish separate labor-market statistics on the same subject matter which apply only to veterans who served in the Vietnam theatre of operations. 38 USC 2007 note.

(b) For the purposes of this section, veterans who during the Vietnam era served in Vietnam, in air missions over Vietnam, or in naval missions in the waters adjacent to Vietnam shall be considered to be veterans who served in the Vietnam theatre of operations.

#### TITLE VI—COST-SAVING PROVISIONS

##### REPEAL OF AUTHORITY TO PURSUE PREDISCHARGE EDUCATION PROGRAM (PREP) UNDER CHAPTER 32

38 USC  
1695-1698.

SEC. 601. (a)(1) Subchapter VI of chapter 34 is repealed.

(2) The table of sections at the beginning of such chapter is amended by striking out the item relating to subchapter VI and the items relating to sections 1695, 1696, 1697, and 1698.

38 USC 1661.

(b) Section 1661(c) is amended by striking out "subchapters V and VI" and inserting in lieu thereof "subchapter V".

38 USC 1780.

(c) Section 1780(d) is amended by—

(1) in paragraph (2)—

(A) striking out "(other than under subchapter VI of chapter 34)"; and

(B) striking out "paragraphs 5 (B) and (C) and (6)" and inserting in lieu thereof "paragraphs (4) (B) and (C) and (5)";

(2) striking out paragraph (3);

(3) redesignating paragraph (4) as paragraph (3);

(4) redesignating paragraph (5) as paragraph (4) and striking out "paragraphs (2) and (3)" in such paragraph and inserting in lieu thereof "paragraph (2)"; and

(5) redesignating paragraph (6) as paragraph (5) and striking out "paragraph (5)" in such paragraph and inserting in lieu thereof "paragraph (4)".

(d) Section 1780 is amended by—

(1) striking out "and (3)" in subsection (e); and

(2) striking out "(except as provided by subsection (d)(3) of this section)" in subsection (f).

38 USC 1784.

(e) Section 1784(c), as redesignated by section 342(a)(2) of this Act, is amended by striking out "1780(d)(5)" and inserting in lieu thereof "1780(d)(4)".

38 USC 1788.

(f) Section 1788(a)(6) is amended by striking out "or 1696(a)(2)".

38 USC 1789.

(g) Section 1789(b)(5) is amended by striking out "or VI".

38 USC 1798.

(h) Section 1798(f)(2) is amended by striking out "1780(d)(5)" and inserting in lieu thereof "1780(d)(4)".

##### LIMITATION OF PAYMENT OF EDUCATIONAL ASSISTANCE ALLOWANCES TO INCARCERATED VETERANS AND INCARCERATED PERSONS ELIGIBLE FOR EDUCATIONAL ASSISTANCE

38 USC 1682.

SEC. 602. (a) Section 1682, as amended by section 310 of this Act, is further amended by adding at the end the following new subsection:

"(g)(1) Subject to the provisions of paragraph (2) of this subsection, the amount of the educational assistance allowance paid to an eligible veteran who is pursuing a program of education under this chapter while incarcerated in a Federal, State, or local penal institution for conviction of a felony may not exceed such amount as the Administrator determines, in accordance with regulations which the Administrator shall prescribe, is necessary to cover the cost of established charges for tuition and fees required of similarly circumstanced nonveterans enrolled in the same program and to cover the

cost of necessary supplies, books, and equipment, or the applicable monthly educational assistance allowance prescribed for a veteran with no dependents in subsection (a)(1) or (c)(2) of this section or section 1787(b)(1) of this title, whichever is the lesser.

*Ante*, pp. 2189, 2191.

“(2) Paragraph (1) of this subsection shall apply in the case of any veteran who is pursuing a program of education under this chapter while residing in a halfway house or participating in a work-release program in connection with such veteran’s conviction of a felony if the Administrator determines that all the veteran’s living expenses are being defrayed by a Federal, State, or local government.”.

