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TO THE HOUSE OF REPRESENTATIVES

I am returning today without my approval H.R. 12628, a bill which would provide excessive increases and liberalizations of veterans education and training benefits.

I continue to support an increase in education benefits for veterans, but I cannot approve this bill. This has not been an easy decision, but it is a necessary one if we are to achieve essential budgetary restraint.

I have repeatedly indicated that we must reduce Federal spending if we are to stop the inflation spiral. I have just submitted a package of legislative proposals and other recommendations to achieve that objective for fiscal year 1975.

I had to make many hard choices in developing that package. But the simple fact is that individuals and groups throughout the Nation must accept some sacrifices if we are to accomplish the goal of reducing the Federal budget.

H.R. 12628 would, in its present form, cost half a billion dollars more in fiscal year 1975 than what I regard as the appropriate level under the current circumstances. Its high benefit increases retroactive to September 1, 1974, and the new program activities and liberalizations it would provide, are clearly inconsistent with the actions we must take if we are to bring inflation under control.

In addition to the benefit increase of nearly 23 percent, H.R. 12628 contains other highly objectionable features despite our urging that they be eliminated. It establishes a new direct loan program for veteran students which departs from the sound objective of providing student aid through one department--HEW--rather than through various Federal agencies. A direct loan program is also inefficient compared



to available guaranteed loan programs, which provide substantially more assistance at less cost to the Federal taxpayer.

In addition, the bill extends entitlement for GI bill benefits from 36 to 45 months for undergraduates. I believe the present entitlement of 4 years is sufficient to permit a veteran to obtain his baccalaureate degree and gives him ample time to achieve the goal of readjustment to civilian life. Moreover, such an extension would create inequities in the GI education program since it would give an extra year of benefits to veterans who decide to take 5 years to obtain a baccalaureate degree, even though they served the same amount of time in the Armed Forces as veterans enrolled in 4-year degree programs. Entitlement under the GI bill should continue to be based on the length of veterans' military service, not on the type of educational program in which they enroll.

I again urge the Congress, as I have previously, to enact a GI bill providing for a simple 18.2 percent benefit increase, the rate incorporated in the bill originally passed by the Senate. Such an increase, effective January 1, 1975, would be in keeping with the need for fiscal responsibility.

While I am returning this bill with reluctance, it is my earnest hope that the Congress will use this opportunity to demonstrate its willingness to join with the Executive Branch in taking the difficult actions needed to hold down spending by the Federal Government.

THE WHITE HOUSE

November , 1974



TO THE HOUSE OF REPRESENTATIVES:

I am returning today without my approval H.R. 12628, a bill which would provide what I consider an excessive increase and liberalization of veterans' education and training benefits.

Instead, I urge the Congress to send me a veterans' education bill along the lines that I have proposed. By doing so, we can avoid adding another half billion dollar load to the already overburdened taxpayer. Failure to do so will mean that the Congress will in the aggregate -- Federal pay deferral, Railroad Retirement and Veterans Education -- add over one and a half billion dollars to the Federal deficit in 1975.

This bill which I am returning to the Congress provides benefits that are greater than those granted to World War II and Korea veterans. It would cost the taxpayers half a billion dollars more in fiscal year 1975 than is appropriate in view of the country's current economic circumstances.

The decision not to sign this bill has not been an easy one. But it is necessary if all of us are to operate with essential budgetary restraint. The Nation must reduce Federal spending if we are to stop the inflation spiral.

I have asked the Congress on previous occasions to join with me to hold down Federal spending and help whip inflation. In two important instances, the Federal pay deferral plan and the Railroad Retirement bill, the Congress refused to join with me and the result has added an additional one billion dollars to the Federal taxpayers' burden.



Veterans' benefits should -- and can -- be improved. I continue to support a responsible increase in education benefits for veterans. I again urge the Congress, as I have on many occasions, to enact a GI Bill providing for an 18.2 percent benefit increase rather than the 23 percent in this bill. Such action would be in keeping with the need for fiscal responsibility while recognizing the Nation's special debt to our veterans.

Since the Vietnam-era GI bill first went into effect in 1966, the total of veterans' benefit increases enacted through 1972 have substantially exceeded the rise in cost of living. Not including the provisions of this bill, the basic monthly education allowance has increased by a \$120 per month or 120 percent since 1966. This compares with an actual rise of 55 percent in the Consumer Price Index.

In addition to the 23 percent benefit increase, this bill extends entitlement for GI bill benefits from 36 to 45 months for undergraduates. I believe the present entitlement of four academic years is sufficient time to permit a veteran to obtain his baccalaureate degree and to enable him to adjust to civilian life.

In addition, the bill contains other objectionable features despite my urging that they be eliminated. It establishes a new direct loan program for veteran students which departs from the sound objective of providing student aid through one department -- Health, Education and Welfare -- rather than through various Federal agencies. A direct loan program is also inefficient compared to available guaranteed loan programs, which provide substantially more assistance to the veteran at less cost to the Federal taxpayer.



I am returning this bill with reluctance, but it is my earnest hope that the Congress will demonstrate its willingness to join the executive branch in taking the difficult actions needed to hold down spending by the Federal Government while being equitable with our veterans.

THE WHITE HOUSE,

November 26, 1974.



VETERANS' EDUCATION AND REHABILITATION AMENDMENTS OF 1974

FEBRUARY 7, 1974.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. DORN, from the Committee on Veterans' Affairs, submitted the following

REPORT

[To accompany H.R. 12628]

The Committee on Veterans' Affairs, to whom was referred the bill (H.R. 12628) to amend title 38, United States Code, to increase the rates of vocational rehabilitation, educational assistance, and special training allowances paid to eligible veterans and other persons; to make improvements in the educational assistance programs; and for other purposes, having considered the same, reports favorably thereon by unanimous voice vote without amendment, and recommends that the bill do pass.

BACKGROUND OF THE BILL

The current "GI Bill" providing a program of educational assistance for veterans was enacted March 3, 1966 as the "Veterans' Readjustment Benefits Act of 1966". Since that date, the Congress has provided increases in the rates of allowances and other liberalizations of the program, in 1967, 1970 and 1972. In each case the percentage of increase in rates was several fold greater than the increase in the Consumer Price Index (compiled to reflect the increase in cost of living generally) as is graphically shown in the comparative chart which follows hereafter. For example, the first increase in 1967 was over seven times the CPI increase during the period in question. In 1970 the increase in allowances was almost three times the CPI increase and in 1972 the percentage in the allowances' increase was over double the CPI increase.

In order to maintain its objective of periodically reviewing the adequacy of the various education programs the Subcommittee on



Education and Training held a series of hearings in July, September and October of 1973, following which specific recommendations were made for the consideration of the full Committee. In view of a number of schedule conflicts and certain other factors, it was not possible for the full Committee to give this important subject the necessary and appropriate attention it deserves until the present session of the Congress.

COMPARATIVE INCREASES IN CONSUMER PRICE INDEX¹ AND EDUCATIONAL ASSISTANCE RATES UNDER VETERANS' AND WAR ORPHANS' PROGRAMS (FULL-TIME TRAINEE WITH NO DEPENDENTS)

	June 1, 1966	1st increase		2d increase		3d increase		Proposed in H.R. 12628			Total increase from June 1, 1966				
		Oct. 1, 1967	Dollar increase	Percent change	Feb. 1, 1970	Dollar increase	Percent change	Sept. 1, 1972	Dollar increase	Percent change	Jan. 1, 1974	Dollar increase	Percent change	Amount	Percent
Consumer Price Index (percent)...	96.8	100.7	-----	4.03	113.3	-----	12.51	125.7	-----	10.94	138.5	-----	10.18	-----	43.08
Readjustment assistance: (veterans, no service-connected disability ch. 34):															
Institutional.....	\$100	\$130	\$30	30.00	\$175	\$45	34.62	\$220	\$45	25.71	\$250	\$30	13.64	\$150	150.00
Cooperative.....	80	105	25	31.25	141	36	34.29	177	36	25.53	201	24	13.56	121	151.25
Cooperative farm.....	NA	² 105	NA	NA	141	36	34.29	177	36	25.53	201	24	13.56	³ 96	³ 91.43
Onjob training.....	NA	² 80	NA	NA	108	28	35.00	160	52	48.15	182	22	13.75	³ 102	³ 127.50
War orphan assistance: (wives, widows, and children, 100 percent disabled service-connected or deceased service-connected veterans: ch. 35):															
Institutional.....	130	NC	NA	NA	175	45	34.62	220	45	25.71	250	30	13.64	120	92.31
Onjob training.....	NA	NA	NA	NA	NA	NA	NA	² 160	NA	NA	182	22	13.75	³ 22	³ 13.75
Cooperative.....	105	NC	NA	NA	141	36	34.29	177	36	25.53	201	24	13.56	96	91.43
Onfarm training.....	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	² 201	NA	NA	NA	NA
Vocational rehabilitation: (service-connected disabled veterans: ch. 31):															
Institutional.....	110	NC	NA	NA	135	25	22.73	170	35	25.93	193	23	13.53	83	75.45
Farm cooperative or OJT.....	95	NC	NA	NA	118	23	24.21	148	30	25.42	168	20	13.51	73	76.84

¹ CPI cited for first day of stated month is index for the preceding month.
² Benefit provided for the first time for this group of beneficiaries.
³ Dollar or percentage increase since benefit was first provided.

NA—means Not Applicable.
 NC—means No Change in Benefit.

The basic provision of the Committee's bill provides an increase in all rates of allowances of 13.6%. This means that the basic rate for a single veteran is increased from \$220 a month to \$250 a month and proportionate increases are provided for those with dependents. The Committee gave appropriate consideration to the recent recommendation of the President on veterans' matters which included a proposed 8% increase in such allowances, but is at a loss to understand the basis for the recommended figure. It purported to reflect the increase in the cost of living and yet the available statistical data shows that an 8% increase was reached between August and September of last year. The following chart discloses that an increase of 10.2% has already been reached in the light of the December data and that if the increase is projected at a conservative figure of .6% per month, an increase of over 13% will have been reached by May, 1974.

COMPARISON BETWEEN CPI AND EDUCATION RATES

	CPI		At last rate increase (Sept. 1, 1972) ¹	Percent change in CPI over Sept. 1, 1972
	1972	1973		
January.....		127.7		
February.....		128.6		
March.....		129.8		
April.....		130.7		
May.....		131.5		
June.....		132.4		
July.....		132.7		
August.....	125.7	135.1		
September.....	126.2	135.5		
October.....	126.6	136.6		
November.....	126.9	137.6	125.7	10.2
December.....	127.3	138.5		
Average.....	126.5	133.1		

¹ Last education rate increased on Sept. 1, 1972 (from \$175 to \$220).

Projected increases in CPI (estimated 0.6 percent per month):	Percent
January 1974.....	10.8
February 1974.....	11.4
March 1974.....	12.0
April 1974.....	12.6
May 1974.....	13.2

In its hearings the Subcommittee heard considerable testimony, much of it uninformed, with regard to the lack of participation in the education program by Vietnam Era veterans and the alleged "great disparity" in the participation of World War II as compared to Vietnam Era veterans. It will be noted from the following chart that as of the end of November, 1973 the total number of trained veterans out of the potential veteran population of World War II and Vietnam Era reached slightly over 50% with respect to each group. Another interesting figure in the chart discloses that over 26% of the Vietnam Era veterans were trained at the college level whereas only 14.3% of World War II veterans received that type of training.

COMPARISON OF PARTICIPATION RATES (37GI BILLS) AFTER 1ST 90 MONTHS OF EDUCATION ASSISTANCE

	World War II, June 1944 to November 1951	Korean conflict, September 1952 to September 1959 ¹	Post-Korean, June 1966 to June 1973 ¹	Vietnam era, June 1966 to November 1973
Veteran population.....	15,440,000	5,456,000	9,663,000	6,787,000
Total trained.....	7,775,592	2,288,753	4,102,814	3,400,017
Percent.....	50.4	41.9	42.5	50.1
School trainees.....	5,699,570	1,977,483	3,744,304	3,067,320
Percent.....	36.9	36.2	38.7	45.2
College.....	(2,203,290)	(1,158,109)	(2,099,950)	(1,786,197)
Percent.....	(14.3)	(21.2)	(21.7)	(26.3)
Below college.....	(3,496,280)	(819,374)	(1,644,354)	(1,281,123)
Percent.....	(22.6)	(15)	(17)	(18.9)
On job.....	1,397,476	217,431	343,510	323,160
Percent.....	9.1	4.0	3.6	4.8
Farm.....	678,546	93,839	15,000	9,537
Percent.....	4.4	1.7	.2	.1

¹ The data for Korean conflict and post-Korean periods was compiled as of June 1973.
² Includes 407,500 servicemen.

PURPOSES OF THE BILL

A detailed section-by-section analysis of the bill follows hereafter. At this point the major purposes of the bill can be briefly stated as follows:

(1) Increase the educational assistance allowances under all veterans' education programs by 13.6%. The following table sets forth the old and new rates under the various programs according to type of training and beneficiary:

VOCATIONAL REHABILITATION (CH. 31, SEC. 1504(b))

Type of training	Present law				H.R. 12628			
	No dependents	1 dependent	2 or more dependents	Additional for each dependent in excess of 2	No dependents	1 dependent	2 or more dependents	Additional for each dependent in excess of 2
Institutional:								
Full time.....	\$170	\$211	\$248	\$18	\$193	\$240	\$282	\$20
3/4 time.....	128	159	187	14	145	180	212	15
Half time.....	85	106	124	9	97	120	141	10
Institutional onfarm, apprentice or other on-job training: Full time.....	148	179	207	14	168	203	235	16

INSTITUTIONAL AND COOPERATIVE TRAINING (COLLEGE TRAINING) (CH. 34, SEC. 1682(a))

Type of program	Present law				H.R. 12628			
	No dependents	1 dependent	2 dependents	Additional for each dependent above 2	No dependents	1 dependent	2 dependents	Additional for each dependent above 2
Institutional:								
Full time.....	\$220	\$261	\$298	\$18	\$250	\$297	\$339	\$20
3/4 time.....	165	196	224	14	188	223	254	15
Half time.....	110	131	149	9	125	149	170	10
Cooperative.....	177	208	236	14	201	23f	268	16

FARM COOPERATIVE TRAINING (CH. 34, SEC. 1682(C))

Basis	Present law				H.R. 12628			
	No dependents	1 dependent	2 dependents	Additional for each dependent above 2	No dependents	1 dependent	2 dependents	Additional for each dependent above 2
Full time.....	\$177	\$208	\$236	\$14	\$201	\$236	\$268	\$16
1/2 time.....	133	156	177	11	151	177	201	12
Half time.....	89	104	118	7	101	118	134	8

APPRENTICESHIP OR OTHER ON-JOB TRAINING (CH. 36, SEC. 1787)

Periods of training	Present law				H.R. 12628			
	No dependents	1 dependent	2 dependents	Additional for each dependent above 2	No dependents	1 dependent	2 dependents	Additional for each dependent above 2
1st 6 months.....	\$160	\$179	\$196	\$8	\$182	\$203	\$223	\$9
2d 6 months.....	120	139	156	8	136	158	177	9
3d 6 months.....	80	99	116	8	91	112	132	9
4th and any succeeding 6-month periods.....	40	59	76	8	45	67	86	9

OTHER PROVISIONS (CH. 34)

	Present law	H.R. 12628
Flight training.....	\$220	\$250
Active duty and less than half-time training.....	220	250
Correspondence courses.....	220	250

¹ 90 percent of established charges, with 1-month's charge to entitlement for each \$250 cost.
² Established charge for tuition and fees, but not to exceed full-time rate of \$250 per month.

OTHER PROVISIONS—WAR ORPHANS, WIDOWS, AND WIVES EDUCATIONAL ASSISTANCE (CH. 35)

	Present law	H.R. 12628
Full time.....	\$220	\$250
1/2 time.....	165	188
Half time.....	110	125
Institutional-business courses.....	177	201
Special restorative training.....	220	250

(2) Increase the period of time during which veterans must complete training from the present 8 years following last discharge or release to 10 years. (Veterans who were discharged after January 31, 1955 and before June 1, 1966, whose eligibility for training is scheduled to expire on June 1, 1974, will have until June 1, 1976 to complete training.)

(3) Reduce the disability requirement for eligibility to receive vocational rehabilitation (for service-connected disabled veterans of the Vietnam era) to 10 percent. Presently veterans whose service occurred after January 31, 1955 must show a disability rated at 30 percent or more or, if less than this degree, the disability must be "clearly shown to have caused a pronounced employment handicap."

(4) Remove limitation on number of veteran-students V.A. may assist under the work-study program and increase number of hours during which a veteran may work under this program from 100 to 200 hours per semester or enrollment period and the maximum a veteran may receive for such work from \$250 to \$500.

(5) Allow veterans to count periods of active duty for training (usually 6 months) when computing periods of eligibility for education and training, provided that the veteran serves on full-time active duty for a period of 1 year or more subsequent to performance of active duty for training.

(6) Allow a veteran who was captured and held as prisoner of war following his last discharge or release to exclude the period of time detained as prisoner of war (plus any period immediately following release from detention when he was hospitalized) when computing the period of time during which he is eligible for training.

(7) Permit an exception to the prohibition against enrollment in a program of education for which a veteran is already qualified, by allowing up to 6 months of assistance for pursuit of refresher training, to allow a veteran to update his knowledge and skills and to be instructed in technological advances which occurred in his field of employment during the period of his active military service. Training must begin within 12 months from date of discharge or release and must be pursued continuously except for interruptions beyond the control of the veteran.

(8) Extend eligibility to pursue farm cooperative training (which is now available to veterans) to wives, widows and children eligible to receive training under the war orphans education program. Those eligible include wives and children of 100 percent service-connected permanently disabled veterans and widows and children of deceased veterans whose deaths are service-connected.

(9) Allow educational institutions offering courses not leading to a standard college degree to measure such courses on a quarter or semester-hour basis in some cases, provided that no course is to be considered a full-time course when less than 25 hours per week of net instruction is required.

(10) Allow the Administrator of Veterans' Affairs to pay a reporting fee to a "joint apprenticeship training committee," acting as a training establishment. This fee, usually \$3 per year per veteran enrolled, is presently payable to authorized educational institutions.

(11) Establish a "Vietnam Era Veterans Communication Center" within the VA, to be composed of VA employees who are veterans of the Vietnam era. The proposed Center would be charged with making periodic evaluations of the effectiveness of the Veterans Outreach Services Program (authorized by Public Law 91-219 in 1970) and make reports, with recommendations, to the Administrator of Veterans' Affairs and to the Congress.

COST DATA

COST OF VETERANS' EDUCATION AND REHABILITATION ACT OF 1974

(In millions)

	Fiscal year—					Total, 1975-79
	1975	1976	1977	1978	1979	
Rate increase.....	\$347.1	\$318.2	\$281.0	\$247.6	\$220.7	\$1,414.6
10-year delimiting.....	165.9	137.8	61.9	73.1	74.5	513.2
Equalize war vet, ch. 31 benefits.....	35.7	36.3	36.9	37.7	38.1	184.7
Refresher training.....	2.8	2.4	2.4	2.4	2.4	12.4
Count active duty for training.....	.6	.1	.1	.1	.1	1.0
Ch. 35 farm.....	.4	.4	.4	.4	.4	2.0
Joint apprenticeship committees \$3 payment.....	.5	.5	.4	.4	.3	2.1
Trade and technical course measurement.....	(1)	(1)	(1)	(1)	(1)	(5)
Vietnam Veterans Communications Center.....	.1	.1	.1	.1	.1	.5
Civilian POW's.....	(1)	(1)	(1)	(1)	(1)	(5)
Work study program.....	8.3	8.3	8.3	8.3	8.3	41.5
Grand total.....	561.4	504.1	391.5	370.1	344.9	2,172.0

¹ No significant cost.

² While this proposal does not limit the total number of man-years that may be worked, for cost purposes a maximum usage figure of 2,400 man-years has been used (3 times the present allowable maximum). If experience shows a greater usage then the cost would be increased accordingly.

The Committee has examined the cost estimates provided by the Veterans Administration and finds no basis to question their authenticity and therefore adopts them as its own.

SECTION-BY-SECTION ANALYSIS

SECTION 1

This section provides that the bill may be cited as the "Veterans' Education and Rehabilitation Amendments Act of 1974."

SECTION 2

Clause (1) amends section 1502 of chapter 31 of title 38, United States Code, to provide that veterans of the Vietnam era shall receive the same wartime vocational rehabilitation benefits as those granted veterans of World War II and the Korean conflict. These latter veterans were granted such benefits if they had a 10 percent or greater service-connected disability. Under current law, veterans who served after World War II and before the Korean conflict and after the Korean conflict (including Vietnam era veterans) must be rated for compensation purposes as 30 percent or more disabled, or if less than 30 percent, must have a pronounced employment handicap, before they may receive such benefits. Under the change, veterans serving on or after August 5, 1964 would qualify if they are rated 10 percent or more.

Clause (2) amends the table in section 1504(b) to provide a 13.6 percent across-the-board increase in monthly subsistence allowance rates paid to chapter 31 trainees.

SECTION 3

Clause (1) amends section 1677(b) of chapter 34 to provide a 13.6 percent increase in the monthly entitlement charge for veterans pursuing flight training courses from \$220 to \$250.

Clause (2) amends the table in paragraph (1) of section 1682(a) to provide a 13.6 percent across-the-board increase in the monthly educational assistance allowance rates paid to veterans pursuing institutional and cooperative courses.

Clause (3) amends section 1682(b) to provide a 13.6 percent increase in the rates for educational pursuits by servicemen on active duty and for veterans pursuing less than half-time courses from \$220 to \$250.

Clause (4) amends the table in section 1682(c) to provide a 13.6 percent across-the-board increase in the monthly educational assistance allowance rates for veterans pursuing farm cooperative training courses.

Clause (5) amends section 1696(b) to provide an increase of 13.6 percent in the monthly educational assistance rate for veterans pursuing PREP courses from \$220 to \$250.

Clause (6) amends section 1652(a) to make a technical change in the law concerning the six months active duty for training provision set forth in clause (7).

Clause (7) amends section 1661(a) to permit the initial six months active duty for training performed by a reservist to be counted for educational benefit entitlement purposes where the reservist subsequently serves on active duty for a consecutive period of one year or more.

Clause (8) amends section 1662 to extend the current 8-year delimiting date for veterans to complete their programs of education to ten years. It also adds a new subsection (d) to section 1662 which would exclude, in computing the delimiting date for those veteran-civilians held as prisoners of war in the Vietnam theater of operations, the period of time during which they were detained, plus any period of time they were hospitalized immediately subsequent to their release.

Clause (9) amends section 1673(d) to make a technical correction in the law premised upon an error occurring at the time Public Law 92-540 was enacted.

Clause (10) amends section 1682 to provide that recent discharges from military service may be allowed up to six months of educational assistance to pursue refresher training to update their knowledge and skills in the technological advances occurring in their fields of employment during their period of active military service. The refresher training program must be commenced within twelve months from date of discharge or release. Under current law, a veteran may not pursue a program of education in an area in which he is already qualified.

Clause (11) amends section 1685 to remove the limitation on the number of veteran-students the VA may assist under the work-study program and increases the number of hours during which a veteran may work under this program from 100 to 200 hours per semester or enrollment period and the maximum a veteran may receive for such work from \$250 to \$500.

SECTION 4

Clause (1) amends section 1732(a)(1) of chapter 35 to provide an increase of 13.6 percent in the monthly educational assistance allowance rates payable to wives, widows and children pursuing institutional courses under chapter 35.

Clause (2) amends section 1732(a)(2) to provide a 13.6 percent increase in the monthly educational assistance rate payable in the case of wives, widows and children pursuing programs of education on a less than half-time basis from \$220 to \$250.

Clause (3) amends section 1732(b) to provide a 13.6 percent increase in the monthly educational assistance rate payable to wives, widows and children pursuing cooperative training from \$177 to \$201.

Clause (4) amends section 1742(a) to increase the special restorative training assistance allowance payable to those children who are in need of special restorative training.

Clause (5) amends section 1723(c) to delete the bar to pursuit of farm cooperative training by wives, widows and children which is authorized by clause (6).

Clause (6) amends section 1732 to provide that eligible wives, widows and children may pursue farm cooperative training programs and sets the rates of monthly educational assistance allowance payable to eligible persons pursuing such programs.

SECTION 5

Clause (1) amends section 1786(a) of chapter 36 to provide a 13.6 percent increase in the monthly entitlement charge for veterans, wives and widows pursuing correspondence course training from \$220 to \$250.

Clause (2) amends the table in paragraph (1) of section 1787(b) to provide a 13.6 percent across-the-board increase in the monthly training assistance allowance rates payable to veterans pursuing apprentice and on-job training programs.

Clause (3) amends section 1787(b)(2) to provide a 13.6 percent increase in the monthly training assistance allowance rates payable to wives, widows and children pursuing apprentice and on-job training programs.

Clause (4) amends section 1784(b) to provide that where joint apprenticeship training committees act as training establishments, they shall be entitled to be paid the same \$3 reporting fee for furnishing the VA with report or certifications as is currently paid to educational institutions furnishing the same type of information.

Clause (5) amends section 1788(a) to provide that vocational schools may measure courses on a quarter or semester hour basis premised on a set formula, but requires a minimum of 25 hours net of instruction per week.

SECTION 6

Subsection (a) of this section adds a new Subchapter V to chapter 3 to provide for the establishment of a new Vietnam Era Veterans Communications Center in the VA, headed by a core group of not less than five VA employees, all of whom shall be Vietnam era veterans. At least one employee in each veterans' assistance office shall be responsible to the core group. The Center is required to make an initial evaluation, followed by subsequent periodic evaluations, of the effectiveness of the veterans outreach services program, particularly as it applies to Vietnam era veterans, and to make reports and recommendations to the Administrator and to Congress concerning new, as well as improvements in existing, programs and procedures in this area.

Subsection (b) makes appropriate changes in the table of sections at the beginning of chapter 3 to reflect the new subchapter.

SECTION 7

This section establishes a savings clause to permit those reservists discharged prior to the date of enactment of this Act to avail themselves of the additional educational benefits authorized under clause (7) of section 3. They would be allowed 24 months from the date of enactment to use such additional period of educational assistance.

SECTION 8

This section sets the first day of the second calendar month beginning after the date of enactment as the effective date for rate increases authorized under this Act. All other provisions are effective the date of enactment.

AGENCY REPORTS

There follows the report by the Veterans Administration on the Subcommittee draft bill which, with certain amendments made by the full Committee, was reported as H.R. 12628.

VETERANS' ADMINISTRATION,
OFFICE OF THE ADMINISTRATOR OF VETERANS AFFAIRS,
Washington, D.C., November 19, 1973.

HON. WM. JENNINGS BRYAN DORN,
*Chairman, Committee on Veterans' Affairs,
House of Representatives, Washington, D.C.*

DEAR MR. CHAIRMAN: This will respond to your request for the views of the Veterans Administration on a draft bill entitled: "Veterans' Education and Rehabilitation Amendments Act of 1973."

The basic purpose of this omnibus measure is to provide a 13.6 percent across-the-board increase in the monthly rates of subsistence, educational assistance and special restorative allowances granted to eligible veterans and eligible persons training under the provisions of chapters 31, 34, 35, and 36 of title 38, United States Code. It also provides for an increase or decrease in such benefit rates, effective September 1, 1974, and annually thereafter, based upon the increase or decrease which has occurred in the Consumer Price Index since the last change in rates. Under the draft bill, the 13.6 percent increase would be effective the first day of the second calendar month beginning after the date of enactment.

The measure also provides for various program adjustments under the GI Bill including: (1) Granting of wartime vocational rehabilitation benefits to veterans serving during the Vietnam era equal to those granted veterans of World War II and the Korean conflict; (2) allowing the counting of the six months active duty for training for educational benefit purposes in the case of reservists who subsequently serve on active duty for 12 months or more; (3) extending the current 8-year delimiting date to 10 years; (4) extending the delimiting date in the case of civilian-veterans detained as prisoners of war; (5) permitting recent discharges to receive up to six months of refresher training; (6) permitting wives, widows, and children training under

chapter 35 to pursue farm cooperative training; (7) allowing a joint apprenticeship training committee which acts as a training establishment to qualify for a \$3 reporting fee; (8) permitting certain vocational and technical schools to measure their courses on a quarter or semester hour basis, but also requiring a minimum of 25 clock hours, net of instruction per week; and (9) establishing a Vietnam Era Veterans Communications Center in the VA, composed of at least five VA employees who are Vietnam era veterans, which shall evaluate the effectiveness of the VA outreach program and recommend improvements in such programs.

For the convenience of the Committee, we are enclosing a technical section-by-section analysis of the draft measure which describes the several provisions in more detail.

With respect to the proposed rate change, it is our view that a 13.6 percent increase is greater than is warranted at this time.

Since 1970 there have been substantial increases in veterans education benefits. In 1970 and again in 1972 rate adjustments were approved which resulted in benefit increases totaling 60 percent. Public Laws 91-219 and 92-540 also provided substantial liberalizations of VA's education and training programs. These rate increases and liberalizations, accordingly, have resulted in an overall 150 percent increase in the VA education and training budget—from \$1.0 billion in fiscal year 1970 to \$2.5 billion in fiscal year 1974.

We continue to be concerned over the impact on the Federal budget of excessive across-the-board increases on such open-ended programs as the GI Bill. However, we recognize that since the last GI Bill increase on September 1, 1972, both educational costs and consumer prices generally have risen and that the veteran's monthly check does not go as far as it did last year. Based on the best data we have available, these increases have been approximately in the range of six percent to slightly over seven percent. In recognition of these cost increases, we believe any benefit increase at this time should not exceed eight percent.

We also seriously question the desirability of legislating at this time a rigid requirement for annual automatic adjustments in the future level of educational benefits based on increases and decreases in the Consumer Price Index. Unlike other programs in which automatic cost adjustments are provided, the veterans education program is not intended to be an income maintenance program. It is not a program based on the income of a veteran, nor was it designed to provide the sole source of support for those receiving benefits.

Accordingly, while the Administration favors automatic CPI adjustments as part of a reform of the veterans pension system—because such adjustments can reflect changed income needs and be related to comparable changes occurring in social security benefit levels—we do not believe such an approach is appropriate for the educational benefit structure.

Under current law (38 U.S.C. 1671), a veteran is barred from pursuing an educational program in an area in which he is already qualified. The draft proposal would modify the law to permit a recently discharged veteran up to six months of refresher training to permit him to update his knowledge and skills with respect to the technological advances which have occurred in his field of employment

while he was in the military service. The additional benefit allowed would be charged against the veteran's regular entitlement period, the training would have to be commenced within 12 months following his date of discharge or release, and such training must be pursued continuously, except for interruptions beyond the veteran's control. We favor the enactment of this proposal.

The War Orphans' Act, enacted in 1956 (Public Law 84-634), was originally designed to provide educational opportunities for those children whose education was impeded or interrupted by reason of the death of the veteran parent due to service-connected causes. Later enactments have broadened the program to include the children of veterans who have a total disability permanent in nature resulting from a service-connected disability, and the wives and widows of all such veterans.

Throughout the history of this program, these dependents have been barred from pursuing, among others, programs of farm cooperative training. In recent years, amendatory legislation has been enacted to remove certain of the old bars and to equate educational benefits granted under the dependents' program, where possible, with those granted veterans. For example, wives, widows, and children may now pursue on-job and apprentice training; wives and widows are permitted to pursue correspondence training; and wives and widows may pursue, without charge to entitlement, secondary educational programs as well as certain deficiency, remedial and refresher courses.

We believe that extending to wives, widows and children the opportunity to pursue farm cooperative training would be a logical extension of the current legislative trend toward granting these dependents most of the same benefits granted to veterans.

Included among the prisoners of war released earlier this year were 24 repatriated civilian prisoners of whom 17 are veterans who had military service which could otherwise qualify them for VA educational benefits. These individuals, through circumstances beyond their control, have been unable to utilize this potential entitlement. The proposal would, in the case of these 17 individuals, exclude, in computing their delimiting date for utilizing their entitlement, those periods of time during which they were detained and were unable to use their benefits, plus any period of hospitalization they were required to undergo immediately subsequent to their release from detention. Such a provision is, we believe, entirely equitable and fully justified in the case of this limited group of individuals.

A further provision in the draft bill would permit a joint apprenticeship training committee, which acts as a training establishment, to receive an annual reporting fee for furnishing the VA with reports or certifications on enrollments, attendance and terminations of eligible veterans and eligible persons training under VA educational programs. The fee would be computed at the rate of \$3 for each such student enrolled on October 31 of each year, unless it is shown that enrollment on that date varies more than 15 percent from the peak enrollment. In such cases, the Administrator would be permitted to establish such other date as will represent the peak enrollment date.

We believe that where a joint apprenticeship training committee functions as a training establishment and furnishes these various reports to the VA on the same basis as an educational institution, it

is only equitable that they be reimbursed for performing these services as is presently permitted in the case of educational institutions.

Another feature of the draft bill would extend to ten years the period of time within which a veteran must complete his program of education. Under current law (38 U.S.C. 1661(a)), a veteran serving after January 31, 1955, has eight years from June 1, 1966, or the date of his discharge or release from active military service, whichever is later, to complete his program of education. Thus, any veteran who served after January 31, 1955, and was discharged prior to June 1, 1966, has, with certain exceptions, until May 31, 1974, to complete his program. The exceptions are those veterans who are pursuing farm cooperative, flight and on-job and apprentice training programs, since these programs were not included in the 1966 enactment (Public Law 89-358), but were added in 1967 through the enactment of Public Law 90-77, effective August 31, 1967. For those veterans discharged on or before August 31, 1967, who are pursuing such programs, their delimiting date will expire as of August 30, 1975.

The underlying purpose of the current GI Bill, as well as that applying to both the World War II and Korean conflict programs, is to aid veterans to adjust from military to civilian life by affording them financial assistance to obtain an educational status they might normally have aspired to and achieved had they not served their country in time of national emergency. It has never been contemplated that this assistance was to be a continuing benefit. We believe that the eight-year time limitation provided in current law is an adequate period within which to meet the readjustment concept of the GI Bill program and extending the period as is proposed in the draft bill would exceed the period reasonably necessary to do so. The VA, therefore, opposes any extension of this time limitation.

The draft bill also proposes that Vietnam era veterans (those serving on or after August 5, 1964) be granted the same basic entitlement to vocational rehabilitation benefits as granted to veterans of World War II and the Korean conflict.

Vocational rehabilitation benefits were granted veterans of World War II and the Korean conflict if they had a service-connected disability rated as 10 percent or more disabling and were in need of vocational training. At the time the vocational rehabilitation program was made permanent in 1962 (Public Law 87-815), the Congress provided that a veteran whose disability was incurred other than during World War II or the Korean conflict must be rated for compensation purposes as 30 percent or more disabled or, if rated less than 30 percent, must have a pronounced employment handicap to receive these rehabilitative benefits. This provision remains in the law today and reflects a recognition by the Congress that vocational rehabilitation, as an all-expense form of readjustment assistance, should be directed toward assisting the more seriously disabled veterans and those other disabled veterans requiring such assistance to prepare for employment.

Where a less seriously disabled veteran (one rated for compensation purposes as less than 30 percent disabled) applies to the VA for vocational rehabilitation training, the law now permits the Administrator to accord him such benefits where he demonstrates a pronounced employment handicap. In the Vietnam era (August 5, 1964 to the

present), approximately 23,000 less seriously disabled veterans have applied for chapter 31 benefits, of which approximately 5,600 have been approved.

Many disabled veterans find it to their advantage to take their training under chapter 34 of the GI Bill rather than under chapter 31. This would be likely, for example, in those cases where disabled veterans attend a low-cost school and determine that the relatively high scale of the GI Bill allowances under chapter 34 would more than offset the allowances under chapter 31 for tuition, books, supplies and subsistence.

It is our view that to return to the old concepts of chapter 31 eligibility would be unnecessary and unwise. The proposal would not result in any substantial increase in the numbers of seriously disabled veterans entering training. We believe that it would, on the other hand, mainly provide increased allowances for those less seriously disabled veterans who would find it to their advantage to transfer from chapter 34 to chapter 31 training. The effect of the proposal would, therefore, be to confer benefits intended for the seriously disabled veterans to those less seriously disabled veterans who would not be able to qualify for the existing employment handicap waiver. The VA, therefore, opposes the enactment of this proposal.

The draft bill also contains a provision which would permit the counting, for educational assistance benefit purposes, of the initial six months of active duty for training performed by a Reservist, providing he subsequently serves on active duty for a consecutive period of one year or more.

Under current law, each eligible veteran who serves on active duty for a period of more than 180 days, any part of which occurred after January 31, 1955, and receives a requisite discharge, is entitled to receive one and one-half months (or the equivalent thereof in part-time educational assistance) of educational benefits for each month or fraction thereof of his service on active duty after January 31, 1955. If he has served a period of 18 months or more on active duty and has been released from such service under conditions that would satisfy his active duty obligations, he is entitled to educational assistance for a period of 36 months. Where Reservists are called to regular active service, they are credited with entitlement to educational assistance on the same basis as regular members of the Armed Forces.

The Korean conflict GI Bill (Public Law 550, 82nd Congress), as well as the current program, have both contained a specific bar excluding the counting for educational benefit purposes of active duty for training performed under the provisions of section 511(d) of title 10. Traditionally, the GI Bills have been designed to assist in the readjustment to civilian life of those veterans who incurred lengthy and unplanned interruptions in their civilian activities due to military service. It was never the intent to provide benefits based upon short, planned periods of limited service.

We are of the view that the enactment of this provision would serve as a precedent for a departure from this readjustment concept which has been the basis of all of the GI Bills and could lead to calls for the granting of educational benefits premised upon less deserving service. We, therefore, oppose the enactment of this provision of the draft bill.

The draft proposal would also add a new Subchapter V to chapter 3 of title 38, under which a Vietnam Era Veterans Communication Center would be established to evaluate VA outreach efforts, with special emphasis on the effectiveness of the current program in reaching the Vietnam era veteran. The new Center would be composed of a core group of not less than five VA employees, each of whom is a Vietnam era veteran, plus at least one VA employee in each veterans' assistance office, who shall also be a Vietnam era veteran, responsible to the core group.

The core group would make an initial evaluation and report the results of such evaluation to the Congress and the Administrator within three months after the effective date of the measure. It would thereafter make periodic evaluations and submit recommendations to the Congress and the Administrator for improving or establishing new methods and procedures to insure that all veterans are made aware of, and are assisted in applying for, VA benefits and services.

Only recently the VA increased its efforts to reach and assist more veterans who might need initial or further vocational rehabilitation. These efforts are ongoing and we are confident that they will produce good results.

Within the VA itself, great strides have been made in opening the avenues of services provided for the Vietnam era veteran. For example, as of August 1972, approximately 25 percent of all personnel employed by the Veterans Assistance Division (personnel who contact veterans) were veterans of the Vietnam era; over 20 percent of these personnel in 1972 represented membership in a minority group; and as of June 1973, over 33 percent of the veterans benefits counselors were age 35 or younger. Thus, the VA existing communication channels provide a constant flow of suggestions from the Vietnam era employees for necessary or desirable changes to improve services for the veteran population. The proposal presented in the draft measure would merely represent a duplication of existing efforts which are constantly seeking more effective ways to accomplish outreach.

Vocational and technical schools would be permitted, under the terms of the draft bill, to measure their courses on a quarter or semester hour basis premised upon a measurement system which would equate the academic, laboratory, and shop portions of their courses to quarter or semester hours. The proposal would also, however, require no less than 25 hours per week net of instruction to be considered full time.

For many years the VA has, by regulation, excluded shop practice and rest periods in measuring "net instructions." Thus, under the proposed bill, shop practice hours could not be counted toward the minimum weekly clock hour requirement. We believe the proposed requirement would be unduly restrictive and we would therefore oppose the provision. We believe the problem of course measurement should be given further consideration in order to develop a way of dealing with changing academic and vocational education methods of instruction and would recommend deferring action on this problem at this time.

It is understood that an amendment will be proposed to the draft bill which would revise the work study program currently authorized under section 1685 of title 38. The amendment would increase the maximum advance payment from \$250 to \$500, double the number

of hours of service to be performed from 100 to 200 hours, and delete the current 800 man-year limitation on the number of veterans whose services may be utilized, thereby setting no limit. It is further understood that the sponsor of the proposed amendment has estimated the first full year cost would be \$70 million, compared with an annual cost of \$4 million for the current program, and that participation would rise from 16,000 veterans to 135,000—more than an eight-fold increase.

Such a precipitate change would change the nature of this program from one largely experimental in character to one which entails a heavy, continuing commitment of Federal resources.

Yet there is in fact little evidence such a ballooning program is needed—and substantial indications it is unwarranted. We are presently gaining experience under the level set by existing law only last year which will permit us to develop guidelines as to the potential numbers of veteran-students who can be effectively utilized in the program. The emphasis of the law upon productive employment—as opposed to make-work employment—requires careful surveys of work opportunities in VA facilities. To date, the number of such reported jobs would not appear to warrant a work study program beyond the current level. In addition, we are troubled by our operating experience with the program. For the period July 1, 1973 to September 30, 1973, we have recorded overpayments in the work-study program totaling \$15,608. If the amount of the advance payment were to be doubled and the number of hours to be worked doubled, we believe that the overpayments generated would result in an administrative collection problem. To subject this program to such abuse would work to the program's detriment, instead of fostering it.

Therefore, we do not believe the proposed changes should be made until we have gained further operating experience with the current program.

It is estimated that enactment of the draft proposal would result in an additional cost of \$225.5 million in fiscal year 1974 (assuming an effective date of January 1, 1974); an additional cost of \$564.4 million in fiscal year 1975 (the first full fiscal year); and a total additional cost of \$2,184.4 million for the first five fiscal years. A detailed breakdown of cost estimates is enclosed as an attachment to this report.

It should be pointed out that in making these estimates certain assumptions were made. First, as noted above, we assumed an effective date of January 1, 1974, for all phases of the draft bill. Second, the rate increase estimate is based upon the number of eligibles already expected to be in training and no allowance has been made for those eligibles who might be induced to enter training due to the higher monthly rate. Third, since we are not in a position to estimate changes in the cost of living, we can only cite, as a guideline, that based upon the full cost in fiscal year 1975 each one percent increase in the cost of living would result in a cost increase of \$27 million and that any subsequent percentage increases in years after 1975 would be compounded. All costs would be direct benefit costs with the exception of the proposed \$3 reporting fee for joint apprenticeship training committees and the Communication Center which would require an increase in general operating expense funds.

In summary, the Veterans' Administration opposes the proposed 13.6 percent across-the-board increase in rates, but favors instead a

more reasonable eight percent increase. We favor extending the delimiting date for the civilian prisoners of war, extending farm cooperative training opportunities for wives, widows and children, refresher training for recent discharges and payment of the \$3 reporting fee to joint apprenticeship training committees.