(b) Section 1732 is amended by adding at the end the following new subsection:

38 USC 1732.

“(e) In the case of an eligible person who is pursuing a program of education under this chapter while incarcerated in a Federal, State, or local penal institution for conviction of a felony, the educational assistance allowance shall be paid in the same manner prescribed in section 1682(g) of this title for incarcerated veterans.”.

38 USC 1682.

(c) Section 1780(a) is amended by—

38 USC 1780.

(1) striking out “or” at the end of clause (4);

(2) striking out the period at the end of clause (5) and inserting in lieu thereof a semicolon and “or”; and

(3) inserting after clause (5) the following new clause:

“(6) to any eligible veteran or person incarcerated in a Federal, State, or local prison or jail for any course (A) to the extent the tuition and fees of the veteran or person are paid under any Federal program (other than a program administered by the Administrator) or under any State or local program, or (B) for which there are no tuition and fees.”.

(d) The provisions of section 1682(g)(1) of title 38, United States Code, as added by subsection (a), shall not apply to an apportionment made under section 3107(c) of such title before the date of the enactment of this Act.

38 USC 1682  
note.  
*Ante*, p. 2208.  
38 USC 3107.

#### REDUCTION IN EDUCATIONAL ASSISTANCE ALLOWANCE FOR FLIGHT TRAINING

SEC. 603. (a) Section 1677(b) is amended by striking out “90 per centum” and inserting in lieu thereof “60 percent”.

38 USC 1677.

(b) The second sentence of section 1798(c) is amended by striking out “flight, apprentice, or other on-job, or PREP training” and inserting in lieu thereof “or apprenticeship or other on-job training”.

38 USC 1798.

#### REDUCTION IN EDUCATIONAL ASSISTANCE FOR CORRESPONDENCE COURSES

SEC. 604. Section 1786(a)(1) is amended by striking out “90 per centum” and inserting in lieu thereof “70 percent”.

38 USC 1786.

#### DEBT COLLECTION

SEC. 605. (a)(1) Chapter 53 is amended by adding at the end the following new sections:

##### “§ 3114. Indebtedness offsets

38 USC 3114.

“(a) Subject to subsections (b) and (d) of this section, the Administrator shall (unless the Administrator waives recovery under section 3102 of this title) deduct the amount of the indebtedness of any person who has been determined to be indebted to the United States by virtue of such person’s participation in a benefits program adminis-

38 USC 3102.

tered by the Veterans' Administration from future payments made to such person under any law administered by the Veterans' Administration.

Deductions.

"(b) Deductions may not be made under subsection (a) of this section with respect to the indebtedness of a person described in such subsection unless the Administrator—

38 USC 3102.

"(1) has made reasonable efforts to notify such person of such person's right to dispute through prescribed administrative processes the existence or amount of such indebtedness and of such person's right to request a waiver of such indebtedness under section 3102 of this title;

"(2) has made a determination with respect to any such dispute or request or has determined that the time required to make such a determination before making deductions would jeopardize the Administrator's ability to recover the full amount of such indebtedness through deductions from such payments; and

"(3) has made reasonable efforts to notify such person about the proposed deductions from such payments.

"(c) Notwithstanding any other provision of this title or of any other law, the authority of the Administrator to make deductions under this section or to take other administrative action authorized by law for the purpose of collecting an indebtedness described in subsection (a) of this section, or for the purpose of determining the creditworthiness of a person who owes such an indebtedness, shall not be subject to any limitation with respect to the time for bringing civil actions or for commencing administrative proceedings.

Regulations.

"(d) The Administrator shall prescribe regulations for the administration of this section.

38 USC 3115.

**"§3115. Interest and administrative cost charges on delinquent payments of certain amounts due the United States**

38 USC 3102.

"(a) Notwithstanding any other provision of this title or of any other law and subject to section 3102 of this title, interest and administrative costs (as described in subsections (b) and (c) of this section) shall be charged, under regulations which the Administrator shall prescribe, on any amount owed to the United States—

"(1) for an indebtedness resulting from a person's participation in a benefits program administered by the Veterans' Administration other than a loan, loan-guaranty, or loan-insurance program;

38 USC 601 et seq.

"(2) for an indebtedness resulting from the provision of care or services under chapter 17 of this title; or

"(3) to the extent not precluded by the terms of the loan instruments concerned, for an indebtedness resulting from a person's participation in a program of loans, loan guaranties, or loan insurance administered by the Veterans' Administration under this title.

"(b)(1) Interest on the amount of any indebtedness described in subsection (a) of this section shall accrue from the day on which the initial notification of the amount due is mailed to the person who owes such amount (using the most current address of such person that is available to the Administrator), but interest under this section shall not be charged (A) for any period before the date of the enactment of this section, or (B) if the amount due is paid within a reasonable period of time. The Administrator shall, in the regulations prescribed pursuant to subsection (a) of this section, prescribe what constitutes a reasonable period of time for payment of an



indebtedness after the initial notification of indebtedness has been mailed.

"(2) The rate of interest to be charged under this section shall be based on the rate of interest paid by the United States for its borrowing and shall be determined by the Administrator under such regulations.

"(c) The administrative costs to be charged under this section with respect to an amount owed to the United States shall be so much of the costs incurred by the United States in collecting such amount as the Administrator determines, under such regulations, to be reasonable and appropriate.

Administrative costs.

**"§ 3116. Authority to sue to collect certain debts**

38 USC 3116.

"(a)(1) Within ninety days after the date of the enactment of this section, the Administrator shall take appropriate steps to authorize attorneys employed by the Veterans' Administration to exercise, subject to paragraphs (2) and (3) of this subsection, the right of the United States to bring suit in any court of competent jurisdiction to recover any indebtedness owed to the United States by a person by virtue of such person's participation in a benefits program administered by the Veterans' Administration.

"(2) No suit may be filed under this section to recover any indebtedness owed by any person to the United States unless the Administrator has determined, under regulations which the Administrator shall prescribe, that such person has failed to respond appropriately to reasonable administrative efforts to collect such indebtedness.

"(3) The activities of attorneys employed by the Veterans' Administration in bringing suit under this section shall be subject to the direction and supervision of the Attorney General of the United States and to such terms and conditions as the Attorney General may prescribe.

"(b) Not later than ninety days after the date of the enactment of this section, the Administrator and the Attorney General of the United States shall submit to the appropriate committees of the Congress a joint report that describes and explains the actions taken by the Administrator and the Attorney General to implement subsection (a) of this section.

"(c) Nothing in this section shall derogate from the authority of the Attorney General of the United States under sections 516 and 519 of title 28 to direct and supervise all litigation to which the United States or an agency or officer of the United States is a party."

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new items:

"3114. Indebtedness offsets.

"3115. Interest and administrative cost charges on delinquent payments of certain amounts due the United States.

"3116. Authority to sue to collect certain debts."

(b) The Administrator of Veterans' Affairs shall, not later than January 1, 1981, prescribe the regulations required to be prescribed under sections 3114 and 3115 of title 38, United States Code, as added by subsection (a).

Regulations.  
38 USC 3114  
note.

(c)(1) Section 415 is amended by striking out subsection (f) and redesignating subsections (g) and (h) as subsections (f) and (g), respectively.

38 USC 415.

(2) Section 506 is amended by striking out "(a)" at the beginning of subsection (a) and striking out subsection (b).

38 USC 506.

(3) Section 3102 is amended by—

38 USC 3102.

(A) inserting “(or any interest thereon)” after “overpayments” in subsection (a); and

(B) inserting “(or any interest thereon)” after “indebtedness” both places it appears in subsection (c).

#### DISCLOSURE OF INFORMATION

38 USC 3301.

SEC. 606. (a) Subsection (a) of section 3301 is amended by striking out “personnel of the armed services” and inserting in lieu thereof “members of the Armed Forces”.