On the other hand, we are opposed to the proposals to extend the general delimiting date, equalize vocational rehabilitation rates for Vietnam veterans, count the six months active duty for training performed by reservists for educational benefit purposes, create a new Vietnam Era Veterans Communication Center, restrict the measurement criteria for vocational and technical schools, provide for an automatic adjustment in benefit rates based upon changes in the cost of living, and expand the work-study program.

We are advised by the Office of Management and Budget that there is no objection to the presentation of this report from the standpoint of the Administration's program.

Sincerely,

DONALD E. JOHNSON,
Administrator.

Enclosures.

ATTACHMENT A

COST OF VETERANS EDUCATION AND REHABILITATION ACT OF 1973 (PT. I—RATE INCREASE)

[Dollar amounts in millions]

Fiscal year:	Total		Ch. 31		Ch. 34		Ch. 35	
	Trainees	Cost	Trainees	Cost	Trainees	Cost	Trainees	Cost
1974 ¹	1,762,000	\$203.7	29,000	\$3.6	1,662,000	\$192.3	71,000	\$7.8
1975.....	1,688,000	361.6	28,000	6.4	1,586,000	340.1	74,000	15.1
1976.....	1,543,300	330.4	27,500	6.3	1,439,000	308.5	76,800	15.6
1977.....	1,366,000	292.2	27,000	6.2	1,260,000	270.0	79,000	16.0
1978.....	1,210,100	258.3	26,500	6.0	1,103,000	235.0	80,600	16.3
1979.....	1,080,600	230.5	26,000	5.9	973,000	208.1	81,600	16.5
1975-79 total.....	1,473.0		30.8		1,362.7		79.5	

¹ Jan. 1, 1974, effective date.

ATTACHMENT B

COST OF VETERANS EDUCATION AND REHABILITATION ACT OF 1973 (PT. II—COST SUMMARY)

[In millions of dollars]

	1974 ¹	1975	1976	1977	1978	1979	Total, 1975-79
Rate increase.....	203.7	361.6	330.4	292.2	258.3	230.5	1,473.0
10-year delimiting.....		161.1	134.9	59.2	71.6	73.0	499.8
Equalize war veterans ch. 31 benefits.....	19.6	37.3	38.1	38.9	39.2	40.1	193.6
Refresher training.....	1.6	2.8	2.4	2.4	2.4	2.4	12.4
Count active duty for training.....	.3	.6	.1	.1	.1	.1	1.0
Ch. 35 farm.....	.2	.4	.4	.4	.4	.4	2.0
Joint Apprenticeship Committees \$3 payment ²5	.5	.4	.4	.3	2.1
Trade and technical course measurement, Vietnam Veterans Communications Cen- ter ³	(⁰)	(⁰)	(⁰)	(⁰)	(⁰)	(⁰)	(⁰)
Civilian POW's.....	.1	.1	.1	.1	.1	.1	.5
Grand total.....	225.5	564.4	506.9	393.7	372.5	346.9	2,184.4

¹ Jan. 1, 1974, effective date.

² General operating expenses.

³ No significant cost.

SECTION-BY-SECTION ANALYSIS OF OMNIBUS EDUCATION
AMENDMENTS BILL

SECTION 1

This section provides that the bill may be cited as the "Veterans' Education and Rehabilitation Amendments Act of 1973."

SECTION 2

Clause (1) amends section 1502 of chapter 31 of title 38, United States Code, to provide that veterans of the Vietnam era shall receive the same wartime vocational rehabilitation benefits as those granted veterans of World War II and the Korean conflict. These latter veterans were granted such benefits if they had a 10 percent or greater service-connected disability. Under current law, veterans who served after World War II and before the Korean conflict and after the Korean conflict (including Vietnam era veterans) must be rated for compensation purposes as 30 percent or more disabled or, if less than 30 percent, must have a pronounced employment handicap, before they may receive such benefits. Under the change, veterans serving on or after August 5, 1964 would qualify if they are rated 10 percent or more.

Clause (2) amends the table in section 1504(b) to provide a 13.6 percent across-the-board increase in monthly subsistence allowance rates paid to chapter 31 trainees.

SECTION 3

Clause (1) amends section 1677(b) of chapter 34 to provide a 13.6 percent increase in the monthly entitlement charge for veterans pursuing flight training courses from \$220 to \$250.

Clause (2) amends the table in paragraph (1) of section 1682(a) to provide a 13.6 percent across-the-board increase in the monthly educational assistance allowance rates paid to veterans pursuing institutional and cooperative courses.

Clause (3) amends section 1682(b) to provide a 13.6 percent increase in the rates for educational pursuits by servicemen on active duty and for veterans pursuing less than half-time courses from \$220 to \$250.

Clause (4) amends the table in section 1682(c) to provide a 13.6 percent across-the-board increase in the monthly educational assistance allowance rates for veterans pursuing farm cooperative training courses.

Clause (5) amends section 1696(b) to provide an increase of 13.6 percent in the monthly educational assistance rate for veterans pursuing PREP courses from \$220 to \$250.

Clause (6) amends section 1652(a) to make a technical change in the law concerning the six months active duty for training provision set forth in clause (7).

Clause (7) amends section 1661(a) to permit the initial six months active duty for training performed by a reservist to be counted for

educational benefit entitlement purposes where the reservist subsequently serves on active duty for a consecutive period of one year or more.

Clause (8) amends section 1662 to extend the current 8-year delimiting date for veterans to complete their programs of education to ten years. It also adds a new subsection (d) to section 1662 which would exclude, in computing the delimiting date for those veteran-civilians held as prisoners of war in the Vietnam theater of operations, the period of time during which they were detained, plus any period of time they were hospitalized immediately subsequent to their release.

Clause (9) amends section 1673(d) to make a technical correction in the law premised upon an error occurring at the time Public Law 92-540 was enacted.

Clause (10) amends section 1682 to provide that recent discharges from military service may be allowed up to six months of educational assistance to pursue refresher training to update their knowledge and skills in the technological advances occurring in their fields of employment during their period of active military service. The refresher training program must be commenced within twelve months from date of discharge or release. Under current law, a veteran may not pursue a program of education in an area in which he is already qualified.

SECTION 4

Clause (1) amends section 1732(a)(1) of chapter 35 to provide an increase of 13.6 percent in the monthly educational assistance allowance rates payable to wives, widows and children pursuing institutional courses under chapter 35.

Clause (2) amends section 1732(a)(2) to provide a 13.6 percent increase in the monthly educational assistance rate payable in the case of wives, widows and children pursuing programs of education on a less than half-time basis from \$220 to \$250.

Clause (3) amends section 1732(b) to provide a 13.6 percent increase in the monthly educational assistance rate payable to wives, widows and children pursuing cooperative training from \$177 to \$201.

Clause (4) amends section 1742(a) to increase the special restorative training assistance allowance payable to those children who are in need of special restorative training.

Clause (5) amends section 1723(c) to delete the bar to pursuit of farm cooperative training by wives, widows and children which is authorized by clause (6).

Clause (6) amends section 1732 to provide that eligible wives, widows and children may pursue farm cooperative training programs and sets the rates of monthly educational assistance allowance payable to eligible persons pursuing such programs.

SECTION 5

Clause (1) amends section 1786(a) of chapter 36 to provide a 13.6 percent increase in the monthly entitlement charge for veterans, wives and widows pursuing correspondence course training from \$220 to \$250.

Clause (2) amends the table in paragraph (1) of section 1787(b) to provide a 13.6 percent across-the-board increase in the monthly

training assistance allowance rates payable to veterans pursuing apprentice and on-job training programs.

Clause (3) amends section 1787(b)(2) to provide a 13.6 percent increase in the monthly training assistance allowance rates payable to wives, widows and children pursuing apprentice and on-job training programs.

Clause (4) amends section 1780 to add a new subsection (i) to provide for annual increases or decreases in subsistence, educational assistance and special training allowances payable to veterans, wives, widows and children pursuing education and training programs under chapters 31, 34, 35, and 36 of title 38. The rate change would be based upon the increase or decrease which has occurred in the Consumer Price Index since the last rate change. The effective date of the first such change would be September 1, 1974, with subsequent changes made annually thereafter.

Clause (5) amends section 1784(b) to provide that where joint apprenticeship training committees act as training establishments, they shall be entitled to be paid the same \$3 reporting fee for furnishing the VA with report or certifications as is currently paid to educational institutions furnishing the same type of information.

Clause (6) amends section 1788(a) to provide that vocational schools may measure courses on a quarter or semester hour basis premised on a set formula, but requires a minimum of 25 hours net of instruction per week.

SECTION 6

Subsection (a) of this section adds a new Subchapter V to chapter 3 to provide for the establishment of a new Vietnam Era Veterans Communications Center in the VA, headed by a core group of not less than five VA employees, all of whom shall be Vietnam era veterans. At least one employee in each veterans' assistance office shall be responsible to the core group. The Center is required to make an initial evaluation, followed by subsequent periodic evaluations, of the effectiveness of the veterans outreach services program, particularly as it applies to Vietnam era veterans, and to make reports and recommendations to the Administrator and to Congress concerning new, as well as improvements in existing, programs and procedures in this area.

Subsection (b) makes appropriate changes in the table of sections at the beginning of chapter 3 to reflect the new subchapter.

SECTION 7

This section establishes a savings clause to permit those reservists discharged prior to the date of enactment of this Act to avail themselves of the additional educational benefits authorized under clause (7) of section 3. They would be allowed 24 months from the date of enactment to use such additional period of educational assistance.

SECTION 8

This section sets the first day of the second calendar month beginning after the date of enactment as the effective date for rate increases authorized under this Act.

Also included therein is a letter to the Chairman dated January 22, 1974 containing very interesting data with respect to the comparative benefits authorized for World War II veterans and veterans of the Vietnam Era.

VETERANS ADMINISTRATION,
OFFICE OF THE ADMINISTRATOR OF VETERANS AFFAIRS,
Washington, D.C., January 22, 1974.

HON. WILLIAM JENNINGS BRYAN DORN,
Chairman, Committee on Veterans Affairs,
House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: Your letter of September 7, 1973, concerning the Educational Testing Service report on Educational Assistance Programs for Veterans, called upon the VA to conduct an extensive survey to determine the cost impact (including on individual trainees) of reverting to a WW-II type program, whereby payments were made direct to institutions covering the cost of a veteran's tuition, fees, books and supplies, and a separate "subsistence allowance" was paid direct to the veteran.

VA representatives met with members of the Committee Staff on December 6, 1973, to review plans for the proposed studies and analyses. At that time the Committee Staff concluded that the studies which would be necessary to develop the information you had requested could not be completed in time to be of assistance in the decisions currently pending before your committee. After discussion of the alternatives, the Committee Staff requested the following data, in lieu of the more comprehensive information originally requested.

Estimate the current dollar value of the \$75 monthly allowance paid to full time school trainees without dependents under the WW-II program (see enclosure A).

Estimate the current dollar equivalent of the ceilings imposed upon combined earnings and subsistence allowance under the WW-II program (see enclosure A).

Estimate the value which would be equivalent to the \$500 limit placed on payment of tuition, fees, books, and supplies under the WW-II program; more could be paid but this would exhaust entitlement at a greater rate (see enclosure A).

The information requested on usual charges for tuition and fees in individual schools is available from the Education Directory published by the National Center for Educational Statistics. The Committee Staff agreed that this would provide the information they need on rates of charge for undergraduate tuition and fees in individual schools. Our latest information from the National Center for Educational Statistics is that the Education Directory for the 1973-74 school year is likely to be available for distribution in the month of February.

The Committee Staff asked the VA to provide such information as can be developed to show the number of veterans who might receive less financial assistance under a WW-II type benefits payment system. We have arranged to obtain a copy of the tape used in preparation of the Education Directory and expect to use that as a basis for developing estimates of the number of under-graduate students under the GI bill who might receive less financial assistance under a WW-II type benefits payment system. This information will be

provided as soon as it can be made available. In the interim, you may be interested to know that in estimating the number of veterans who fare better under the current system of payment, we plan to use a "break-even" point of \$543 per school year for a full time trainee with no dependents. This break-even point represents the amount available for tuition and fees after subtracting from the \$1,980 school year allowance the \$1,287 current dollar value of the WW-II subsistence allowance and an estimated average cost of \$150 for books, supplies and equipment. Such veterans who pay less than \$543 for tuition and fees would receive less financial support from the VA under a WW-II type benefits payment system. The amount of loss, and the number sustaining such a loss, would be increased if the current base rate of \$220 per month is increased. If the median cost of \$424 estimated by the Office of Education for full time undergraduate tuition and fees in public institutions of higher learning for school year 1973-74 is confirmed, this would indicate that more than half of the veterans training in such schools would receive substantially less under a WW-II type benefits payment system. As you know, four of five veterans attending college under the current GI bill are enrolled in public institutions.

We do not have a basis for estimating the number of GI bill trainees who might receive less monetary assistance if the current dollar equivalent of the ceilings on earnings and subsistence allowance for the WW-II trainees were to be imposed under the current program. However, you might be interested to know that, as of May 31, 1950, almost two-thirds of the part time WW-II college trainees (63.5 percent) and three percent of the full time college trainees were limited by the ceiling under the WW-II program; at the same time 11 percent and 33 percent of the full time and part time trainees in schools other than college, respectively, were limited by the ceiling.

We are developing a special questionnaire survey for veterans enrolled under the current GI bill in the spring semester, 1974. This survey will obtain information concerning the expenses and funds available and problems they are experiencing while in training. We will be pleased to provide information to you from this survey when it becomes available.

Sincerely,

DONALD E. JOHNSON, *Administrator.*

Enclosure.

Finally, there appears hereafter the letter of the Administrator of Veterans Affairs to the Speaker dated January 31, 1974 forwarding a draft of a bill designed to increase the educational allowance rates by 8.2%.

VETERANS ADMINISTRATION,
OFFICE OF THE ADMINISTRATOR OF VETERANS AFFAIRS,
Washington, D.C., January 31, 1974.

HON. CARL ALBERT,
Speaker of the House of Representatives,
Washington, D.C.

DEAR MR. SPEAKER: There is transmitted herewith a draft of a bill "To amend title 38, United States Code, to increase the rates of vocational rehabilitation, educational assistance, and special training allowances paid to eligible veterans and persons." The draft bill will

carry out the President's recommendation, set forth in his message to the Congress of January 28, 1974, urging an increase in GI Bill educational benefits.

The draft measure will provide an increase in the rates of subsistence, educational assistance, and training allowances paid to eligible veterans, widows, wives, and children who are pursuing education and training programs under the GI Bill and the War Orphans' and Widows' Educational Assistance Act. The rate changes proposed represent an increase of approximately 8.2 percent in current rates.

It is estimated that the additional direct benefit cost of this proposal over the next five fiscal years would be \$852.6 million, broken down by fiscal years, as follows: fiscal year 1975, \$200 million; fiscal year 1976, \$193.9 million; fiscal year 1977, \$171.5 million; fiscal year 1978, \$151.9 million; and fiscal year 1979, \$135.3 million.

We request that this bill be introduced and recommend its favorable consideration.

The Office of Management and Budget advises that enactment of this draft legislation will be in accord with the program of the President.

Sincerely,

DONALD E. JOHNSON, *Administrator.*

Enclosure.

A BILL To amend title 38, United States Code, to increase the rates of vocational rehabilitation, educational assistance, and special training allowances paid to eligible veterans and persons.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Vietnam Era Veterans' Readjustment Assistance Act of 1974."

SEC. 101. The table contained in section 1504(b) of title 38, United States Code, is amended to read as follows:

"Column I	Column II	Column III	Column IV	Column V
Type of training	No dependents	1 dependent	2 dependents	More than 2 dependents
				The amount in column IV, plus the following for each dependent in excess of 2:
Institutional:				
Full time.....	\$184	\$228	\$268	\$19
¾-time.....	138	171	201	14
½-time.....	92	114	134	10
Farm cooperative, apprentice, or other on-job training: Full time.....	160	193	224	15"

SEC. 102. Chapter 34 of title 38, United States Code, is amended as follows:

(1) by deleting in the last sentence of section 1677(b) "\$220" and inserting in lieu thereof "\$238";

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

"Column I	Column II	Column III	Column IV	Column V
Type of program	No dependents	1 dependent	2 dependents	More than 2 dependents
				The amount in column IV, plus the following for each dependent in excess of 2:
Institutional:				
Full time.....	\$238	\$282	\$322	\$19
¾-time.....	179	212	242	10
½-time.....	119	141	161	10
Cooperative.....	191	225	255	15";

(3) by deleting in section 1682(b) "\$220" and inserting in lieu thereof "\$238";

(4) by 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	1 dependent	2 dependents	More than 2 dependents
				The amount in column IV, plus the following for each dependent in excess of 2:
Full time.....	\$191	\$225	\$255	\$15
¾-time.....	143	169	191	11
½-time.....	96	113	128	8";

and

(5) by deleting in section 1696(b) "\$220" and inserting in lieu thereof "\$238".

SEC. 103. Chapter 35 of title 38, United States Code, is amended as follows:

(1) by amending section 1732(a)(1) to read as follows:

"(a)(1) The educational assistance allowance on behalf of an eligible person who is pursuing a program of education consisting of institutional courses shall be computed at the rate of (A) \$238 per month if pursued on a full-time basis, (B) \$179 per month if pursued on a three-quarter-time basis, and (C) \$119 per month if pursued on a half-time basis.";

(2) by deleting in section 1732(a)(2) "\$220" and inserting in lieu thereof "\$238";

(3) by deleting in section 1732(b) "\$177" and inserting in lieu thereof "\$191"; and

(4) by amending section 1742(a) to read as follows:

"(a) While the eligible person is enrolled in and pursuing a full-time course of special restorative training, the parent or guardian shall be entitled to receive on his behalf a special training allowance computed at the basic rate of \$238 per month. If the charges for tuition and fees applicable to any such course are more than \$75 per calendar month, the basic monthly allowance may be increased by the amount that such

charges exceed \$75 per month, upon election by the parent or guardian of the eligible person to have such person's period of entitlement reduced by one day for each \$7.95 that the special allowance paid exceeds the basic monthly allowance."

SEC. 104. Chapter 36 of title 38, United States Code, is amended as follows:

(1) by deleting in section 1785(a)(2) "\$220" and inserting in lieu thereof "\$238";

(2) by amending the table contained in paragraph (1) of section 1787(b) to read as follows:

"Column I	Column II	Column III	Column IV	Column V
Periods of training	No dependents	1 dependent	2 dependents	More than 2 dependents
1st 6 months.....	\$173	\$193	\$212	\$9
2d 6 months.....	130	150	168	9
3d 6 months.....	86	107	125	9
4th and any succeeding 6-month periods..	43	64	82	9"

The amount in column IV, plus the following for each dependent in excess of 2:

and

(3) by amending section 1778(b)(2) to read as follows:

"(2) The monthly training assistance allowance of an eligible person pursuing a program described under subsection (a) shall be (A) \$173 during the first six-month period, (B) \$130 during the second six-month period, (C) \$86 during the third six-month period, and (D) \$43 during the fourth and any succeeding six-month period."

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

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

TITLE 38, UNITED STATES CODE

* * * * *

CHAPTER 3—VETERANS' ADMINISTRATION; OFFICERS AND EMPLOYEES

* * * * *

SUBCHAPTER V—VIETNAM ERA VETERANS COMMUNICATION CENTER

251. Establishment of Center.

252. Functions of Center.

253. Reports to the Congress and the Administrator.

* * * * *

Subchapter V—Vietnam Era Veterans Communication Center

§ 251. Establishment of the Center

(a) There is established in the Veterans' Administration a Vietnam Era Veterans Communication Center (hereinafter referred to in this subchapter as the "Center") which shall be headed by a core group composed of not less than five employees of the Veterans' Administration, each of whom is a veteran of the Vietnam era. There shall be at least one employee of the Veterans' Administration in each veterans' assistance office established pursuant to section 242 of this title who shall be a Vietnam era veteran and who shall be responsible to the core group.

(b) The Center shall consist of such other employees as the Administrator deems necessary to carry out the purposes of this subchapter.

§ 252. Functions of the Center

The Center shall make an initial evaluation (and report the results of such evaluation to the Administrator and to the Congress within three months after the effective date of this subchapter) and thereafter make a periodic evaluation of—

(1) the effectiveness of the veterans outreach services program established by subchapter IV of this chapter, particularly as it applies to Vietnam era veterans; and

(2) make recommendations, based on its evaluations under subparagraph (A), to the Administrator and to the Congress for establishing new, and improving existing, methods and procedures to be implemented by the Veterans' Administration (whether through such subchapter IV or otherwise) to insure that all veterans are made aware of, and are assisted in applying for, all benefits and services under laws administered by the Veterans' Administration.

§ 253. Reports to the Congress and the Administrator

In addition to the initial report required under section 252 the Center shall make a report to the Congress and to the Administrator every six months on its activities under section 252.

* * * * *

CHAPTER 31—VOCATIONAL REHABILITATION

* * * * *

§ 1502. Basic entitlement

(a) Every veteran who is in need of vocational rehabilitation on account of a service-connected disability which is, or but for the receipt of retirement pay would be, compensable under chapter 11 of this title shall be furnished such vocational rehabilitation as may be prescribed by the Administrator, if such disability—

(1) arose out of service during World War II [or], the Korean conflict, or the Vietnam era; or

(2) arose out of service [after World War II, and before the Korean conflict, or after the Korean conflict,] (A) after World War II and before the Korean conflict, (B) after the Korean conflict but before August 5, 1964, or (C) after the Vietnam era, and is rated for compensation purposes as 30 per centum or more, or if less than 30 per centum, is clearly shown to have caused a pronounced employment handicap.