(b) Subsection (b) of such section is amended by adding at the end the following new clause:

“(6) In connection with any proceeding for the collection of an amount owed to the United States by virtue of a person’s participation in any benefit program administered by the Veterans’ Administration when in the judgment of the Administrator such disclosure is deemed necessary and proper.”

(c) Subsection (c) of such section is amended to read as follows:

“(c)(1) The amount of any payment made by the Veterans’ Administration to any person receiving benefits under a program administered by the Veterans’ Administration shall be made known to any person who applies for such information.

“(2) Any appraisal report or certificate of reasonable value submitted to or prepared by the Veterans’ Administration in connection with any loan guaranteed, insured, or made under chapter 37 of this title shall be made available to any person who applies for such report or certificate.

“(3) Subject to the approval of the President, the Administrator may publish at any time and in any manner any or all information of record pertaining to any claim filed with the Veterans’ Administration if the Administrator determines that the public interest warrants or requires such publication.”

(d) The first sentence of subsection (f) of such section is amended by—

(1) striking out “names or addresses, or both, of any present or former members of the Armed Forces, and/or their dependents” and inserting in lieu thereof “name or address, or both, of any present or former member of the Armed Forces, or a dependent of a present or former member of the Armed Forces”; and

(2) striking out “such names or addresses” and inserting in lieu thereof “such name or address”.

(e) Such section is further amended by redesignating subsection (g) as subsection (j) and inserting after subsection (f) the following new subsections:

“(g)(1) Subject to the provisions of this subsection, and under regulations which the Administrator shall prescribe, the Administrator may release the name or address, or both, of any person who is a present or former member of the Armed Forces, or who is a dependent of a present or former member of the Armed Forces, to a consumer reporting agency if the release of such information is necessary for a purpose described in paragraph (2) of this subsection.

“(2) A release of information under paragraph (1) of this subsection concerning a person described in such paragraph may be made for the purpose of—

“(A) locating such a person—

“(i) who has been administratively determined to be indebted to the United States by virtue of the person’s

38 USC 1801 *et seq.*

Claim information, publication.

participation in a benefits program administered by the Veterans' Administration; or

"(ii) if the Administrator has determined under such regulations that (I) it is necessary to locate such person in order to conduct a study pursuant to section 219 of this title or a study required by any other provision of law, and (II) all reasonable steps have been taken to assure that the release of such information to such reporting agency will not have an adverse effect on such person; or

38 USC 219.

"(B) obtaining a consumer report in order to assess the ability of a person described in clause (A)(i) of this paragraph to repay the indebtedness of such person to the United States, but the Administrator may release the name or address of such person for the purpose stated in this clause only if the Administrator determines under such regulations that such person has failed to respond appropriately to administrative efforts to collect such indebtedness.

"(3) The Administrator may also release to a consumer reporting agency, for the purposes specified in clause (A) or (B) of paragraph (2) of this subsection, such other information as the Administrator determines under such regulations is reasonably necessary to identify a person described in such paragraph, except that the Administrator may not release to a consumer reporting agency any information which indicates any indebtedness on the part of such person to the United States or any information which reflects adversely on such person. Before releasing any information under this paragraph, the Administrator shall, under such regulations, take reasonable steps to provide for the protection of the personal privacy of persons about whom information is proposed to be released under this paragraph.

"(4)(A) If the Administrator determines, under regulations which the Administrator shall prescribe, that a person described in paragraph (1) of this subsection has failed to respond appropriately to reasonable administrative efforts to collect an indebtedness of such person described in paragraph (2)(A)(i) of this subsection, the Administrator may release information concerning the indebtedness, including the name and address of such person, to a consumer reporting agency for the purpose of making such information available for inclusion in consumer reports regarding such person and, if necessary, for the purpose of locating such person, if—

"(i) the Administrator has (I) made reasonable efforts to notify such person of such person's right to dispute through prescribed administrative processes the existence or amount of such indebtedness and of such person's right to request a waiver of such indebtedness under section 3102 of this title, (II) afforded such person a reasonable opportunity to exercise such rights, and (III) made a determination with respect to any such dispute or request; and

38 USC 3102.

"(ii) thirty calendar days have elapsed after the day on which the Administrator has made a determination that reasonable efforts have been made to notify such person (I) that the Administrator intends to release such information for such purpose or purposes, and (II) that, upon the request of such person, the Administrator shall inform such person of whether such information has been so released and of the name and address of each consumer reporting agency to which such information was released by the Administrator and of the specific information so released.