* * * * *

§ 1504. Subsistence allowances

(a) While pursuing a course of vocational rehabilitation training and for two months after his employability is determined, each veteran shall be paid a subsistence allowance as prescribed in this section.

(b) The subsistence allowance of a veteran-trainee is to be determined in accordance with the following table, and 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 training as specified in column I:

Column I	Column II	Column III	Column IV	Column V
Type of training	No dependents	One dependent	Two dependents	More than two dependents
				The amount in col. IV, plus the following for each dependent in excess of two:
Institutional:				
Full-time.....	\$170	\$211	\$248	\$18
Three-quarter-time.....	128	159	187	14
Half-time.....	85	106	124	9
Farm cooperative, apprentice, or other on-job training: Full-time.....	148	179	207	14

Column I	Column II	Column III	Column IV	Column V
Type of training	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:
Institutional:				
Full-time.....	\$193	\$240	\$282	\$20
Three-quarter-time.....	145	180	212	15
Half-time.....	97	120	141	10
Farm cooperative, apprentice, or other on-job training: Full-time.....	168	203	235	16.

CHAPTER 34—VETERANS' EDUCATIONAL ASSISTANCE

§ 1652. Definitions

For the purposes of this chapter—

(a) (1)

(3) For purposes of paragraph (1)(A) and section 1661(a), *except as provided therein*, the term "active duty" does not include any period during which an individual (A) was assigned full time by the Armed Forces to a civilian institution for a course of education which was

substantially the same as established courses offered to civilians, (B) served as a cadet or midshipman at one of the service academies, or (C) served under the provisions of section 511(d) of title 10 pursuant to an enlistment in the Army National Guard or the Air National Guard or as a Reserve for service in the Army Reserve, Naval Reserve, Air Force Reserve, Marine Corps Reserve, or Coast Guard Reserve.

Subchapter II—Eligibility and Entitlement

§ 1661. Eligibility; entitlement; duration

Entitlement

(a) Except as provided in subsection (c) and in the second sentence of this subsection, each eligible veteran shall be entitled to educational assistance under this chapter or chapter 36 for a period of one and one-half months (or the equivalent thereof in part-time educational assistance) for each month or fraction thereof of his service on active duty after January 31, 1955. If an eligible veteran has served a period of 18 months or more on active duty January 31, 1955, and has been released from such service under conditions that would satisfy his active duty obligation, he shall be entitled to educational assistance under this chapter for a period of 36 months (or the equivalent thereof in part-time educational assistance). *For purposes of this subsection, in determining the period to which any eligible veteran is entitled to educational assistance under this chapter, the initial period of active duty for training performed by him under section 511(d) of title 10 shall be deemed to be active duty if at any time subsequent to the completion of such period of active duty for training such veteran served on active duty for a consecutive period of one year or more.*

§ 1662. Time limitations for completing a program of education

Delimiting Period for Completion

(a) No educational assistance shall be afforded an eligible veteran under this chapter beyond the date [eight] ten years after his last discharge or release from active duty after January 31, 1955.

Correction of Discharge

(b) In the case of any eligible veteran who has been prevented, as determined by the Administrator, from completing a program of education under this chapter within the period prescribed by subsection (a), because he had not met the nature of discharge requirements of this chapter before a change, correction, or modification of a discharge or dismissal made pursuant to section 1553 of title 10, the correction of the military records of the proper service department under section 1552 of title 10, or other corrective action by competent authority, then the [8-year] 10-year delimiting period shall run from the date his discharge or dismissal was changed, corrected, or modified.

Savings Clause

(c) In the case of any eligible veteran who was discharged or released from active duty before the date for which an educational assistance allowance is first payable under this chapter, the [8-year] 10-year delimiting period shall run from such date, if it is later than the date which otherwise would be applicable. In the case of any eligible veteran who was discharged or released from active duty before the date of enactment of this sentence and who pursues a course of farm cooperative training, apprenticeship or other training on the job, or flight training within the provisions of section 1677 of this chapter, the [eight-year] ten-year delimiting period shall run from the date of enactment of this sentence, if it is later than the date which would otherwise be applicable.

(d) In the case of any veteran (1) who served on or after January 31, 1955, (2) who became eligible for educational assistance under the provisions of this chapter or chapter 36 of this title, and (3) who, subsequent to his last discharge or release from active duty, was captured and held as a prisoner of war by a foreign government or power, there shall be excluded, in computing his ten-year period of eligibility for educational assistance, any period during which he was so detained and any period immediately following his release from such detention during which he was hospitalized at a military, civilian, or Veterans' Administration medical facility.

* * * * *

§ 1673. Disapproval of enrollment in certain courses

(a) * * *

(d) The Administrator shall not approve the enrollment of any eligible veteran, not already enrolled, in any nonaccredited course below the college level offered by a proprietary profit or proprietary nonprofit educational institution for any period during which the Administrator finds that more than 85 per centum of the students enrolled in the course are having all or part of their tuition, fees, or other charges paid to or for them by the educational institution or the Veterans' Administration under this chapter or chapter 31 [34], 35, or 36 of this title.

* * * * *

§ 1677. Flight training

(a) * * *

(b) Each eligible veteran who is pursuing a program of education consisting exclusively of flight training approved as meeting the requirements of subsection (a) hereof, shall be paid an educational assistance allowance to be computed at the rate of 90 per centum of the established charges for tuition and fees which similarly circumstanced non-veterans enrolled in the same flight course are required to pay. Such allowance shall be paid monthly upon receipt of a certification as required by section 1681(c) of this title. In each such case the eligible veteran's period of entitlement shall be charged with one month for each [\$220] \$250 which is paid to the veteran as an educational assistance allowance for such course.

§ 1682. Computation of educational assistance allowances

(a)(1) Except as provided in subsection (b), or (c) of this section, or section 1677 or 1787 of this title, while pursuing a program of education under this chapter of half-time or more, each eligible veteran shall be paid the monthly educational assistance allowance set forth in column II, III, IV, or V (whichever is applicable as determined by the veteran's dependency status) opposite the applicable type of program as shown 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
				The amount in column IV, plus the following for each dependent in excess of two:
Institutional:				
Full-time.....	\$220	\$261	\$298	\$18
Three-quarter-time.....	165	196	224	14
Half-time.....	110	131	149	9
Cooperative.....	177	208	236	14

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:
Institutional:				
Full-time.....	\$250	\$297	\$339	\$20
Three-quarter-time.....	188	223	254	15
Half-time.....	125	149	170	10
Cooperative.....	201	236	268	16

(b) The educational assistance allowance of an individual pursuing a program of education—

- (1) while on active duty, or
- (2) on less than a half-time basis,

shall be computed at the rate of (A) the established charges for tuition and fees which the institution requires similarly circumstanced non-veterans enrolled in the same program to pay, or (B) [\$220] \$250 per month for a full-time course, whichever is the lesser.

(c)(1) * * *

(2) The monthly educational assistance allowance of an eligible veteran pursuing a farm cooperative program under this chapter shall

be paid as set forth in column II, III, IV, or V (whichever is applicable as determined by the veteran's dependency status) opposite the basis shown in column I:

Column I	Column II	Column III	Column IV	Column V
Basis	No dependents	One dependent	Two dependents	More than two dependents
Full-time.....	\$177	\$208	\$236	\$14
Three-quarter-time.....	133	156	177	11
Half-time.....	89	104	118	7

The account in column IV, plus the following for each dependent in excess of two:

Column I	Column II	Column III	Column IV	Column V
Basis	No dependents	One dependent	Two dependents	More than two dependents
Full-time.....	\$201	\$256	\$268	\$16
Three-quarter-time.....	151	177	201	12
Half-time.....	101	118	134	8

The amount in column IV, plus the following for each dependent in excess of two:

(d)(1) Notwithstanding the bar in section 1671 of this title prohibiting enrollment of an eligible veteran in a program of education in which he is "already qualified", a veteran shall be allowed up to six months of educational assistance (or the equivalent thereof in part-time assistance) for the pursuit of refresher training to permit him to update his knowledge and skills and to be instructed in the technological advances which have occurred in his field of employment during the period of his active military service.

(2) A program of education pursued under this subsection must be commenced within twelve months from the date of the veteran's discharge or release from active duty and must be pursued continuously (except for interruptions for reasons beyond the veteran's control).

(3) A veteran pursuing refresher training under this subsection shall be paid an educational assistance allowance based upon the rate payable as set forth in the table in subsection (a)(1) or in subsection (b)(2) of this section, whichever is applicable.

(4) The educational assistance allowance paid under the authority of this subsection shall be charged against the period of entitlement the veteran has earned pursuant to section 1661(a) of this title.

* * * * *

§ 1685. Veteran-student services

(a) Veteran-students utilized under the authority of subsection (b) of this section shall be paid an additional educational assistance allowance (hereafter referred to as "work-study allowance"). Such

work-study allowance shall be paid in advance in the amount of **[\$250] \$500** in return for such veteran-student's agreement to perform services, during or between periods of enrollment, aggregating **[one] two** hundred hours during a semester or other applicable enrollment period, required in connection with (1) the outreach services program under subchapter IV of chapter 3 of this title as carried out under the supervision of a Veterans' Administration employee, (2) the preparation and processing of necessary papers and other documents at educational institutions or regional offices or facilities of the Veterans' Administration, (3) the provision of hospital and domiciliary care and medical treatment under chapter 17 of this title, or (4) any other activity of the Veterans' Administration as the Administrator shall determine appropriate. Advances of lesser amounts may be made in return for agreements to perform services for periods of less than **[one] two** hundred hours, the amount of such advance to bear the same ratio to the number of hours of work agreed to be performed as **[\$250] \$500** bears to **[one] two** hundred hours.

(b) Notwithstanding any other provision of law, the Administrator shall utilize, in connection with the activities specified in subsection (a) of this section, the services of veteran-students who are pursuing full-time programs of education or training under chapters 31 and 34 of this title. In carrying out this section, the Administrator, wherever feasible, shall give priority to veterans with disabilities rated at 30 per centum or more for purposes of chapter 11 of this title.

(c) The Administrator shall determine the number of veterans whose services the Veterans' Administration can effectively utilize **[(not to exceed eight hundred man-years or their equivalent in man-hours during any fiscal year)]** and the types of services that such veterans may be required to perform, on the basis of a survey, which he shall conduct annually, of each Veterans' Administration regional office in order to determine the numbers of veteran-students whose services can effectively be utilized during an enrollment period in each geographical area where Veterans' Administration activities are conducted, and shall determine which veteran-students shall be offered agreements under this section in accordance with regulations which he shall prescribe, including as criteria (1) the need of the veteran to augment his educational assistance or subsistence allowance; (2) the availability to the veteran of transportation to the place where his services are to be performed; (3) the motivation of the veteran; and (4) in the case of a disabled veteran pursuing a course of vocational rehabilitation under chapter 31 of this title, the compatibility of the work assignment to the veteran's physical condition.

(d) While performing the services authorized by this section, veteran-students shall be deemed employees 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 Civil Service Commission.

§ 1696. Payment of educational assistance allowance

(a) * * *

(b) The educational assistance allowance of an eligible person pursuing education or training under this subchapter shall be computed at the rate of (1) the established charges for tuition and fees

which the educational institution requires similarly circumstanced nonveterans enrolled in the same or a similar program to pay, and the cost of books and supplies peculiar to the course which such educational institution requires similarly circumstanced nonveterans enrolled in the same or a similar program to have, or (2) **[\$220]** \$250 per month for a full-time course, whichever is the lesser. Where it is determined that there is no same program, the Administrator shall establish appropriate rates for tuition and fees designed to allow reimbursement for reasonable costs for the education or training institution.

* * * * *

**CHAPTER 35—WAR ORPHANS' AND WIDOWS'
EDUCATIONAL ASSISTANCE**

* * * * *

§ 1723. Disapproval of enrollment in certain courses

(a) * * *

(c) The Administrator shall not approve the enrollment of an eligible person in **[any course of institutional on-farm training,]** any course to be pursued by correspondence (except as provided in section 1786 of this title), open circuit television (except as herein provided), or a radio, or any course to be pursued at an educational institution not located in a State or in the Republic of the Philippines (except as herein provided). 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 the medium of open circuit televised instruction, if the major portion of the course requires conventional classroom or laboratory attendance. The Administrator may approve the enrollment at an educational institution which is not located in a State or in the Republic of the Philippines if such program is pursued at an approved educational institution of higher learning. The Administrator in his discretion may deny or discontinue the educational assistance under this chapter of any eligible person in a foreign educational institution if he finds that such enrollment is not in the best interest of the eligible person or the Government.

§ 1732. Computation of educational assistance allowance

(a)(1) The educational assistance allowance on behalf of an eligible person who is pursuing a program of education consisting of institutional courses shall be computed at the rate of (A) **[\$220]** \$250 per month if pursued on a full-time basis, (B) **[\$165]** \$188 per month if pursued on a three-quarter-time basis, and (C) **[\$110]** \$125 per month if pursued on a half-time basis.

(2) The educational assistance allowance on behalf of an eligible person pursuing a program of education on less than a half-time basis shall be computed at the rate of (A) the established charges for tuition and fees which the institution requires other individuals enrolled in the

same program to pay, or (B) **[\$220]** \$250 per month for a full-time course, whichever is the lesser.

(b) The educational assistance allowance to be paid on behalf of an eligible person who is pursuing a full-time program of education which consists of institutional courses and alternate phases of training in a business or industrial establishment with the training in the business or industrial establishment being strictly supplemental to the institutional portion, shall be computed at the rate of **[\$177]** \$201 per month.

(c)(1) *An eligible person who is enrolled in an educational institution for a "farm cooperative" program consisting of institutional agricultural courses prescheduled to fall within forty-four weeks of any period of twelve consecutive months and who pursues such program on—*

(A) *a full-time basis (a minimum of ten clock hours per week or four hundred and forty clock hours in such year prescheduled to provide not less than eighty clock hours in any three-month period),*

(B) *a three-quarter-time basis (a minimum of seven clock hours per week), or*

(C) *a half-time basis (a minimum of five clock hours per week), shall be eligible to receive an educational assistance allowance at the appropriate rate provided in paragraph (2) of this subsection, if such eligible person is concurrently engaged in agricultural employment which is relevant to such institutional agricultural courses as determined under standards prescribed by the Administrator. In computing the foregoing clock hour requirements there shall be included the time involved in field trips and individual and group instruction sponsored and conducted by the educational institution through a duly authorized instructor of such institution in which the person is enrolled.*

(2) *The monthly educational assistance allowance to be paid on behalf of an eligible person pursuing a farm cooperative program under this chapter shall be computed at a rate of (A) \$201 per month if pursued on a full-time basis, (B) \$151 per month if pursued on a three-quarter-time basis, and (C) \$101 per month if pursued on a half-time basis.*

[(c)] (d) If a program of education is pursued by an eligible person at an institution located in the Republic of the Philippines, the educational assistance allowance computed for such person under this section shall be paid at a rate in Philippine pesos equivalent to \$0.50 for each dollar.

* * * * *

§ 1742. Special training allowance

(a) While the eligible person is enrolled in and pursuing a full-time course of special restorative training, the parent or guardian shall be entitled to receive on his behalf a special training allowance computed at the basic rate of **[\$220]** \$250 per month. If the charges for tuition and fees applicable to any such course are more than **[\$69]** \$78 per calendar month, the basic monthly allowance may be increased by the amount that such charges exceed **[\$69]** \$78 a month **[,]** upon election by the **[parents]** parent or guardian of the eligible person to have such person's period of entitlement reduced by one day for each **[\$7.35]** \$8.35 that the special training allowance paid exceeds the basic monthly allowance.

* * * * *

CHAPTER 36—ADMINISTRATION OF EDUCATIONAL BENEFITS

§ 1784. Reports by institutions; reporting fee

(a) * * *

(b) The Administrator may pay to any educational institution, or to any joint apprenticeship training committee acting as a training establishment, furnishing education or training under either chapter 34, 35, or 36 of this title, a reporting fee which will be in lieu of any other compensation or reimbursement for reports or certifications which such educational institution or joint apprenticeship training committee is required to report to him by law or regulation. Such is required to report to him by law or regulation. Such reporting fee shall be computed for each calendar year by multiplying \$3 by the number of eligible veterans [or eligible persons] or eligible persons enrolled under [chapters] chapter 34, 35, [and] or 36 of this title, or \$4 in the case of those eligible veterans and eligible persons whose educational assistance checks are directed in care of each institution for temporary custody and delivery and are delivered at the time of registration as provided under section 1780(d)(5) of this title, on October 31 of that year; except that the Administrator may, where it is established by [the] such educational institution or joint apprenticeship training committee that eligible veteran plus eligible person enrollment on such date varies more than 15 per centum from the peak eligible veteran plus eligible person enrollment in such educational institution or joint apprenticeship training committee during such calendar year, establish such other date as representative of the peak enrollment as may be justified for [that] such educational institution or joint apprenticeship training committee. The reporting fee shall be paid to [the] such educational institution or joint apprenticeship training committee as soon as feasible after the end of the calendar year for which it is applicable.

§ 1786. Correspondence courses

(a)(1) * * *

(2) The period of entitlement of any veteran or wife or widow who is pursuing any program of education exclusively by correspondence shall be charged with one month for each [\$220] \$250 which is paid to the veteran or wife or widow as an educational assistance allowance for such course.

§ 1787. Apprenticeship or other on-job training

(a) * * *

(b)(1) The monthly training assistance allowance of an eligible veteran pursuing a program described under subsection (a) shall be as follows:

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.....	\$160	\$179	\$196	The amount in col. IV, plus the following for each dependent in excess of two: \$8
Second 6 months.....	120	139	156	8
Third 6 months.....	80	99	116	8
Fourth and any succeeding 6-month periods..	40	59	76	8

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.....	\$188	\$205	\$223	The amount in column IV, plus the following for each dependent in excess of two: \$9
Second 6 months.....	136	153	177	9
Third 6 months.....	91	112	132	9
Fourth and any succeeding 6-month periods.....	45	67	86	9

(2) The monthly training assistance allowance of an eligible person pursuing a program described under subsection (a) shall be (A) [\$160] \$182 during the first six-month period, (B) [\$120] \$136 during the second six-month period, (C) [\$80] \$91 during the third six-month period, and (D) \$40 [\$45] during the fourth and any succeeding six-month period.

§ 1788. Measurement of courses

(a) For the purposes of this chapter and chapters 34 and 35 of this title—

(1) an institutional trade or technical course offered on a clock-hour basis below the college level involving shop practice as an integral part thereof, shall be considered a full-time course when a minimum of thirty hours per week of attendance is required with no more than two and one-half hours of rest periods per week allowed;

(2) an institutional course offered on a clock-hour basis below the college level in which theoretical or classroom instruction predominates shall be considered a full-time course when a minimum of twenty-five hours per week net of instruction (which may include customary intervals not to exceed ten minutes between hours of instruction) is required;

(3) an academic high school course requiring sixteen units for a full course shall be considered a full-time course when (A)

a minimum of four units per year is required or (B) an individual is pursuing a program of education leading to an accredited high school diploma at a rate which, if continued, would result in receipt of such a diploma in four ordinary school years. For the purpose of subclause (A) of this clause, a unit is defined to be not less than one hundred and twenty sixty-minute hours or their equivalent of study in any subject in one academic year;

(4) an institutional undergraduate course offered by a college or university on a quarter- or semester-hour basis shall be considered a full-time course when a minimum of fourteen semester hours or the equivalent thereof (including such hours for which no credit is granted but which are required to be taken to correct an educational deficiency and which the educational institution considers to be quarter or semester hours for other administrative purposes), for which credit is granted toward a standard college degree, is required, except that where such college or university certifies, upon the request of the Administrator, that (A) full-time tuition is charged to all undergraduate students carrying a minimum of less than fourteen such semester hours or the equivalent thereof, or (B) all undergraduate students carrying a minimum of less than fourteen such semester hours or the equivalent thereof, are considered to be pursuing a full-time course for other administrative purposes, then such an institutional undergraduate course offered by such college or university with such minimum number of such semester hours shall be considered a full-time course, but in the event such minimum number of semester hours is less than twelve semester hours or the equivalent thereof, then twelve semester hours or the equivalent thereof shall be considered a full-time course;

(5) a program of apprenticeship or a program of other on-job training shall be considered a full-time program when the eligible veteran or person is required to work the number of hours constituting the standard workweek of the training establishment, but a workweek of less than thirty hours shall not be considered to constitute full-time training unless a lesser number of hours has been established as the standard workweek for the particular establishment through bona fide collective bargaining; and

(6) an institutional course offered as part of a program of education below the college level under section 1691(a)(2) or 1696(a)(2) of this title shall be considered a full-time course on the basis of measurement criteria provided in clause (2), (3), or (4) as determined by the educational institution.

Notwithstanding the provisions of clause (1) or (2) of this subsection, an educational institution offering courses on a clock-hour basis below the college level may measure such courses on a quarter or semester-hour basis (with full-time measured on the same basis as provided by clause (4) of this subsection), provided that (A) the academic portions of such courses require outside preparation and are measured on not less than one quarter or one semester hour for each fifty minutes net of instruction per week per quarter or semester; (B) the laboratory portions of such courses are measured on not less than one quarter or one semester hour for each two hours of attendance per week per quarter or semester; and (C) the shop portions of such courses are measured on not less than one quarter or one

semester hour for each three hours of attendance per week per quarter or semester: Provided, That in no event shall such course be considered a full-time course when less than twenty-five hours per week of attendance is required.