“(B) After release of any information under subparagraph (A) of this paragraph concerning the indebtedness of any person, the Administrator shall promptly notify—

“(i) each consumer reporting agency to which such information has been released by the Administrator; and

“(ii) each consumer reporting agency described in subsection (i)(3)(B)(i) of this section to which such information has been transmitted by the Administrator through a consumer reporting agency described in subsection (i)(3)(B)(ii)(I) of this section,

of any substantial change in the status or amount of such indebtedness and, upon the request of any such consumer reporting agency for verification of any or all information so released, promptly verify or correct, as appropriate, such information. The Administrator shall also, after the release of such information, inform such person, upon the request of such person, of the name and address of each consumer reporting agency described in clause (i) or (ii) of this subparagraph to which such information was released or transmitted by the Administrator and of the specific information so released or transmitted.

“(h)(1) Under regulations which the Administrator shall prescribe, the Administrator may release the name or address, or both, of any person who is a present or former member of the Armed Forces, or who is a dependent of a present or former member of the Armed Forces (and other information relating to the identity of such person), to any person in a category of persons described in such regulations and specified in such regulations as a category of persons to whom such information may be released, if the release of such information is necessary for a purpose described in paragraph (2) of this subsection.

“(2) A release of information under paragraph (1) of this subsection may be made for the purpose of—

“(A) determining the creditworthiness, credit capacity, income, or financial resources of a person who has (i) applied for any benefit under chapter 37 of this title, or (ii) submitted an offer to the Administrator for the purchase of property acquired by the Administrator under section 1820(a)(5) of this title;

“(B) verifying, either before or after the Administrator has approved a person's application for assistance in the form of a loan guaranty or loan insurance under chapter 37 of this title, information submitted by a lender to the Administrator regarding the creditworthiness, credit capacity, income, or financial resources of such person;

“(C) offering for sale or other disposition by the Administrator, pursuant to section 1820 of this title, any loan or installment sale contract owned or held by the Administrator; or

“(D) providing assistance to any applicant for benefits under chapter 37 of this title or administering such benefits if the Administrator promptly records the fact of such release in appropriate records pertaining to the person concerning whom such release was made.

“(i)(1) No contract entered into for any of the purposes of subsection (g) or (h) of this section, and no action taken pursuant to any such contract or either such subsection, shall result in the application of section 552a of title 5 to any consumer reporting agency or any employee of a consumer reporting agency.

“(2) The Administrator shall take reasonable steps to provide for the protection of the personal privacy of persons about whom information is disclosed under subsection (g) or (h) of this section.

38 USC 1801 *et seq.*

38 USC 1820.

“(3) For the purposes of this subsection and of subsection (g) of this section—

“(A) The term ‘consumer report’ has the meaning provided such term in subsection (d) of section 603 of the Fair Credit Reporting Act (15 U.S.C. 1681a(d)).

“Consumer report.”

“(B) The term ‘consumer reporting agency’ means—

“Consumer reporting agency.”

“(i) a consumer reporting agency as such term is defined in subsection (f) of section 603 of the Fair Credit Reporting Act (15 U.S.C. 1681a(f)), or

“(ii) any person who, for monetary fees, dues, or on a cooperative nonprofit basis, regularly engages in whole or in part in the practice of (I) obtaining credit or other information on consumers for the purpose of furnishing such information to consumer reporting agencies (as defined in clause (i) of this paragraph), or (II) serving as a marketing agent under arrangements enabling third parties to obtain such information from such reporting agencies.”