* * * * *

VIETNAM ERA VETERANS' READJUSTMENT
ASSISTANCE ACT OF 1974

—————
AUGUST 19, 1974.—Ordered to be printed
—————

Mr. DORN, from the committee of conference,
submitted the following

CONFERENCE REPORT

[To accompany H.R. 12628]

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 12628) to amend title 38, United States Code, to increase the rates of vocational rehabilitation, educational assistance, and special training allowances paid to eligible veterans and other persons; to make improvements in the educational assistance programs; and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate to the text of the bill, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment to the text of the bill, insert the following:

That this Act may be cited as the "Vietnam Era Veterans' Readjustment Assistance Act of 1974".

TITLE I—VOCATIONAL REHABILITATION AND EDUCATIONAL AND TRAINING ASSISTANCE ALLOWANCE RATE ADJUSTMENTS

SEC. 101. Chapter 31 of title 38, United States Code, is amended as follows:

(1) by inserting in section 1501(2) a comma and "all appropriate individualized tutorial assistance," after "counseling";

(2) by striking out in section 1502(a) all after "if such disability" and inserting in lieu thereof "arose out of service during World War II or thereafter."; and

(3) by amending the table contained in section 1504(b) to read as follows:

"Column I Type of training	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:
<i>Institutional:</i>				
Full-time.....	\$209	\$259	\$304	\$22
Three-quarter-time.....	157	194	229	17
Half-time.....	105	130	152	11
<i>Farm cooperative, apprentice, or other on-the-job training:</i>				
Full-time.....	182	220	254	17".

SEC. 102. Chapter 34 of title 38, United States Code, is amended as follows:

(1) by striking out in the last sentence of section 1677(b) "\$220" and inserting in lieu thereof "\$270";

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

"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:
<i>Institutional:</i>				
Full-time.....	\$270	\$321	\$366	\$22
Three-quarter-time.....	205	240	275	17
Half-time.....	135	160	182	11
Cooperative.....	217	255	289	17";

(3) by striking out in section 1682(b) "\$220" and inserting in lieu thereof "\$270";

(4) by amending the table contained in section 1682(c)(2) 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.....	\$217	\$255	\$289	\$17
Three-quarter-time.....	163	191	218	13
Half-time.....	109	128	145	9";

and

(5) by striking out in section 1696(b) "\$220" and inserting in lieu thereof "\$270".

SEC. 103. Chapter 35 of title 38, United States Code, is amended as follows:

(1) by amending section 1732(a)(1) to read as follows:

"(a)(1) The educational assistance allowance on behalf of an eligible person who is pursuing a program of education consisting of institutional courses shall be computed at the rate prescribed in section 1682(a)(1) of this title for full-time, three-quarter-time, or half-time pursuit, as appropriate, of an institutional program by an eligible veteran with no dependents.";

(2) by striking out in section 1732(a)(2) all after and including "of (A)" and inserting in lieu thereof "prescribed in section 1682(b)(2) of this title for less-than-half-time pursuit of an institutional program by an eligible veteran.";

(3) by striking out in section 1732(b) "\$177" and inserting in lieu thereof "\$217"; and

(4) by amending section 1742(a) to read as follows:

"(a) While the eligible person is enrolled in and pursuing a full-time course of special restorative training, the parent or guardian shall be entitled to receive on behalf of such person a special training allowance computed at the basic rate of \$270 per month. If the charges for tuition and fees applicable to any such course are more than \$85 per calendar month, the basic monthly allowance may be increased by the amount that such charges exceed \$85 a month, upon election by the parent or guardian of the eligible person to have such person's period of entitlement reduced by one day for each \$9.02 that the special training allowance paid exceeds the basic monthly allowance."

SEC. 104. Chapter 36 of title 38, United States Code, is amended as follows:

(1) by striking out in section 1786(a)(2) "\$220" and inserting in lieu thereof "\$270";

(2) by amending the table contained in paragraph (1) of section 1787 (b) to read as follows:

"Column I Periods of training	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:
First 6 months.....	\$196	\$220	\$240	\$10
Second 6 months.....	147	171	191	10
Third 6 months.....	98	122	142	10
Fourth and any succeeding 6-month periods.....	49	73	93	10";

and

(3) by amending section 1787(b)(2) to read as follows:

"(2) The monthly training assistance allowance of an eligible person pursuing a program described under subsection (a) shall be computed at the rate prescribed in paragraph (1) of this subsection for an eligible veteran with no dependents pursuing such a course."

SEC. 105. (a) The Administrator shall carry out directly a thorough study and investigation of the administrative difficulties and opportunities or abuse that would be occasioned by enactment of some form of variable tuition assistance allowance program, with reference to such difficulties

and abuses experienced by the Veterans' Administration after the end of World War II in carrying out the provisions of Veterans' Regulation Numbered 1(a), relating to the payment of tuition and related expenses for veterans of World War II pursuing a program of education or training under the Servicemen's Readjustment Act of 1944, and to any such difficulties and abuses presently being experienced by the Veterans' Administration in carrying out existing tuition assistance programs under title 38, United States Code, including chapter 31 vocational rehabilitation, correspondence courses, flight training and PREP, and of ways in which any such difficulties and abuses could be avoided or minimized through legislative or administrative action so as to ensure an expeditious, orderly, and effective implementation of any tuition assistance allowance program.

(b) In carrying out the study and investigation required by subsection (a), the Administrator shall consult with and solicit the views and suggestions of interested veterans' organizations, educational groups and associations, persons receiving assistance under chapters 31, 34, 35 and 36 of title 38, United States Code, other Federal departments and agencies, and other interested parties.

(c) The Administrator shall report to the Congress and the President not later than one year after the date of enactment of this Act on the results of the study and investigation carried out under this section, including any recommendations for legislative or administrative action.

TITLE II—EDUCATIONAL ASSISTANCE PROGRAM ADJUSTMENTS

SEC. 201. Section 1652(a)(3) of title 38, United States Code, is amended by striking out the period at the end of such section and inserting in lieu thereof "unless at some time subsequent to the completion of such period of active duty for training such individual served on active duty for a consecutive period of one year or more (not including any service as a cadet or midshipman at one of the service academies)."

SEC. 202. Section 1661 of title 38, United States Code, is amended by—

(1) striking out in subsection (a) "36 months" and inserting in lieu thereof "45 months"; and

(2) striking out in subsection (c) "thirty-six" and inserting in lieu thereof "45".

SEC. 203. Section 1673 of title 38, United States Code, is amended as follows:

(1) by amending subsection (a)(2) to read as follows:

"(2) any sales or sales management course which does not provide specialized training within a specific vocational field, or in any other course with a vocational objective, unless the eligible veteran or the institution offering such course submits justification showing that at least one-half of the persons who completed such course over the preceding two-year period, and who are not unavailable for employment, have been employed in the occupational category for which the course was designed to provide training (but in computing the number of persons who completed such course over any such two-year period, there shall not be included the number of persons who completed such course with assistance under this title while serving on active duty); or";

(2) by inserting in subsection (a)(3) "(or the advertising for which he finds contains significant avocational or recreational themes)" after "character"; and

(3) by amending subsection (d) to read as follows:

"(d) The Administrator shall not approve the enrollment of any eligible veteran, not already enrolled, in any course (other than one offered pursuant to subchapter V or subchapter VI of this chapter) which does not lead to a standard college degree and which is offered by a proprietary profit or proprietary nonprofit educational institution for any period during which the Administrator finds that more than 85 per centum of the students enrolled in the course are having all or part of their tuition, fees, or other charges paid to or for them by the educational institution or the Veterans' Administration under this title."

SEC. 204. Section 1682 of title 38, United States Code, is amended by adding at the end thereof the following new subsection:

"(d)(1) Notwithstanding the prohibition in section 1671 of this title prohibiting enrollment of an eligible veteran in a program of education in which such veteran has 'already qualified,' a veteran shall be allowed up to six months of educational assistance (or the equivalent thereof in part-time assistance) for the pursuit of refresher training to permit such veteran to update such veteran's knowledge and skills and to be instructed in the technological advances which have occurred in such veteran's field of employment during and since the period of such veteran's active military service.

"(2) A veteran pursuing refresher training under this subsection shall be paid an educational assistance allowance based upon the rate prescribed in the table in subsection (a)(1) or in subsection (c)(2) of this section, whichever is applicable.

"(3) The educational assistance allowance paid under the authority of this subsection shall be charged against the period of entitlement the veteran has earned pursuant to section 1661(a) of this title."

SEC. 205. Section 1685 of title 38, United States Code, is amended as follows:

(1) by striking out in subsection (a) all of that portion of the second sentence preceding "during a semester" and inserting in lieu thereof "Such work-study allowance shall be paid in the amount of \$625 in return for such veteran-student's agreement to perform services, during or between periods of enrollment, aggregating two hundred and fifty hours";

(2) by striking out the last sentence of subsection (a) and inserting in lieu thereof the following: "An agreement may be entered into for the performance of services for periods of less than two hundred and fifty hours, in which case the amount of the work-study allowance to be paid shall bear the same ratio to the number of hours of work agreed to be performed as \$625 bears to two hundred and fifty hours. In the case of any agreement providing for the performance of services for one hundred hours or more, the veteran student shall be paid \$250 in advance, and in the case of any agreement for the performance of services for less than one hundred hours, the amount of the advance payment shall bear the same ratio to the number of hours of work agreed to be performed as \$625 bears to two hundred and fifty hours."; and

(3) by striking out in subsection (c) "(not to exceed eight hundred man-years or their equivalent in man-hours during any fiscal year)".

SEC. 206. Section 1692(b) of title 38, United States Code, is amended as follows:

(1) by striking out "\$50" and inserting in lieu thereof "\$60";

(2) by striking out "nine months" and inserting in lieu thereof "twelve months"; and

(3) by striking out "\$450" and inserting in lieu thereof "\$720".

SEC. 207. Section 1723 of title 38, United States Code, is amended as follows:

(1) by amending subsection (a)(2) to read as follows:

"(2) any sales or sales management course which does not provide specialized training within a specific vocational field, or in any other course with a vocational objective, unless the eligible person or the institution offering such course submits justification showing that at least one-half of the persons who completed such course over the preceding two-year period, and who are not unavailable for employment, have been employed in the occupational category for which the course was designed to provide training (but in computing the number of persons who completed such course over any such two-year period, there shall not be included the number of persons who completed such course with assistance under this title while serving on active duty); or";

(2) by inserting in subsection (a)(3) "(or the advertising for which he finds contains significant avocational or recreational themes)" after "character";

(3) by striking out in subsection (c) "any course of institutional on-farm training"; and

(4) by striking out in subsection (d) "to be pursued below the college level" and inserting in lieu thereof "not leading to a standard college degree".

SEC. 208. Section 1732 of title 38, United States Code, is amended by redesignating subsection (c) as subsection (d) and by inserting after subsection (b) the following new subsection:

"(c) (1) An eligible person who is enrolled in an educational institution for a 'farm cooperative' program consisting of institutional agricultural courses prescheduled to fall within forty-four weeks of any period of twelve consecutive months and who pursues such program on—

"(A) a full-time basis (a minimum of ten clock hours per week or four hundred and forty clock hours in such year prescheduled to provide not less than eighty clock hours in any three-month period),

"(B) a three-quarter-time basis (a minimum of seven clock hours per week), or

"(C) a half-time basis (a minimum of five clock hours per week), shall be eligible to receive an educational assistance allowance at the appropriate rate provided in paragraph (2) of this subsection, if such eligible person is concurrently engaged in agricultural employment which is relevant to such institutional agricultural courses as determined under standards prescribed by the Administrator. In computing the foregoing clock hour requirements there shall be included the time involved in field trips and individual and group instruction sponsored and conducted by

the educational institution through a duly authorized instructor of such institution in which the person is enrolled.

"(2) The monthly educational assistance allowance to be paid on behalf of an eligible person pursuing a farm cooperative program under this chapter shall be computed at the rate prescribed in section 1682(c)(2) of this title for full-time, three-quarter-time, or half-time pursuit, as appropriate, of a farm cooperative program by an eligible veteran with no dependents."

SEC. 209. Section 1780(a)(2) is amended by inserting "(or customary vacation periods connected therewith)" after "holidays".

SEC. 210. Chapter 36 of title 38, United States Code, is amended as follows:

(1) by amending section 1774(b) 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-----	\$550.
Over \$5,000 but not exceeding \$10,000--	\$1,000.
Over \$10,000 but not exceeding \$35,000--	\$1,000 for the first \$10,000 plus \$925 for each additional \$5,000 or fraction thereof.
Over \$35,000 but not exceeding \$40,000--	\$6,050.
Over \$40,000 but not exceeding \$75,000--	\$6,050 for the first \$40,000 plus \$800 for each additional \$5,000 or fraction thereof.
Over \$75,000 but not exceeding \$80,000--	\$12,000.
Over \$80,000-----	\$12,000 for the first \$80,000 plus \$700 for each additional \$5,000 or fraction thereof."

and

(2) by amending section 1784(b) to read as follows:

"(b) The Administrator may pay to any educational institution, or to any joint apprenticeship training committee acting as a training establishment, furnishing education or training under either this chapter or chapter 34 or 35 of this title, a reporting fee which will be in lieu of any other compensation or reimbursement for reports or certifications which such educational institution or joint apprenticeship training committee is required to submit to him by law or regulation. Such reporting fee shall be computed for each calendar year by multiplying \$3 by the number of eligible veterans or eligible persons enrolled under this chapter or chapter 34 or 35 of this title, or \$4 in the case of those eligible veterans and eligible persons whose educational assistance checks are directed in care of each institution for temporary custody and delivery and are delivered at the time of registration as provided under section 1780(d)(5) of this title, on October 31 of that year; except that the Administrator may, where it is established by such educational institution or joint apprenticeship training committee that eligible veteran plus eligible person enrollment on such date varies more than 15 per centum from the peak eligible veteran enrollment plus eligible person enrollment in such educational institution or joint apprenticeship training committee during such calendar year, establish such other date as representative of the peak enrollment as may be justified for such educational institution or joint apprenticeship training committee. The reporting fee shall be paid to such educational institution or joint apprenticeship training committee as soon as feasible after the end of the calendar year for which it is applicable."

SEC. 211. Section 1788(a) of title 38, United States Code, is amended as follows:

(1) by striking out in clause (1) "below the college level" and inserting in lieu thereof a comma and "not leading to a standard college degree,";

(2) by striking out in clause (2) "below the college level" and inserting in lieu thereof a comma and "not leading to a standard college degree,";

(3) by striking out in clause (6) "below the college level" and inserting in lieu thereof "not leading to a standard college degree"; and

(4) by adding at the end of such subsection the following:

"Notwithstanding the provisions of clause (1) or (2) of this subsection, an educational institution offering courses not leading to a standard college degree may measure such courses on a quarter- or semester-hour basis (with full time measured on the same basis as provided by clause (4) of this subsection); but (A) the academic portions of such courses must require outside preparation and be measured on not less than one quarter or one semester hour for each fifty minutes net of instruction per week or quarter or semester; (B) the laboratory portions of such courses must be measured on not less than one quarter or one semester hour for each two hours of attendance per week per quarter or semester; and (C) the shop portions of such courses must be measured on not less than one quarter or one semester hour for each three hours of attendance per week per quarter or semester. In no event shall such course be considered a full-time course when less than twenty-two hours per week of attendance is required."

SEC. 212: (a) Chapter 36 of title 38, United States Code, is amended by inserting at the end thereof the following new section:

"§ 1796. Limitation on certain advertising, sales, and enrollment practices

"(a) The Administrator shall not approve the enrollment of an eligible veteran or eligible person in any course offered by an institution which utilizes advertising, sales, or enrollment practices of any type which are erroneous, deceptive, or misleading either by actual statement, omission, or intimation.

"(b) The Administrator shall, pursuant to section 1794 of this title, enter into an agreement with the Federal Trade Commission to utilize, where appropriate, its services and facilities, consistent with its available resources, in carrying out investigations and making his determinations under subsection (a) of this section. Such agreement shall provide that cases arising under subsection (a) of this section or any similar matters with respect to any of the requirements of this chapter or chapters 34 and 35 of this title shall be referred to the Federal Trade Commission which in its discretion will conduct an investigation and make preliminary findings. The findings and results of any such investigations shall be referred to the Administrator who shall take appropriate action in such cases within ninety days after such referral.

"(c) Not later than sixty days after the end of each fiscal year, the Administrator shall report to Congress on the nature and disposition of all cases arising under this section."

(b) The table of sections at the beginning of chapter 36 of such title is amended by inserting

"1796. Limitation on certain advertising, sales, and enrollment practices."

below

"1795. Limitation on period of assistance under two or more programs."

SEC. 213. (a) Subchapter II of chapter 3 of title 38, United States Code, is amended by adding at the end thereof the following new sections:

"§ 219. Evaluation and data collection

"(a) The Administrator, pursuant to general standards which he shall prescribe in regulations, shall measure and evaluate on a continuing basis the impact of all programs authorized under this title, in order to determine their effectiveness in achieving stated goals in general, and in achieving such goals in relation to their cost, their impact on related programs, and their structure and mechanisms for delivery of services. Such information as the Administrator may deem necessary for purposes of such evaluations shall be made available to him, upon request, by all departments, agencies, and instrumentalities of the executive branch.

"(b) In carrying out this section, the Administrator shall collect, collate, and analyze on a continuing basis full statistical data regarding participation (including the duration thereof), provision of services, categories of beneficiaries, planning and construction of facilities, acquisition of real property, proposed excessing of land, accretion and attrition of personnel, and categorized expenditures attributable thereto, under all programs carried out under this title.

"(c) The Administrator shall make available to the public and on a regular basis provide to the appropriate committees of the Congress copies of all completed evaluative research studies and summaries of evaluations of program impact and effectiveness carried out, and tabulations and analyses of all data collected, under this section.

"§ 220. Coordination of other Federal programs affecting veterans and their dependents

"The Administrator shall seek to achieve the maximum feasible effectiveness, coordination, and interrelationship of services among all programs and activities affecting veterans and their dependents carried out by and under all other departments, agencies, and instrumentalities of the executive branch and shall seek to achieve the maximum feasible coordination of such programs with programs carried out under this title."

(b) The table of sections at the beginning of chapter 3 of such title is amended by adding

"219. Evaluation and data collection.

"220. Coordination of other Federal programs affecting veterans and their dependents."

below

"218. Standards of conduct and arrests for crimes at hospitals, domiciliaries, cemeteries, and other Veterans' Administration reservations."

SEC. 214. Subchapter IV of chapter 3 of title 38, United States Code, is amended as follows:

(1) by inserting in section 241 "in carrying out the purposes of this subchapter (including the provision, to the maximum feasible

extent, of such services, in areas where a significant number of eligible veterans and eligible dependents speak a language other than English as their principal language, in the principal language of such persons)" after "outreach services";

(2) by inserting in clause (2) "to eligible veterans and eligible dependents" after "information" the first time it appears;

(3) by striking out in section 242(b) "may implement such special telephone service" and inserting in lieu thereof "shall establish and carry out all possible programs and services, including special telephone facilities,";

(4) redesignating sections 243 and 244 as 244 and 245, respectively, and adding the following new section after section 242:

"§ 243. Veterans' representatives

"(a)(1) Except as otherwise provided in paragraph (4) of this subsection, the Administrator shall assign, with appropriate clerical/secretarial support, to each educational institution (as defined in section 1652(c) except for correspondence schools) where at least five hundred persons are enrolled under chapters 31, 34, 35, and 36 of this title such number of full-time veterans' representatives as will provide at least one such veterans' representative per each five hundred such persons so enrolled at each such institution; and the Administrator shall also assign to other such veterans' representatives responsibility for carrying out the functions set forth in paragraph (3) of this subsection with respect to groups of institutions with less than five hundred such persons so enrolled, on the basis of such proportion of such veterans' representatives' time to such persons so enrolled as he deems appropriate to be adequate to perform such functions at such institutions.

"(2) In selecting and appointing veterans' representatives under this subsection, preference shall be given to veterans of the Vietnam era with experience in veterans affairs' counseling, outreach, and other related veterans' services.

"(3) The functions of such veterans' representatives shall be to—

"(A) answer all inquiries related to Veterans' Administration educational assistance and other benefits, and take all necessary action to resolve such inquiries expeditiously, especially those relating to payments of educational assistance benefits;

"(B) assure correctness and proper handling of applications, completion of certifications of attendance, and submission of all necessary information (including changes in status or program affecting payments) in support of benefit claims submitted;

"(C) maintain active liaison, communication, and cooperation with the officials of the educational institution to which assigned, in order to alert veterans to changes in law and Veterans' Administration policies or procedures;

"(D) supervise and expeditiously resolve all difficulties relating to the delivery of advance educational assistance payments authorized under this title;

"(E) coordinate Veterans' Administration matters with, and provide appropriate briefings to, all on-campus veterans' groups, working particularly closely with veterans' coordinators at educational institutions receiving veterans' cost-of-instruction payments under section

420 of the Higher Education Act of 1965, as amended (hereinafter referred to as 'V.C.I. institutions');

"(F) provide necessary guidance and support to veteran-student services personnel assigned to the campus under section 1685 of this title;

"(G) where such functions are not being adequately carried out by existing programs at such institutions (i) provide appropriate motivational and other counseling to veterans (informing them of all available benefits and services, as provided for under section 241 of this title) and (ii) carry out outreach activities under this subchapter; and

"(H) carry out such other activities as may be assigned by the director of the Veterans' Administration regional office, established under section 230 of this title.

"(4) Based on the extent to which the functions set forth in paragraph (3) of this subsection are being adequately carried out at a particular educational institution or in consideration of other factors indicating the inappropriateness of assignment of veterans' representatives to a particular educational institution, the director of the appropriate Veterans' Administration regional office shall, notwithstanding the formula set forth in paragraph (1) of this subsection, either reallocate such veterans' representatives to other educational institutions in such region where he determines that such additional veterans' representatives are necessary, or, with the approval of the chief benefits officer of the Veterans' Administration, assign such veterans' representatives to carry out such functions or related activities at the regional office in question, with special responsibility for one or more than one particular educational institution.

"(5) The functions of a veterans' representative assigned under this subsection shall be carried out in such a way as to complement and not interfere with the statutory responsibilities and duties of persons carrying out veterans affairs' functions at V.C.I. institutions.

"(b) The Administrator shall establish rules and procedures to guide veterans' representatives in carrying out their functions under this section. Such rules and procedures shall contain provisions directed especially to assuring that the activities of veterans' representatives carried out under this section complement, and do not interfere with, the established responsibilities of representatives recognized by the Administrator under section 3402 of this title."; and

(5) amending section 244 (as redesignated by clause (4) of this subsection) of such title by—

(A) striking out "may" and inserting in lieu thereof "shall"; and

(B) inserting "and provide for" after "conduct" in paragraph

(5).

(b) The table of sections at the beginning of such chapter is amended by striking out

"243. Utilization of other agencies.

"244. Report to Congress."

and inserting in lieu thereof

"243. Veterans' representatives.

"244. Utilization of other agencies.

"245. Report to Congress."

**TITLE III—VETERANS AND DEPENDENTS EDUCATION
LOAN PROGRAM**

SEC. 301. (a) Chapter 36 of title 38, United States Code, is amended by adding at the end thereof the following new subchapter:

“Subchapter III—Education Loans to Eligible Veterans and Eligible Persons

“§ 1798. Eligibility for loans; amount and conditions of loans; interest rate on loans

“(a) Each eligible veteran and eligible person shall be entitled to a loan under this subchapter in an amount determined under, and subject to the conditions specified in, subsection (b)(1) of this section if the veteran or person satisfies the requirements set forth in subsection (c) of this section.

“(b)(1) Subject to paragraph (3) of this subsection, the amount of the loan to which an eligible veteran or eligible person shall be entitled under this subchapter for any academic year shall be equal to the amount needed by such veteran or person to pursue a program of education at the institution at which he is enrolled, as determined under paragraph (2) of this subsection.

“(2)(A) The amount needed by a veteran or person to pursue a program of education at an institution for any academic year shall be determined by subtracting (i) the total amount of financial resources (as defined in subparagraph (B) of this paragraph) available to the veteran or person which may be reasonably expected to be expended by such veteran or person for educational purposes in any year from (ii) the actual cost of attendance (as defined in subparagraph (C) of this paragraph) at the institution in which such veteran or person is enrolled.

“(B) The term ‘total amount of financial resources’ of any veteran or person for any year means the total of the following:

“(i) The annual adjusted effective income of the veteran or person less Federal income tax paid or payable by such veteran or person with respect to such income.

“(ii) The amount of cash assets of the veteran or person.

“(iii) The amount of financial assistance received by the veteran or person under the provisions of title IV of the Higher Education Act of 1965, as amended.

“(iv) Educational assistance received by the veteran or person under this title other than under this subchapter.

“(v) Financial assistance received by the veteran or person under any scholarship or grant program other than those specified in clauses (iii) and (iv).

“(C) The term ‘actual cost of attendance’ means, subject to such regulations as the Administrator may provide, the actual per-student charges for tuition, fees, room and board (or expenses related to reasonable commuting), books, and an allowance for such other expenses as the Administrator determines by regulation to be reasonably related to attendance at the institution at which the veteran or person is enrolled.

“(3) The aggregate of the amounts any veteran or person may borrow under this subchapter may not exceed \$270 multiplied by the number of months such veteran or person is entitled to receive educational assistance under section 1661 or subchapter II of chapter 35, respectively, of this title, but not in excess of \$1,000 in any one regular academic year.

“(c) An eligible veteran or person shall be entitled to a loan under this subchapter if such veteran or person—

“(1) is in attendance at an educational institution on at least a half-time basis and (A) is enrolled in a course leading to a standard college degree, or (B) is enrolled in a course, the completion of which requires six months or longer, leading to an identified and pre-determined professional or vocational objective;

“(2) has sought and is unable to obtain a loan, in the full amount needed by such veteran or person, as determined under subsection (b) of this section, under a student loan program insured pursuant to the provisions of part B of title IV of the Higher Education Act of 1965, as amended, or any successor authority; and

“(3) enters into an agreement with the Administrator meeting the requirements of subsection (d) of this section.

No loan shall be made under this subchapter to an eligible veteran or person pursuing a program of correspondence, flight, apprentice or other on-job, or PREP training.

“(d) Any agreement between the Administrator and a veteran or person under this subchapter—

“(1) shall include a note or other written obligation which provides for repayment to the Administrator of the principal amount of, and payment of interest on, the loan in installments over a period beginning nine months after the date on which the borrower ceases to be at least a half-time student and ending ten years and nine months after such date;

“(2) shall include provision for acceleration of repayment of all or any part of the loan, without penalty, at the option of the borrower;

“(3) shall provide that the loan shall bear interest, on the unpaid balance of the loan, at a rate prescribed by the Administrator, with the concurrence of the Secretary of the Treasury, but at a rate not less than the rate paid by such Secretary on Treasury notes and obligations being purchased by the Fund at the time the loan agreement is made, except that no interest shall accrue prior to the beginning date of repayment; and

“(4) shall provide that the loan shall be made without security and without endorsement.

“(e)(1) Except as provided in paragraph (2) of this subsection, whenever the Administrator determines that a default has occurred on any loan made under this subchapter, he shall declare an overpayment, and such overpayment shall be recovered from the veteran or person concerned in the same manner as any other debt due the United States.

“(2) If a veteran or person who has received a loan under this section dies or becomes permanently and totally disabled, then the Administrator shall discharge the veteran's or person's liability on such loan by repaying the amount owed on such loan.

“(3) The Administrator shall submit to the Committees on Veterans' Affairs of the Senate and the House of Representatives, not later than one year after the date of enactment of the Vietnam Era Veterans' Readjustment Assistance Act of 1974 and annually thereafter, a separate report specifying the default experience and default rate at each educational institution along with a comparison of the collective default experience and default rate at all such institutions.

“ §1799. Sources of funds; insurance

“(a) Loans made by the Administrator under this subchapter shall be made from funds available under subsection (b) of this section for such purpose, and repayment shall be guaranteed as provided in subsection (c) of this section.

“(b)(1) Any funds in the National Service Life Insurance Fund continued under section 720 (in this subchapter referred to as the ‘Fund’) shall be available to the Administrator for making loans under section 1798 of this title. The Administrator shall set aside out of the Fund such amounts, not in excess of limitations in appropriations Acts, as may be necessary to enable him to make all the loans to which veterans or persons are entitled under section 1798 of this title.

“(2) Any funds set aside under paragraph (1) of this subsection shall be considered as investments of the Fund and while so set aside shall bear interest at a rate determined by the Secretary of the Treasury, but at a rate not less than the rate paid by such Secretary on other Treasury notes and obligations being purchased by the Fund at the time such funds are set aside.

“(c) The Administrator shall guarantee repayment to the Fund of any amounts set aside under subsection (b) of this section for loans under section 1798 of this title and of any interest accrued thereon. In order to discharge his responsibility under any such guarantee, he is authorized to issue to the Secretary of the Treasury notes or other obligations in such forms and denominations, bearing such maturities, and subject to such terms and conditions as may be prescribed by the Secretary of the Treasury. Such notes or other obligations shall bear interest at a rate determined by the Secretary of the Treasury, but at a rate not less than the rate paid by such Secretary on other Treasury notes and obligations being purchased by the Fund at the time the loan agreement is made. The Secretary of the Treasury is authorized and directed to purchase such notes and other obligations.

“(d) There are authorized to be appropriated to the Administrator such sums as may be necessary to enable him to repay to the Fund any amounts set aside under subsection (b) of this section together with any interest accrued thereon. Any funds paid to the Administrator pursuant to an agreement made under section 1798(d) of this title shall be deemed to have been appropriated pursuant to this subsection.

“(e) A fee shall be collected from each veteran or person obtaining a loan made under this subchapter for the purpose of insuring against defaults on loans made under this subchapter; and no loan shall be made under this subchapter until the fee payable with respect to such loan has been collected and remitted to the Administrator. The amount of the fee shall be established from time to time by the Administrator, but shall in no event exceed 3 per centum of the total loan amount. The amount of the fee may be included in the loan to the veteran or person and paid from the proceeds thereof. The Administrator shall deposit all fees collected hereunder in the Fund, and amounts so deposited shall be available to the Administrator to discharge his obligations under subsection (c) of this section.”

(b) The table of sections at the beginning of such chapter is amended by adding at the end thereof

“SUBCHAPTER III—EDUCATION LOANS TO ELIGIBLE VETERANS AND ELIGIBLE PERSONS

“1798. Eligibility for loans; amount and conditions of loans; interest rate on loans.

“1799. Source of funds; insurance.”

SEC. 302. (a) Subchapter IV of chapter 34 of title 38, United States Code, is amended by adding at the end thereof the following new section:

“§ 1686. Education loans

“Any eligible veteran shall be entitled to an education loan (if the program of education is pursued in a State) in such amount and on such terms and conditions as provided in sections 1798 and 1799 of this title.”

(b) The table of sections at the beginning of such chapter is amended by inserting

“1686. Education loans.”

below

“1685. Veteran-student services.”

SEC. 303. (a) Subchapter IV of chapter 35 of title 38, United States Code, is amended by adding at the end thereof the following new section:

“§ 1737. Education loans

“Any eligible person shall be entitled to an education loan (if the program of education is pursued in a State) in such amount and on such terms and conditions as provided in sections 1798 and 1799 of this title.”

(b) The table of sections at the beginning of such chapter is amended by inserting

“1737. Education loans.”

below

“1736. Specialized vocational training courses.”

TITLE IV—VETERANS, WIVES, AND WIDOWS EMPLOYMENT ASSISTANCE AND PREFERENCE AND VETERANS' REEMPLOYMENT RIGHTS

SEC. 401. Chapter 41 of title 38, United States Code, is amended as follows:

(a) Section 2001 is amended by redesignating paragraph (2) as paragraph (3) and adding after paragraph (1) a new paragraph (2) as follows:

“(2) The term ‘eligible person’ means—

“(A) the spouse of any person who died of a service-connected disability,

“(B) the spouse of any member of the Armed Forces serving on active duty who, at the time of application for assistance under this chapter, is listed, pursuant to section 556 of title 37 and regulations issued thereunder, by the Secretary concerned in one or more of the following categories and has been so listed for a total of more than ninety days: (i) missing in action, (ii) captured in line of duty by a hostile force, or (iii) forcibly detained or interned in line of duty by a foreign government or power, or

“(C) the spouse of any person who has a total disability permanent in nature resulting from a service-connected disability or the spouse of a veteran who died while a disability so evaluated was in existence.”.

(b) Section 2002 is amended by (1) inserting “and eligible persons” after “eligible veterans” and (2) inserting “and persons” after “such veterans”.

(c) Section 2003 is amended by—

(1) striking out in the first sentence “250,000 veterans” and inserting in lieu thereof “250,000 veterans and eligible persons”;

(2) striking out in the fourth sentence “veterans” and inserting in lieu thereof “veterans and eligible persons”;

(3) inserting in clauses (1), (2), (4), (5), and (6) of the fifth sentence “and eligible persons” after “eligible veterans” each time the latter term appears in such clauses;

(4) inserting in clause (3) of the fifth sentence “or an eligible person’s” after “eligible veteran’s”; and

(5) inserting in clause (4) of the fifth sentence “and persons” after “such veterans”.

(d) Section 2005 is amended by inserting “and eligible persons” after “eligible veterans”.

(e) The last sentence of section 2006(a) is amended by striking out “veterans” and inserting in lieu thereof “eligible veterans and eligible persons”.

(f) Section 2007 is amended by—

(1) inserting in subsection (a)(1) “and each eligible person” after “active duty,”;

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

“(b) The Secretary of Labor shall establish definitive performance standards for determining compliance by the State public employment service agencies with the provisions of this chapter and chapter 42 of this title. A full report as to the extent and reasons for any noncompliance by any such State agency during any fiscal year, together with the agency’s plan for corrective action during the succeeding year, shall be included in the annual report of the Secretary of Labor required by subsection (c) of this section.”; and

(3) striking out in the second sentence of subsection (c) (as redesignated by clause (2) of this subsection) “and other eligible veterans” and inserting in lieu thereof “other eligible veterans, and eligible persons”.

SEC. 402. Chapter 42 of title 38, United States Code, is amended as follows:

(1) by inserting in the first sentence of section 2012(a) “in the amount of \$10,000 or more” after “contract” where it first appears, by striking out “, in employing persons to carry out such contract,” in such sentence, and by striking out “give special emphasis to the employment of” and inserting in lieu thereof “take affirmative action to employ and advance in employment” in such sentence;

(2) by striking out in the third sentence of section 2012(a) “The” and inserting in lieu thereof “In addition to requiring affirmative action to employ such veterans under such contracts and subcontracts and in order to promote the implementation of such requirement, the”; and

(3) by striking out in the first sentence of section 2012(b) “giving special emphasis in employment to” and inserting in lieu thereof “the employment of”.

SEC. 403. (a) Chapter 42 of title 38, United States Code, is amended by adding at the end thereof the following new section:

“§ 2014. Employment within the Federal Government

“(a) It is the policy of the United States and the purpose of this section to promote the maximum of employment and job advancement opportunities within the Federal Government for qualified disabled veterans and veterans of the Vietnam era.

“(b) To further this policy, veterans of the Vietnam era shall be eligible, in accordance with regulations which the Civil Service Commission shall prescribe, for veterans readjustment appointments up to and including the level GS-5, as specified in subchapter II of chapter 51 of title 5, and subsequent career-conditional appointments, under the terms and conditions specified in Executive Order Numbered 11521 (March 26, 1970), except that in applying the one-year period of eligibility specified in section 2(a) of such order to a veteran or disabled veteran who enrolls, within one year following separation from the Armed Forces or following release from hospitalization or treatment immediately following separation from the Armed Forces, in a program of education (as defined in section 1652 of this title) on more than a half-time basis (as defined in section 1788 of this title), the time spent in such program of education (including customary periods of vacation and permissible absences) shall not be counted. The eligibility of such a veteran for a readjustment appointment shall continue for not less than six months after such veteran first ceases to be enrolled therein on more than a half-time basis. No veterans readjustment appointment may be made under authority of this subsection after June 30, 1978.

“(c) Each department, agency, and instrumentality in the executive branch shall include in its affirmative action plan for the hiring, placement, and advancement of handicapped individuals in such department, agency, or instrumentality as required by section 501(b) of Public Law 93-112 (87 Stat. 391), a separate specification of plans (in accordance with regulations which the Civil Service Commission shall prescribe in consultation with the Administrator, the Secretary of Labor, and the Secretary of Health, Education, and Welfare, consistent with the purposes, provisions, and priorities of such Act) to promote and carry out such affirmative action with respect to disabled veterans in order to achieve the purpose of this section.

“(d) The Civil Service Commission shall be responsible for the review and evaluation of the implementation of this section and the activities of each such department, agency, and instrumentality to carry out the purpose and provisions of this section. The Commission shall periodically obtain and publish (on at least a semiannual basis) reports on such implementation and activities from each such department, agency, and instrumentality, including specification of the use and extent of appointments made under subsection (b) of this section and the results of the plans required under subsection (c) thereof.

“(e) The Civil Service Commission shall submit to the Congress annually a report on activities carried out under this section, except that, with respect to subsection (c) of this section, the Commission may include a

report of such activities separately in the report required to be submitted by section 501 (d) of such Public Law 93-112, regarding the employment of handicapped individuals by each department, agency, and instrumentality.

"(f) Notwithstanding section 2011 of this title, the terms 'veteran' and 'disabled veteran' as used in this section shall have the meaning provided for under generally applicable civil service law and regulations."

(b) The table of sections at the beginning of such chapter is amended by adding at the end thereof

"2014. Employment within the Federal Government."

SEC. 404. (a) Part III of title 38, United States Code, is amended by adding at the end thereof a new chapter as follows:

"Chapter 43—Veterans' Reemployment Rights

"Sec.

"2021. Right to reemployment of inducted persons; benefits protected.

"2022. Enforcement procedures.

"2023. Reemployment by the United States, territory, possession, or the District of Columbia.

"2024. Rights of persons who enlist or are called to active duty; Reserves.

"2025. Assistance in obtaining reemployment.

"2026. Prior rights for reemployment.

"§ 2021. Right to reemployment of inducted persons; benefits protected

"(a) In the case of any person who is inducted into the Armed Forces of the United States under the Military Selective Service Act (or under any prior or subsequent corresponding law) for training and service and who leaves a position (other than a temporary position) in the employ of any employer in order to perform such training and service, and (1) receives a certificate described in section 9(a) of the Military Selective Service Act (relating to the satisfactory completion of military service), and (2) makes application for reemployment within ninety days after such person is relieved from such training and service or from hospitalization continuing after discharge for a period of not more than one year—

"(A) if such position was in the employ of the United States Government, its territories, or possessions, or political subdivisions thereof, or the District of Columbia, such person shall—

"(i) if still qualified to perform the duties of such position, be restored to such position or to a position of like seniority, status, and pay; or

"(ii) if not qualified to perform the duties of such position, by reason of disability sustained during such service, but qualified to perform the duties of any other position in the employ of the employer, be offered employment and, if such person so requests, be employed in such other position the duties of which such person is qualified to perform as will provide such person like seniority, status, and pay, or the nearest approximation thereof consistent with the circumstances in such person's case;

"(B) if such position was in the employ of a State, or political subdivision thereof, or a private employer, such person shall—

"(i) if still qualified to perform the duties of such position, be restored by such employer or his successor in interest to such position or to a position of like seniority, status, and pay; or

"(ii) if not qualified to perform the duties of such position, by reason of disability sustained during such service, but qualified to perform the duties of any other position in the employ of such employer or his successor in interest, be offered employment and, if such person so requests, be employed by such employer or his successor in interest in such other position the duties of which such person is qualified to perform as will provide such person like seniority, status, and pay, or the nearest approximation thereof consistent with the circumstances in such person's case,

unless the employer's circumstances have so changed as to make it impossible or unreasonable to do so. Nothing in this chapter shall excuse noncompliance with any statute or ordinance of a State or political subdivision thereof establishing greater or additional rights or protections than the rights and protections established pursuant to this chapter.

"(b) (1) Any person who is restored to or employed in a position in accordance with the provisions of clause (A) or (B) of subsection (a) of this section shall be considered as having been on furlough or leave of absence during such person's period of training and service in the Armed Forces, shall be so restored or reemployed without loss of seniority, shall be entitled to participate in insurance or other benefits offered by the employer pursuant to established rules and practices relating to employees on furlough or leave of absence in effect with the employer at the time such person was inducted into such forces, and shall not be discharged from such position without cause within one year after such restoration or reemployment.

"(2) It is hereby declared to be the sense of the Congress that any person who is restored to or employed in a position in accordance with the provisions of clause (A) or (B) of subsection (a) of this section should be so restored or reemployed in such manner as to give such person such status in his employment as he would have enjoyed if such person had continued in such employment continuously from the time of such person's entering the Armed Forces until the time of such person's restoration to such employment, or reemployment.

"(3) Any person who holds a position described in clause (A) or (B) of subsection (a) of this section shall not be denied retention in employment or any promotion or other incident or advantage of employment because of any obligation as a member of a Reserve component of the Armed Forces.

"(c) The rights granted by subsections (a) and (b) of this section to persons who left the employ of a State or political subdivision thereof and were inducted into the Armed Forces shall not diminish any rights such persons may have pursuant to any statute or ordinance of such State or political subdivision establishing greater or additional rights or protections.

"§ 2022. Enforcement procedures

"If any employer, who is a private employer or a State or political subdivision thereof, fails or refuses to comply with the provisions of section 2021 (a), (b) (1), or (b) (3), or section 2024, the district court of the United States for any district in which such private employer maintains a place of business, or in which such State or political subdivision thereof ex-

ercises authority or carries out its functions, shall have the power, upon the filing of a motion, petition, or other appropriate pleading by the person entitled to the benefits of such provisions, specifically to require such employer to comply with such provisions and to compensate such person for any loss of wages or benefits suffered by reason of such employer's unlawful action. Any such compensation shall be in addition to and shall not be deemed to diminish any of the benefits provided for in such provisions. The court shall order speedy hearing in any such case and shall advance it on the calendar. Upon application to the United States attorney or comparable official for any district in which such private employer maintains a place of business, or in which such State or political subdivision thereof exercises authority or carries out its functions, by any person claiming to be entitled to the benefits provided for in such provisions, such United States attorney or official, if reasonably satisfied that the person so applying is entitled to such benefits, shall appear and act as attorney for such person in the amicable adjustment of the claim or in the filing of any motion, petition, or other appropriate pleading and the prosecution thereof specifically to require such employer to comply with such provisions. No fees or court costs shall be taxed against any person who may apply for such benefits. In any such action only the employer shall be deemed a necessary party respondent. No State statute of limitations shall apply to any proceedings under this chapter.