(f) Subsection (j) of such section (as redesignated by subsection (e)) is amended by striking out “Any” and inserting in lieu thereof “Except as provided in subsection (i)(1) of this section, any”.

## TITLE VII—MISCELLANEOUS PROVISIONS

### ADMINISTRATOR'S RESPONSIBILITIES FOR ADVOCACY ON BEHALF OF VETERANS

SEC. 701. (a) Section 220 is amended by striking out the period at the end and inserting in lieu thereof a comma and “and shall actively promote the effective implementation, enforcement, and application of all provisions of law and regulations providing for special consideration, emphasis, or preference for veterans.”

38 USC 220.

(b)(1) The catchline of such section is amended to read as follows:

“§ 220. Coordination and promotion of other Federal programs affecting veterans and their dependents”.

(2) The item relating to such section in the table of sections at the beginning of chapter 3 is amended to read as follows:

“220. Coordination and promotion of other Federal programs affecting veterans and their dependents.”

### NATIONAL INSTITUTE OF OCCUPATIONAL SAFETY AND HEALTH EXEMPTION

SEC. 702. Section 502 of the Veterans' Disability Compensation and Survivors' Benefits Amendments of 1979 (Public Law 96-128; 93 Stat. 987) is amended by adding at the end the following new sentence: “Disclosures of information made under this section shall for all purposes be deemed to be disclosures authorized in the Internal Revenue Code of 1954.”

26 USC 6103 note.

26 USC 1.

### EFFECTIVE DATE FOR CHANGE IN PROBATIONARY PERIOD FOR CERTAIN EMPLOYEES

SEC. 703. The amendment made by section 303 of the Veterans Health Programs Extension and Improvement Act of 1979 (Public

38 USC 4106 note.

- 38 USC 4106. Law 96-151; 93 Stat. 1096) shall apply only with respect to appointments described in section 4106(a) of title 38, United States Code, made after December 19, 1979.

AMENDMENT TO TITLE 18, UNITED STATES CODE

SEC. 704. Section 1114 of title 18, United States Code, is amended by inserting "or any officer or employee of the Veterans' Administration assigned to perform investigative or law enforcement functions," after "of the Department of Agriculture assigned to perform investigative, inspection, or law enforcement functions,".

TITLE VIII—TECHNICAL AMENDMENTS AND EFFECTIVE DATES

TECHNICAL AMENDMENTS

- 38 USC 1652. SEC. 801. (a) Section 1652 is amended by—  
 (1) inserting "and chapter 36 of this title" after "chapter" the first place it appears;  
 (2) striking out "For the purposes of this chapter and chapter 36 of this title, the" in subsections (e), (f), and (g) and inserting in lieu thereof "The"; and  
 (3) striking out "Commissioner" in subsection (g) and inserting in lieu thereof "Secretary".
- 38 USC 1685. (b) Section 1685(d) is amended by striking out "Civil Service Commission" and inserting in lieu thereof "Office of Personnel Management".
- 38 USC 1701. (c) Section 1701(a) is amended by—  
 (1) inserting "and chapter 36 of this title" after "chapter" the first place it appears;  
 (2) striking out "For the purposes of this chapter and chapter 36 of this title, the" in paragraphs (9), (10), and (11) and inserting in lieu thereof "The"; and  
 (3) striking out "Commissioner" in paragraph (11) and inserting in lieu thereof "Secretary".
- 38 USC 1775. (d) Section 1775(a) is amended by striking out "Commissioner" each place it appears and inserting in lieu thereof "Secretary".
- 38 USC 1781. (e) Section 1781 is amended by striking out "Department of Health, Education, and Welfare" and inserting in lieu thereof "Department of Health and Human Services".
- 38 USC 1790. (f) Section 1790(b)(2) is amended by striking out "therefor" and inserting in lieu thereof "for".
- 38 USC 1798. (g) Section 1798(d)(3) is amended by striking out "Commissioner of Education, Department of Health, Education, and Welfare" and inserting in lieu thereof "Secretary of Education".
- Ante*, p. 2203. (h) Section 2001 is amended by—  
 (1) striking out "the" the first place it appears in paragraph (5), as redesignated by section 503(2), and inserting in lieu thereof "The"; and  
 (2) inserting "the Commonwealth of the Northern Marianas Islands," after "the Virgin Islands," in paragraph (6), as redesignated by section 503(2).
- 38 USC 2003. (i) Section 2003 is amended by—  
 (1) striking out ", United States Code," in the second sentence;  
 (2) striking out "manpower" in the fourth sentence and inserting in lieu thereof "employment";