“§ 2023. Reemployment by the United States, territory, possession, or the District of Columbia

“(a) Any person who is entitled to be restored to or employed in a position in accordance with the provisions of clause (A) of section 2021(a) and who was employed, immediately before entering the Armed Forces, by any agency in the executive branch of the Government or by any territory or possession, or political subdivision thereof, or by the District of Columbia, shall be so restored or reemployed by such agency or the successor to its functions, or by such territory, possession, political subdivision, or the District of Columbia. In any case in which, upon appeal of any person who was employed, immediately before entering the Armed Forces, by any agency in the executive branch of the Government or by the District of Columbia, the United States Civil Service Commission finds that—

“(1) such agency is no longer in existence and its functions have not been transferred to any other agency; or

“(2) for any reason it is not feasible for such person to be restored to employment by such agency or by the District of Columbia, the Commission shall determine whether or not there is a position in any other agency in the executive branch of the Government or in the government of the District of Columbia for which such person is qualified and which is either vacant or held by a person having a temporary appointment thereto. In any case in which the Commission determines that there is such a position, such person shall be offered employment and, if such person so requests, be employed in such position by the agency in which such position exists or by the government of the District of Columbia, as the case may be. The Commission is authorized and directed to issue regulations giving full force and effect to the provisions of this section insofar as they relate to persons entitled to be restored to or employed in positions in the executive branch of the Government or in the government of the District of Columbia, including persons entitled to be reemployed under the last sentence of subsection (b) of this section. The agencies in the

executive branch of the Government and the government of the District of Columbia shall comply with such rules, regulations, and orders issued by the Commission pursuant to this subsection. The Commission is authorized and directed whenever it finds, upon appeal of the person concerned, that any agency in the executive branch of the Government or the government of the District of Columbia has failed or refuses to comply with the provisions of this section, to issue an order specifically requiring such agency or the government of the District of Columbia to comply with such provisions and to compensate such person for any loss of salary or wages suffered by reason of failure to comply with such provisions, less any amounts received by such person through other employment, unemployment compensation, or readjustment allowances. Any such compensation ordered to be paid by the Commission shall be in addition to and shall not be deemed to diminish any of the benefits provided for in such provisions, and shall be paid by the head of the agency concerned or by the government of the District of Columbia out of appropriations currently available for salary and expenses of such agency or government, and such appropriations shall be available for such purpose. As used in this chapter, the term ‘agency in the executive branch of the Government’ means any department, independent establishment, agency, or corporation in the executive branch of the United States Government (including the United States Postal Service and the Postal Rate Commission).

“(b) Any person who is entitled to be restored to or employed in a position in accordance with the provisions of clause (A) of section 2021(a), and who was employed, immediately before entering the Armed Forces, in the legislative branch of the Government, shall be so restored or employed by the officer who appointed such person to the position which such person held immediately before entering the Armed Forces. In any case in which it is not possible for any such person to be restored to or employed in a position in the legislative branch of the Government and such person is otherwise eligible to acquire a status for transfer to a position in the competitive service in accordance with section 3304(c) of title 5, the United States Civil Service Commission shall, upon appeal of such person, determine whether or not there is a position in the executive branch of the Government for which such person is qualified and which is either vacant or held by a person having a temporary appointment thereto. In any case in which the Commission determines that there is such a position, such person shall be offered employment and, if such person so requests, be employed in such position by the agency in which such position exists.

“(c) Any person who is entitled to be restored to or employed in a position in accordance with the provisions of clause (A) of section 2021(a) and who was employed, immediately before entering the Armed Forces, in the judicial branch of the Government, shall be so restored or reemployed by the officer who appointed such person to the position which such person held immediately before entering the Armed Forces.

“§ 2024. Rights of persons who enlist or are called to active duty; Reserves

“(a) Any person who, after entering the employment on the basis of which such person claims restoration or reemployment, enlists in the Armed Forces of the United States (other than in a Reserve component) shall be entitled upon release from service under honorable conditions to all of the reemployment rights and other benefits provided for by this section in the

case of persons inducted under the provisions of the Military Selective Service Act (or prior or subsequent legislation providing for the involuntary induction of persons into the Armed Forces), if the total of such person's service performed between June 24, 1948, and August 1, 1961, did not exceed four years, and the total of any service, additional or otherwise, performed by such person after August 1, 1961, does not exceed five years, and if the service in excess of four years after August 1, 1961, is at the request and for the convenience of the Federal Government (plus in each case any period of additional service imposed pursuant to law).

"(b)(1) Any person who, after entering the employment on the basis of which such person claims restoration or reemployment, enters upon active duty (other than for the purpose of determining physical fitness and other than for training), whether or not voluntarily, in the Armed Forces of the United States or the Public Health Service in response to an order or call to active duty shall, upon such person's relief from active duty under honorable conditions, be entitled to all of the reemployment rights and benefits provided for by this chapter in the case of persons inducted under the provisions of the Military Selective Service Act (or prior or subsequent legislation providing for the involuntary induction of persons into the Armed Forces), if the total of such active duty performed between June 24, 1948, and August 1, 1961, did not exceed four years, and the total of any such active duty, additional or otherwise, performed after August 1, 1961, does not exceed four years (plus in each case any additional period in which such person was unable to obtain orders relieving such person from active duty).

"(2) Any member of a Reserve component of the Armed Forces of the United States who voluntarily or involuntarily enters upon active duty (other than for the purpose of determining physical fitness and other than for training) or whose active duty is voluntarily or involuntarily extended during a period when the President is authorized to order units of the Ready Reserve or members of a Reserve component to active duty shall have the service limitation governing eligibility for reemployment rights under subsection (b)(1) of this section extended by such member's period of such active duty, but not to exceed that period of active duty to which the President is authorized to order units of the Ready Reserve or members of a Reserve component. With respect to a member who voluntarily enters upon active duty or whose active duty is voluntarily extended, the provisions of this subsection shall apply only when such additional active duty is at the request and for the convenience of the Federal Government.

"(c) Any member of a Reserve component of the Armed Forces of the United States who is ordered to an initial period of active duty for training of not less than three consecutive months shall, upon application for reemployment within thirty-one days after (1) such member's release from such active duty for training after satisfactory service, or (2) such member's discharge from hospitalization incident to such active duty for training, or one year after such member's scheduled release from such training, whichever is earlier, be entitled to all reemployment rights and benefits provided by this chapter for persons inducted under the provisions of the Military Selective Service Act (or prior or subsequent legislation providing for the involuntary induction of persons into the Armed Forces), except that (A) any person restored to or employed in a position in accordance with the provisions of this subsection shall not be discharged from such position

without cause within six months after that restoration, and (B) no reemployment rights granted by this subsection shall entitle any person to retention, preference, or displacement rights over any veteran with a superior claim under those provisions of title 5 relating to veterans and other preference eligibles.

"(d) Any employee not covered by subsection (c) of this section who holds a position described in clause (A) or (B) of section 2021(a) shall upon request be granted a leave of absence by such person's employer for the period required to perform active duty for training or inactive duty training in the Armed Forces of the United States. Upon such employee's release from a period of such active duty for training or inactive duty training, or upon such employee's discharge from hospitalization incident to that training, such employee shall be permitted to return to such employee's position with such seniority, status, pay, and vacation as such employee would have had if such employee had not been absent for such purposes. Such employee shall report for work at the beginning of the next regularly scheduled working period after expiration of the last calendar day necessary to travel from the place of training to the place of employment following such employee's release, or within a reasonable time thereafter if delayed return is due to factors beyond the employee's control. Failure to report for work at such next regularly scheduled working period shall make the employee subject to the conduct rules of the employer pertaining to explanations and discipline with respect to absence from scheduled work. If such an employee is hospitalized incident to active duty for training or inactive duty training, such employee shall be required to report for work at the beginning of the next regularly scheduled work period after expiration of the time necessary to travel from the place of discharge from hospitalization to the place of employment, or within a reasonable time thereafter if delayed return is due to factors beyond the employee's control, or within one year after such employee's release from active duty for training or inactive duty training, whichever is earlier. If an employee covered by this subsection is not qualified to perform the duties of such employee's position by reason of disability sustained during active duty for training or inactive duty training, but is qualified to perform the duties of any other position in the employ of the employer or his successor in interest, such employee shall be offered employment and, if such person so requests, be employed by that employer or his successor in interest in such other position the duties of which such employee is qualified to perform as will provide such employee like seniority, status, and pay, or the nearest approximation thereof consistent with the circumstances in such employee's case.

"(e) Any employee not covered by subsection (c) of this section who holds a position described in clause (A) or (B) of section 2021(a) shall be considered as having been on leave of absence during the period required to report for the purpose of being inducted into, entering, or determining, by a preinduction or other examination, physical fitness to enter the Armed Forces. Upon such employee's rejection, upon completion of such employee's preinduction or other examination, or upon such employee's discharge from hospitalization incident to such rejection or examination, such employee shall be permitted to return to such employee's position in accordance with the provisions of subsection (d) of this section.

"(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, 503, 504, or 505 of title 32, is consid-

ered active duty for training; and for the purpose 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.

“§ 2025. Assistance in obtaining reemployment

“The Secretary of Labor, through the Office of Veterans’ Reemployment Rights, shall render aid in the replacement in their former positions or reemployment of persons who have satisfactorily completed any period of active duty in the Armed Forces or the Public Health Service. In rendering such aid, the Secretary shall use existing Federal and State agencies engaged in similar or related activities and shall utilize the assistance of volunteers.

“§ 2026. Prior rights for reemployment

“In any case in which two or more persons who are entitled to be restored to or employed in a position under the provisions of this chapter or of any other law relating to similar reemployment benefits left the same position in order to enter the Armed Forces, the person who left such position first shall have the prior right to be restored thereto or reemployed on the basis thereof, without prejudice to the reemployment rights of the other person or persons to be restored or reemployed.”

(b) The table of chapters at the beginning of title 38, United States Code, and the table of chapters at the beginning of part III of such title are each amended by adding at the end thereof

“43. Veterans’ Reemployment Rights----- 2021”.

SEC. 405. Section 9 of the Military Selective Service Act is amended by—

(1) repealing subsections (b) through (h); and

(2) redesignating subsections (i) and (j) as subsections (b) and (c), respectively.

TITLE V—EFFECTIVE DATES

SEC. 501. Title I of this Act shall become effective on September 1, 1974.

SEC. 502. Title III of this Act shall become effective on November 1, 1974, except that eligible persons shall, upon application, be entitled (and all such persons shall be notified by the Administrator of Veterans’ Affairs of such entitlement) to a loan under the new subchapter III of chapter 36 of title 38, United States Code, as added by section 301 of this Act, the terms of which take into account the full amount of the actual cost of attendance (as defined in section 1798(b)(2)(C) of such title) which such persons incurred for the academic year beginning on or about September 1, 1974.

SEC. 503. Titles II and IV of this Act shall become effective on the date of their enactment.

And the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate to the title of the bill, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the amendment of the Senate to the title of the bill, insert the following: “An Act to amend title 38, United States Code, to increase vocational rehabilitation subsistence allowances, educational and training assistance allowances, and special allowances paid to eligible veterans and persons un-

der chapters 31, 34, and 35 of such title; to improve and expand the special programs for educationally disadvantaged veterans and servicemen under chapter 34 of such title; to improve and expand the veteran-student services program; to establish an education loan program for veterans and persons eligible for benefits under chapter 34 or 35 of such title; to make other improvements in the educational assistance program and in the administration of educational benefits; to promote the employment of veterans and the wives and widows of certain veterans by improving and expanding the provisions governing the operation of the Veterans Employment Service, by increasing the employment of veterans by Federal contractors and subcontractors, and by providing for an action plan for the employment of disabled and Vietnam era veterans within the Federal Government; to codify and expand veterans reemployment rights; and for other purposes.”

And the Senate agree to the same.

WM. J. BRYAN DORN,
OLIN E. TEAGUE,
JAMES A. HALEY,
THADDEUS J. DULSKI,
HENRY HELSTOSKI,
JOHN PAUL HAMMERSCHMIDT,
MARGARET M. HECKLER,
JOHN M. ZWACH,
CHALMERS WYLIE,
Managers on the part of the House.
VANCE HARTKE,
H. E. TALMADGE,
JENNINGS RANDOLPH,
HAROLD E. HUGHES,
ALAN CRANSTON,
CLIFFORD P. HANSEN,
STROM THURMOND,
ROBERT T. STAFFORD,
JAMES A. MCCLURE,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE ON CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 12628) to amend title 38, United States Code, to increase the rates of vocational rehabilitation, educational assistance, and special training allowances paid to eligible veterans and other persons; to make improvements in the educational assistance programs and for other purposes, submit the following joint statement to the House and Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The Senate amendment struck out all of the House bill after the enacting clause and inserted a substitute text and made a title amendment.

The House recedes from its disagreement to the amendment of the Senate with an amendment which is a substitute for the House bill and the Senate amendment and with a title amendment. The differences between the House bill, the Senate amendment, and the substitute agreed to in conference are noted below, except for clerical corrections, conforming changes made necessary by agreements reached by the conferees, and minor drafting and clarifying changes.

TITLE I. VOCATIONAL REHABILITATION AND EDUCATIONAL, AND TRAINING ASSISTANCE ALLOWANCE RATE ADJUSTMENTS

Both the House bill and the Senate amendment liberalize eligibility requirements for disabled Vietnam era and post-Korean conflict veterans to receive training under the vocational rehabilitation program in chapter 31 so as to provide all post-Korean conflict veterans equal treatment for purposes of these benefits with veterans of service during World War II and the Korean conflict. The conference agreement provides for this liberalization of chapter 31 benefits—made available to any veteran with a 10-percent compensable service-connected disability or higher—for any veteran of World War II service or later service.

The House bill provides for increasing the rates of monthly educational assistance and training allowances by 13.6 percent for eligible veterans and dependents under chapters 34 and 35 and a comparable percentage increase for the vocational rehabilitation subsistence allowance under chapter 31 for service-connected disabled veterans. (This would increase the monthly educational assistance allowance for a single veteran with no dependents from \$220 to \$250 for full-time institutional study.) The Senate amendment provides for an increase in these rates of 18.2 percent and includes as an integral part of the rate increase package a partial tuition assistance allowance program,

under which an additional allowance of up to \$720 per school year would be paid to eligible veterans and persons under chapters 34 and 35, the VA paying according to the following formula: 80 percent of a school's yearly tuition charges up to \$1,000 after excluding the first \$100 of tuition. (The basic monthly educational assistance allowance for a single veteran with no dependents under the Senate amendment is increased from \$220 to \$260 for full-time institutional study plus the tuition assistance allowance entitlement, as appropriate, which would average out to approximately \$31 more per average veteran per month—a total educational assistance average payment of \$291 per month.)

The conference agreement provides for an increase in the monthly educational assistance, training, and vocational rehabilitation subsistence allowances of 22.7 percent, an increase for the single veteran with no dependents of from \$220 to \$270 for full-time institutional study. The conference did not approve the tuition assistance allowance portion of the Senate amendment, after the most extensive and careful consideration. The conferees instead substituted a provision (section 105) directing the Veterans' Administration to carry out a thorough study, and to report to the Congress and the President within 12 months, on the opportunities for abuse and administrative difficulties arising from a tuition assistance program if one were to be enacted. Various interested organizations and agencies would be consulted and their views solicited as part of the study process. The study would draw its context from the findings of abuses in connection with the World War II GI bill program and from an investigation of these problems as presently being experienced under GI bill tuition assistance programs such as chapter 31 vocational rehabilitation, correspondence courses, flight training, and PREP, and would include recommendations by the Veterans' Administration as to legislative or administrative ways in which any such abuses and difficulties could be prevented or mitigated under present or future programs.

TITLE II. EDUCATIONAL ASSISTANCE PROGRAM ADJUSTMENTS

The Senate amendment clarifies and liberalizes the circumstances under which service-connected disabled veterans training under the vocational rehabilitation program in chapter 31 may qualify for individualized tutorial assistance. The House bill contains no comparable provision. The House recedes.

Both the House bill and the Senate amendment, by an amendment to the section 1661(a) entitlement provision, permit the initial six months of active duty training by Reserve and National Guard members to be counted for entitlement for educational assistance under chapter 34 if such members subsequently serve on active duty for 12 or more consecutive months. The conference agreement provides for this new eligibility by amending the definition of "active duty" in section 1652(a)(3) in order to provide greater clarity.

The Senate amendment extends the maximum entitlement to educational assistance for eligible veterans and eligible dependents from 36 to 45 months. The House bill contains no comparable provision. The House recedes.

Both the House bill and the Senate amendment extend to 10 years the current 8-year delimiting date for veterans and chapter 35 eligible dependents to complete their programs of education (and exclude in computing such delimiting date the period of time that such veteran-civilians were held as prisoners of war during the Vietnam conflict). The conference agreement does not contain such a provision since the conferees decided during the course of their deliberations to separate this agreed-upon item and proceeded to pass S. 3705 in early July, which has now been enacted into law as Public Law 93-337 (July 10, 1974).

The Senate Amendment clarifies and strengthens certain administrative provisions governing the chapters 34 and 35 educational assistance program in order to prevent and mitigate against abuses by requiring that courses with vocational objectives must demonstrate a 50-percent placement record over the preceding two-year period in the specific occupational category for which the course was designed to provide training; by prohibiting enrollment in courses which utilize significant avocational or recreational themes in their advertising; and by providing that not more than 85 percent of eligible students enrolled in proprietary below-college level courses may be wholly or partially subsidized by the Veterans' Administration or the institution. The House bill contains no comparable provisions. The conference agreement includes these provisions, clarifying that the 50-percent placement requirement does not apply where it is clear that the individual graduate is not available for employment or trained during active duty. Situations in which a graduate could be regarded as not available for employment would include a graduate who becomes disabled, is continuing schooling, is pregnant, or undergoes a change in marital status which compels the graduate to forego a new career. In addition, a graduate who unreasonably refuses to cooperate by seeking employment should not be counted in determining whether the placement percentage has been attained. Such a lack of cooperation can include unreasonable demands as to job location, remuneration, or working conditions. (The "reasonableness" of graduate cooperation should be tested, in part, against normal expectations created by the nature of the training offered by the institution and the advertising, sales, or enrollment practices which it utilizes.)

In addition, the conferees have agreed to add a parenthetical provision so as to exclude from the computation of the 50-percent placement requirement those numbers of persons who receive their vocational training while on active duty military service. The purpose of this modification is merely to avoid imposing an unreasonable requirement on such vocational institutions to follow such servicemen throughout their period of military service—which might be a matter of several years—in order to determine whether appropriate job placement had been secured following release from active duty. On the other hand, the conferees do not intend by this modification to manifest any less concern about the quality of training which active duty servicemen obtain under the GI bill, and the conferees continue to expect, as expressed in connection with consideration of Public Law 92-540 in 1972, that the base education officers and education program of the Defense Department will generally continue adequately to

counsel active duty servicemen and to monitor closely the utilization by such servicemen of their GI bill entitlements.

The conference agreement also deletes the word "specific" in modification of the term "occupational category". This deletion was agreed to in order to permit the Veterans' Administration somewhat more latitude in writing regulations to carry out this requirement. The conference has been made aware that use of the Dictionary of Titles is in some cases obsolete or unduly restrictive. Accordingly, as defined by VA regulations, closely related employment obtained by course graduates could also qualify in determining placement figures. In providing for this flexibility, however, the conferees stress that it is still their intention that this requirement be interpreted in light of the very specific discussion and examples contained in the Senate committee report (No. 93-907) on pages 64 through 72.

The conferees are aware of the inherent difficulties in locating all course graduates and intend that a statistically valid and reliable sample approved and verified by the Veterans' Administration will satisfy the requirement of this section without necessitating that the institution secure information about each course graduate. The conferees would also anticipate that, in implementing the placement requirement under this section, the Veterans' Administration will allow schools a reasonable period of time to collect and submit the required data.

Both the House bill and the Senate amendment authorize up to six months of refresher training for veterans with current GI bill eligibility in order to update knowledge and skills in light of the technological advances occurring in their fields of employment during and since the period of their active military service; however, the House bill permitted such refresher training to be initiated not later than 6 months after the veteran's discharge. The House recedes.

Both the House bill and the Senate amendment liberalize the veteran-student services program by raising the maximum work-study allowance (the House bill from \$250 to \$500 and the Senate amendment to \$625), commensurately increasing the maximum number of hours a veteran-student may work (the House bill from 100 to 200 hours and the Senate amendment to 250 hours), and removing any statutory ceiling on the number of veterans permitted to participate in this program. The Senate amendment also limited to \$250 the amount of the work-study educational assistance allowance which may be paid to a participating veteran in advance. The House recedes.

The Senate amendment liberalizes the tutorial assistance program by extending the maximum assistance period from 9 to 12 months and increasing the maximum monthly tutorial assistance allowance from \$50 to \$60. The House bill contains no comparable provision. The House recedes.

The Senate amendment liberalizes permissible absences from courses not leading to a standard college degree by excluding customary vacation period established by institutions in connection with Federal or State legal holidays. The House bill contains no comparable provision. The House recedes.

In this connection, the conferees note that in numerous places in the bill, the Senate amendment and the conference report have deleted the words "below the college level" and inserted in lieu thereof "leading to a standard college degree". The House conferees have

agreed to these stylistic changes only with the very explicit understanding, which is also shared by the Senate conferees, that this change in terminology makes no substantive alteration in the scope and applicability of all of the sections being so modified.

Both the House bill and the Senate amendment extend to eligible dependents under chapter 35 eligibility for farm cooperative training under the same terms and conditions as apply to eligible veterans under chapter 34. The conference agreement contains this provision.

The Senate amendment increases the allowance payable by the Administrator for the administrative expenses incurred by State approving agencies and administering educational benefits under title 38. The House bill contains no comparable provision. The House recedes.

Both the House bill and the Senate amendment permit any joint apprenticeship training committee which acts as a training establishment to receive the annual reporting fee of \$3 for each eligible veteran or person enrolled in educational assistance programs in return for furnishing the VA with required reports and certificates of enrollment, attendance, and terminations regarding such eligible veterans. The conference agreement includes this provision.