(3) inserting "system" after "public employment service" each place it appears; and

(4) inserting ", disabled veterans, and veterans of the Vietnam era" in paragraph (6) after "eligible veterans".

(j) Section 2012(a) is amended by—

38 USC 2012.

(1) inserting "special" after "qualified"; and

(2) striking out "within 60 days after the date of enactment of this section, which regulations" and inserting in lieu thereof "which".

(k)(1) Section 2013 is amended by—

38 USC 2013.

(A) striking out "a veteran (as defined in section 101(2) of this title) who served on active duty for a period of more than 180 days or was discharged or released from active duty for a service-connected disability" and inserting in lieu thereof "an eligible veteran"; and

(B) striking out "any manpower training program assisted under the Manpower Development and Training Act of 1962, or any other manpower" and inserting in lieu thereof "any employment or training program assisted under the Comprehensive Employment and Training Act, or any other employment or".

(2)(A) The catchline of such section is amended to read as follows:

**"§ 2013. Eligibility requirements for veterans under Federal employment and training programs".**

(B) The item relating to such section in the table of sections at the beginning of chapter 42 is amended to read as follows:

"2013. Eligibility requirements for veterans under Federal employment and training programs."

(l) Section 2014 is amended by—

38 USC 2014.

(1) striking out "Civil Service Commission" and "Commission" each place such terms appear and inserting in lieu thereof "Office of Personnel Management" and "Office", respectively;

(2) striking out paragraph (2) of subsection (b) and redesignating paragraph (3) of such subsection as paragraph (2);

(3) striking out "Public Law 93-112 (87 Stat. 391)" in subsection (c) and inserting in lieu thereof "the Rehabilitation Act of 1973 (29 U.S.C. 791(b))"; and

(4) striking out "such Public Law 93-112" in subsection (e) and inserting in lieu thereof "the Rehabilitation Act of 1973 (29 U.S.C. 791(d))".

(m) The GI Bill Improvement Act of 1977 (Public Law 95-202) is amended by—

(1) striking out paragraph (3) of section 305(a);

38 USC 1673

(2) striking out "paragraph (1)" in section 305(b)(3) and inserting in lieu thereof "paragraph (2)"; and

note.

38 USC 1674

(3) striking out "honorary" in section 401(a)(1)(B) and inserting

note.

38 USC 106 note.

in lieu thereof "honorable".

#### EFFECTIVE DATES

SEC. 802. (a)(1) Except as provided in paragraph (2), the amendments made by subsections (a) and (b) of section 101 shall become effective on April 1, 1981.

38 USC 1500

note.

Ante, p. 2171.

(2) The provisions of sections 1508, 1512, 1516, 1518, 1519, 1520, and

1521 of title 38, United States Code, as added by section 101(a), shall become effective on October 1, 1980.

*Ante*, p. 2171.

*Ante*, p. 2174.

*Ante*, p. 2177.

(3) Notwithstanding paragraph (2), the provisions of chapter 31 of title 38, United States Code, as in effect on the day before the date of the enactment of this Act (other than section 1504, relating to subsistence allowances, and section 1507, relating to loans), shall continue in effect until March 31, 1981.

Repeal.

(4) Effective on October 1, 1980, sections 1504 and 1507 are repealed. During the period beginning on October 1, 1980, and ending on March 31, 1981, the provisions of sections 1508 and 1512 of title 38, United States Code, as added by section 101(a), shall apply to veterans pursuing a program of vocational rehabilitation training under chapter 31 of such title in the same manner as sections 1504 and 1507 of such title, respectively, applied to veterans pursuing a program of vocational rehabilitation training under such chapter on September 30, 1980.

*Ante*, p. 2171.

(5) Subsection (c) of section 101 shall become effective on October 1, 1980. Subsection (d) of such section shall become effective on the date of the enactment of this Act.

38 USC 1781

note.

*Ante*, p. 2187.

38 USC 1677

note.

*Ante*, p. 2187.

*Ante*, p. 2189.

38 USC 1652

note.

*Ante*, p. 2191.

(6) The amendments made by sections 102 and 103 shall become effective on October 1, 1980.

(b)(1) The amendments made by part A of title II shall become effective on October 1, 1980.

(2) The amendments made by part B of title II shall become effective on January 1, 1981.

(c)(1) Except as provided in paragraph (2), the amendments made by title III shall become effective on October 1, 1980.

(2) Paragraph (2) of section 1691(a) of title 38, United States Code, as added by section 311(2), shall not apply to any person receiving educational assistance under chapter 34 of title 38, United States Code, on October 1, 1980, for the pursuit of a program of education, as defined in section 1652(b) of such title, in which such person is enrolled on that date, for as long as such person continuously thereafter is so enrolled and meets the requirements of eligibility for such assistance for pursuit of such program.

38 USC 1651 *et*

*seq.*

38 USC 1652.

(d)(1) The amendments made by section 401 shall take effect as of January 1, 1977.

38 USC 1602

note.

*Ante*, p. 2201.

38 USC 1624

note.

38 USC 2001

note.

*Ante*, p. 2202.

38 USC 3114

note.

*Ante*, p. 2208.

*Ante*, p. 2209.

38 USC 1651 *et*

*seq.*, 1700 *et seq.*

(2) The amendments made by sections 402 through 406 shall become effective on October 1, 1980.

(e) The amendments made by title V and the provisions of sections 512 and 513 shall become effective on October 1, 1980.

(f)(1) Except as provided in paragraph (2), the amendments made by title VI shall become effective on October 1, 1980.

(2) The amendments made by sections 603 and 604 shall not apply to any person receiving educational assistance under chapter 34 or 35 of title 38, United States Code, on September 1, 1980, for the pursuit of a program of education, as defined in section 1652(b) of such title, in which such person is enrolled on that date, for as long as such person continuously thereafter is so enrolled and meets the requirements of eligibility for such assistance for the pursuit of such program under the provisions of such chapter and chapter 36 of such title as in effect on that date.

38 USC 1770 *et*

*seq.*

38 USC 220 note.

*Ante*, p. 2215.

26 USC 6103

note.

(g)(1) The amendments made by section 701 shall become effective on October 1, 1980.

(2) The amendment made by section 702 shall take effect as of November 28, 1979.



(3) Section 703 and the amendment made by section 704 shall take effect on the date of the enactment of this Act.  
(h) Section 801 shall become effective on October 1, 1980.

Approved October 17, 1980.

38 USC 4106  
note.  
*Ante*, p. 2215.  
38 USC 1652  
note.  
*Ante*, p. 2216.

**LEGISLATIVE HISTORY:**

HOUSE REPORT No. 96-498 (Comm. on Veterans' Affairs).  
SENATE REPORT No. 96-314 accompanying S. 870 (Comm. on Veterans' Affairs).  
CONGRESSIONAL RECORD:

- Vol. 125 (1979): Oct. 15, 16, considered and passed House.
- Vol. 126 (1980): Jan. 23, S. 870 considered in Senate.
- Jan. 24, H.R. 5288 considered and passed Senate, amended, in lieu of S. 870.
- Sept. 25, House concurred in Senate amendments with amendments.
- Sept. 26, Senate concurred in House amendments.

WEEKLY COMPILATION OF PRESIDENTIAL DOCUMENTS:  
Vol. 16, No. 43 (1980): Oct. 17, Presidential statement.