Both the House bill and the Senate amendment permit an educational institution offering courses not leading to a standard college degree to measure such courses on a quarter- or semester-hour basis provided certain specific measurements of the academic, laboratory, and shop portions of such courses meet minimum requirements. The House bill adds a proviso that in no event shall such course be considered a full-time course when less than 25 hours of attendance per week is required; the Senate amendment reduces this minimum requirement to 18 hours. The conference agreement provides that 22 hours of attendance per week shall be required.

The Senate amendment repeals the current 48-month limitation on any person training under more than one VA educational assistance program. The House bill contains no comparable provision. The Senate recedes.

The Senate amendment provides that the Administrator shall not approve the enrollment of any eligible veteran or dependent in any course offered by an institution which utilizes erroneous, deceptive, or misleading advertising, sales, or enrollment practices of any type and provides that a final cease and desist order entered by the Federal Trade Commission shall be conclusive as to disapproval of such a course for GI bill enrollment purposes. The House bill contains no comparable provision. The conference agreement contains the Senate provision without the above described FTC-order-conclusiveness provision.

The Senate amendment provides for a new subchapter under which the Administrator is directed to measure and evaluate all programs authorized by title 38 with respect to their effectiveness, impact, and structure and mechanisms for service delivery, and to collect, collate, and analyze on a continuing basis, full data regarding the operation of all such programs and to make available to the public the results of his findings. The House bill contains no comparable provision. The conference agreement embodies the essence of the Senate provision, although somewhat revising and condensing the language in order to provide for greater focus and more specificity.

The conferees wish to stress that in condensing the new section 219 (evaluation and data collection), as added in section 213 of the conference report, the requirement in subsection (c) of the original Senate provision, that, whenever feasible, the Administrator should arrange to obtain the specific views of program beneficiaries and program participants with respect to evaluations of such programs, was deleted as unnecessary. The conferees believe that the Administrator already possesses inherent authority to do this, and that it would be desirable for him to exercise that authority. The conferees also believe that the most effective evaluations are those conducted by fully independent personnel.

The Senate amendment clarifies and strengthens the Administrator's functions and responsibilities under the VA outreach program provisions to include a greater use of telephone and mobile facilities and peer-group contact, as well as providing for certain stress on bilingual services in certain areas and providing explicit contract authority with respect to certain outreach activities. The House bill contains no comparable provision. The conference agreement contains the Senate provisions, except that it eliminates the requirement that contract authority be exercised for outreach activities, and any statutory specification of mobile facilities.

The conferees do not intend by the deletion of specific statutory reference to the use of "mobile" facilities to indicate in any way their disapproval of or lack of support for the appropriate use of such facilities as mobile vans and wish to stress, moreover, their belief that these vans, which hitherto have generally been employed only in rural areas, could serve as useful a purpose in urban areas with high population concentrations.

The Senate amendment establishes a veterans representative (Vet Rep) program to provide for a full-time VA employee at, or in connection with, each educational institution where at least 500 GI bill trainees are enrolled, to serve as a liaison between the VA and the institution and to identify and resolve various problems with respect to VA benefits, especially educational assistance, for veterans attending each such institution. The House bill contains no comparable provision. The House recedes.

In adopting this provision, the conferees were keenly aware of the concerns which have been expressed to members of both bodies about the implementation of this program which has already been undertaken administratively by the VA, and of the assurances received from the Office of Management and Budget, the White House, and the VA with respect to the intended operation of this program. Of specific concern is the understanding, most recently embodied in the Senate Appropriations Committee report (No. 93-1056) on H.R. 15572, the Fiscal Year 1975 HUD-Space-Science-Veterans Appropriations Act, that VA regional offices, with the concurrence of the Chief Benefits Director, will have considerable flexibility in the assignment of these new Vet Reps in terms of particular campus needs. This same flexibility is provided for in the conference report. In those instances where a Vet Rep can perform more effectively in terms of carrying out the special responsibilities of liaison with the campus veterans, assignment of the Vet Reps to regional offices should be carried out in order to improve the capacity of those offices to provide

effective services. At the same time, the conferees wish to call attention to the conference report provision which is intended to avoid any situation in which an educational institution might be in any way compelled to accept such an on-campus assignment by the VA (new section 243(a)(4) provides that the "inappropriateness of assignment of veterans' representatives to a particular educational institution" shall be grounds for reallocation of such Vet Reps to other educational institutions or to the regional office). The conferees expect that such assignment matters will be resolved amicably in close consultation and coordination with individual institutions, GI bill trainees at such institutions, and other interested parties.

The Senate amendment establishes an Inter-Agency Advisory Committee on Veterans Services to be composed of the heads of various Federal departments and agencies (with the Administrator as Chairman) to promote maximum feasible effectiveness and coordination of and interrelationship among all Federal programs affecting veterans and dependents, and to make recommendations to the President and the Congress regarding the annual budget and the development, coordination, and improvement of Federal programs and laws affecting veterans and their dependents. The House bill contains no comparable provision. The conference agreement provides that the Administrator shall seek to achieve the maximum feasible effectiveness, coordination, and interrelationship of services among all Federal programs and activities affecting veterans and seek to achieve the maximum coordination of their programs with the programs carried out by the Veterans' Administration. The conferees expect the Administrator to specify in his annual report the results of this new process.

TITLE III. VETERANS AND DEPENDENTS EDUCATION LOAN PROGRAM

The Senate amendment authorizes supplementary assistance to veterans and eligible dependents by direct loans to them from the VA (utilizing the National Service Life Insurance Trust Fund) of up to \$2,000 a year to cover educational costs not otherwise provided for in title 38 or other Federal loan or grant programs. The House bill contains no comparable provision. The conference agreement provides for such a supplementary loan program, reducing the maximum yearly loan to \$1,000, increasing the maximum amount of the loan fee which the Administrator may charge for such loans, directing the Administrator to collect any delinquent amounts in loan principal and interest payments in the same manner as any other debt due the United States, and directing the Administrator to report to the Congress annually on the default experience at each institution. The conferees are concerned that excessive default rates at certain institutions might jeopardize the success of the program, and both Committees will closely monitor default experience and expect the Administrator to do so as well. In this connection, the conferees direct the Administrator to utilize his new authority under new section 1796, added to title 38 by section 212 of the conference report, with respect to deceptive and misleading advertising, to take affirmative steps to prevent any questionable sales or enrollment practices utilizing advertising about the availability of the new loan program.

as a promotional technique. The Administrator should, in this regard and as part of fulfilling his notification requirement under section 502 of the conference report, promulgate in regulations a model loan description which shall be used by institutions in their advertising if they wish to refer to the loan availability.

TITLE IV. VETERANS, WIVES, AND WIDOWS EMPLOYMENT ASSISTANCE AND PREFERENCE AND VETERANS' REEMPLOYMENT RIGHTS

The Senate amendment extends chapter 41 benefits (job counselling, training, and placement services) to wives and widows eligible for educational assistance benefits under chapter 35. The House bill contains no comparable provision. The House recedes.

The Senate amendment expands and strengthens the administrative controls which the Secretary of Labor is directed to establish under chapter 41 in order to ensure that eligible veterans, wives, and widows are promptly placed in a satisfactory job or job training opportunity or receive some other specific form of employment assistance, and requires the Secretary to publish standards for determining compliance by State Public Employment Service agencies with the provisions of chapters 41 and 42. The House bill contains no comparable provision. The House recedes.

The Senate amendment clarifies and strengthens existing law requiring that Federal contractors and all of their subcontractors take particular actions in addition to job listing in order to give "special emphasis" to the employment of qualified service-connected disabled and Vietnam era veterans. The House bill contains no comparable provision. The conference agreement provides further clarification in this provision by making clear the intention of the Congress that affirmative action is to be taken by all Federal contractors and all of their subcontractors with respect to their employment practices in order to promote the greatest possible employment and advancement in employment of qualified service-connected disabled veterans and veterans of the Vietnam era. It is the conferees' objective in making this clarification to ensure that the goals of the program, as spelled out above, will be achieved according to an orderly and effective timetable, backed up by an effective compliance mechanism. The provision in the conference report is thus substantially identical in language and intended scope with the provisions of section 503 of the Rehabilitation Act of 1973 (Public Law 93-112).

The Senate amendment includes a provision stating that it is the policy of the United States to promote maximum employment and job advancement opportunities within the Federal Government for qualified service-connected disabled and Vietnam era veterans, and providing for special Federal appointment authority and other mechanisms to carry out such policy. The House bill contains no comparable provision. The House recedes.

The Senate amendment provides for the codification into title 38 of existing law on veterans' reemployment rights, and further extends such rights to veterans who were employed by States or their political subdivisions. The House bill contains no comparable provision. The House recedes.

TITLE V. EFFECTIVE DATES

The House bill makes all amendments effective on the date of enactment except for rate increases which are to be effective on the first day of the second calendar month which begins after the date of enactment. The Senate amendment makes the provisions in titles II and IV of the Senate amendment effective on the date of enactment (improvements in GI bill provisions and in employment assistance), the new loan program in title III effective on September 1, 1974, and the rate increases and other provisions of title I effective on July 1, 1974. The conference agreement makes all amendments effective on the date of enactment except that the rate increase will be effective September 1, 1974, and the new loan program will be effective November 1, 1974 (except that veterans or dependents eligible for such loan entitlement on or after November 1, 1974, shall be entitled to a loan amount reflective of the full amount of their tuition and all other costs of attendance which they incurred for the academic year beginning on or about September 1, 1974).

TITLE AMENDMENT

The Senate amendment amends the title of the bill to reflect the provisions in the Senate amendment. The conference agreement amends the title to reflect the provisions in the conference report.

CHANGES IN EXISTING LAW MADE BY H.R. 12628 AS AGREED TO IN CONFERENCE

For the information of the Members of Congress, changes in existing law made by the bill (H.R. 12628) as agreed to in conference, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italics, existing law in which no change is proposed is shown in roman):

TITLE 38—UNITED STATES CODE

* * * * *

PART III. READJUSTMENT AND RELATED BENEFITS

CHAPTER	Sec.
31. Vocational Rehabilitation.....	1501
34. Veterans Educational Assistance.....	1650
35. War Orphans' and Widows' Educational Assistance.....	1700
36. Administration of Educational Benefits.....	1770
37. Home, Farm, and Business Loans.....	1801
39. Automobiles and Adaptive Equipment for Certain Disabled Veterans and Members of the Armed Forces.....	1901
41. Job Counseling, Training, and Placement Service for Veterans.....	2001
42. Employment and Training of Disabled and Vietnam Era Veterans....	2011
43. <i>Veterans' Reemployment Rights</i>	2021

CHAPTER 3—VETERANS' ADMINISTRATION; OFFICERS AND EMPLOYEES

* * * * *

SUBCHAPTER II—ADMINISTRATOR OF VETERANS' AFFAIRS

Sec.
210. Appointment and general authority of Administrator; Deputy Administrator.
211. Decisions by Administrator; opinions of Attorney General.
212. Delegation of authority and assignment of duties.
213. Contracts and personal services.
214. Report to the Congress.
215. Publication of laws relating to veterans.
216. Research by Administrator; indemnification of contractors.
217. Studies of rehabilitation of disabled persons.
218. Standards of conduct and arrests for crimes at hospitals, domiciliaries, cemeteries, and other Veterans' Administration reservations.
219. <i>Evaluation and data collection.</i>
220. <i>Coordination of other Federal programs affecting veterans and their dependents.</i>

Sec.

240. Purpose; definitions.

241. Outreach services.

242. Veterans assistance offices.

243. Veterans' representatives.

[243.] 244. Utilization of other agencies.

[244.] 245. Report to Congress.

* * * * *

Subchapter II—Administrator of Veterans' Affairs

* * * * *

§ 219. Evaluation and data collection

(a) *The Administrator, pursuant to general standards which he shall prescribe in regulations, shall measure and evaluate on a continuing basis the impact of all programs authorized under this title, in order to determine their effectiveness in achieving stated goals in general, and in achieving such goals in relation to their cost, their impact on related programs, and their structure and mechanisms for delivery of services. Such information as the Administrator may deem necessary for purposes of such evaluations shall be made available to him, upon request, by all departments, agencies, and instrumentalities of the executive branch.*

(b) *In carrying out this section, the Administrator shall collect, collate, and analyze on a continuing basis full statistical data regarding participation (including the duration thereof), provision of services, categories of beneficiaries, planning and construction of facilities, acquisition of real property, proposed excessing of land, accretion and attrition of personnel, and categorized expenditures attributable thereto, under all programs carried out under this title.*

(c) *The Administrator shall make available to the public and on a regular basis provide to the appropriate committees of the Congress copies of all completed evaluative research studies and summaries of evaluations of program impact and effectiveness carried out, and tabulations and analyses of all data collected, under this section.*

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

The Administrator shall seek to achieve the maximum feasible effectiveness, coordination, and interrelationship of services among all programs and activities affecting veterans and their dependents carried out by and under all other departments, agencies, and instrumentalities of the executive branch and shall seek to achieve the maximum feasible coordination of such programs with programs carried out under this title.

* * * * *

Subchapter IV—Veterans Outreach Services Program

* * * * *

§ 241. Outreach services

The Administrator shall provide the following outreach services in carrying out the purposes of this subchapter (including the provision, to the maximum feasible extent, of such services, in areas where a signifi-

cant number of eligible veterans and eligible dependents speak a language other than English as their principal language, in the principal language of such persons):

(1) by letter advise each veteran at the time of his discharge or release from active military, naval, or air service, or as soon as possible thereafter, of all benefits and services under laws administered by the Veterans' Administration for which the veteran may be eligible and, in carrying out this paragraph, the Administrator shall insure, through the utilization of veteran-student services under section 1685 of this title, that contact, in person or by telephone, is made with those veterans who, on the basis of their military service records, do not have a high school education or equivalent at the time of discharge or release;

(2) distribute full information to eligible veterans and eligible dependents regarding all benefits and services to which they may be entitled under laws administered by the Veterans' Administration and may, to the extent feasible, distribute information on other governmental programs (including manpower and training programs) which he determines would be beneficial to veterans; and

(3) provide, to the maximum extent possible, aid and assistance (including personal interviews) to members of the Armed Forces, veterans, and eligible dependents in respect to clauses (1) and (2) above and in the preparation and presentation of claims under laws administered by the Veterans' Administration.

§ 242. Veterans assistance offices

(a) The Administrator shall establish and maintain veterans assistance offices at such places throughout the United States and its territories and possessions, and the Commonwealth of Puerto Rico, as he determines to be necessary to carry out the purposes of this subchapter, with due regard for the geographical distribution of veterans recently discharged or released from active military, naval, or air service, the special needs of educationally disadvantaged veterans (including their need for accessibility of outreach services), and the necessity of providing appropriate outreach services in less populated areas.

(b) The Administrator [may implement such special telephone service] shall establish and carry out all possible programs and services, including special telephone facilities, as may be necessary to make the outreach services provided for under this subchapter as widely available as possible.

§ 243. Veterans' representatives

(a)(1) *Except as otherwise provided in paragraph (4) of this subsection, the Administrator shall assign, with appropriate clerical/secretarial support, to each educational institution (as defined in section 1652(c) except for correspondence schools) where at least five hundred persons are enrolled under chapters 31, 34, 35, and 36 of this title such number of full-time veterans' representatives as will provide at least one such veterans' representative per each five hundred such persons so enrolled at each such institution; and the Administrator shall also assign to other such veterans' representatives responsibility for carrying out the functions set forth in paragraph (3) of this subsection with respect to groups of institutions with less than five hundred such persons so enrolled, on the basis of such proportion of such veterans' representatives' time to such persons so enrolled*

as he deems appropriate to be adequate to perform such functions at such institutions.

(2) In selecting and appointing veterans' representatives under this subsection, preference shall be given to veterans of the Vietnam era with experience in veterans affairs' counseling, outreach, and other related veterans' services.

(3) The functions of such veterans' representatives shall be to—

(A) answer all inquiries related to Veterans' Administration educational assistance and other benefits, and take all necessary action to resolve such inquiries expeditiously, especially those relating to payments of educational assistance benefits;

(B) assure correctness and proper handling of applications, completion of certifications of attendance, and submission of all necessary information (including changes in status or program affecting payments) in support of benefit claims submitted;

(C) maintain active liaison, communication, and cooperation with the officials of the educational institution to which assigned, in order to alert veterans to changes in law and Veterans' Administration policies or procedures;

(D) supervise and expeditiously resolve all difficulties relating to the delivery of advance educational assistance payments authorized under this title;

(E) coordinate Veterans' Administration matters with, and provide appropriate briefings to, all on-campus veterans' groups, working particularly closely with veterans' coordinators at educational institutions receiving veterans' cost-of-instruction payments under section 420 of the Higher Education Act of 1965, as amended (hereinafter referred to as "V.C.I. institutions");

(F) provide necessary guidance and support to veteran-student services personnel assigned to the campus under section 1685 of this title;

(G) where such functions are not being adequately carried out by existing programs at such institutions (i) provide appropriate motivational and other counseling to veterans (informing them of all available benefits and services, as provided for under section 241 of this title) and (ii) carry out outreach activities under this subchapter; and

(H) carry out such other activities as may be assigned by the director of the Veterans' Administration regional office, established under section 230 of this title.

(4) Based on the extent to which the functions set forth in paragraph (3) of this subsection are being adequately carried out at a particular educational institution or in consideration of other factors indicating the inappropriateness of assignment of veterans' representatives to a particular educational institution, the director of the appropriate Veterans' Administration regional office shall, notwithstanding the formula set forth in paragraph (1) of this subsection, either reallocate such veterans' representatives to other educational institutions in such region where he determines that such additional veterans' representatives are necessary, or, with the approval of the chief benefits officer of the Veterans' Administration, assign such veterans' representatives to carry out such functions or related activities at the regional office in question, with special responsibility for one or more than one particular educational institution.

(5) The functions of a veterans' representative assigned under this subsection shall be carried out in such a way as to complement and not

interfere with the statutory responsibilities and duties of persons carrying out veterans affairs' functions at V.C.I. institutions.

(b) The Administrator shall establish rules and procedures to guide veterans' representatives in carrying out their functions under this section. Such rules and procedures shall contain provisions directed especially to assuring that activities of veterans' representatives carried out under this section complement, and do not interfere with, the established responsibilities of representatives recognized by the Administrator under section 3402 of this title.

【§ 243.】 § 244. Utilization of other agencies

In carrying out the purposes of this subchapter, the Administrator [may] shall—

(1) arrange with the Secretary of Labor for the State employment service to match the particular qualifications of an eligible veteran or eligible dependent with an appropriate job or job training opportunity, to include where possible, arrangements for outstationing the State employment personnel who provide such assistance at appropriate facilities of the Veterans' Administration;

(2) cooperate with and use the services of any Federal department or agency or any State or local governmental agency or recognized national or other organization;

(3) where appropriate, make referrals to any Federal department or agency or State or local governmental unit or recognized national or other organization;

(4) at his discretion, furnish available space and office facilities for the use of authorized representatives of such governmental unit or other organization providing services; and

(5) conduct and provide for studies in consultation with appropriate Federal departments and agencies to determine the most effective program design to carry out the purposes of this subchapter.

【§ 244.】 § 245. Report to Congress

The Administrator shall include in the annual report to the Congress required by section 214 of this title a report on the activities carried out under this subchapter, each report to include an appraisal of the effectiveness of the programs authorized herein and recommendations for the improvement or more effective administration of such programs.

CHAPTER 31—VOCATIONAL REHABILITATION

* * * * *

§ 1501. Definitions

For the purposes of this chapter—

(1) The term "World War II" means the period beginning on September 16, 1940, and ending on July 25, 1947.

(2) The term "vocational rehabilitation" means training (including educational and vocational counseling, all appropriate individualized tutorial assistance, and other necessary incidental services) for the purpose of restoring employability, to the extent consistent with the degree of disablement, lost by virtue of a handicap due to service-connected disability.

§ 1502. Basic entitlement

(a) Every veteran who is in need of vocational rehabilitation on account of a service-connected disability which is, or but for the receipt of retirement pay would be, compensable under chapter 11 of this title shall be furnished such vocational rehabilitation as may be prescribed by the Administrator, [if such disability—] *arose out of service during World War II or thereafter.*

[(1) arose out of service during World War II or the Korean conflict; or

[(2) arose out of service (A) after World War II, and before the Korean conflict, or (B) after the Korean conflict, and is rated for compensation purposes as 30 per centum or more, or if less than 30 per centum, is clearly shown to have caused a pronounced employment handicap.]

(b) Unless a longer period is prescribed by the Administrator, no course of vocational rehabilitation may exceed four years. If the veteran has pursued an educational or training program under chapter 33 (prior to its repeal), 34, 35, or 36 of this title, such program shall be utilized to the fullest extent practical in determining the character and duration of the vocational rehabilitation to be furnished him under this chapter.

(c) Vocational rehabilitation may not be afforded outside of a State to a veteran on account of post-World War II service if the veteran, at the time of such service, was not a citizen of the United States.

(d) Veterans pursuing a program of vocational rehabilitation training under the provisions of this chapter shall also be eligible, where feasible, to perform veteran-student services pursuant to section 1685 of this title and for advance subsistence allowance payments as provided by section 1780 of this title.

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§ 1504. Subsistence allowances

(a) While pursuing a course of vocational rehabilitation training and for two months after his employability is determined, each veteran shall be paid a subsistence allowance as prescribed in this section.

(b) The subsistence allowance of a veteran-trainee is to be determined in accordance with the following table, and 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 training as specified in column I:

Column I	Column II	Column III	Column IV	Column V
Type of training	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:
Institutional:				
Full-time.....	\$170	\$211	\$248	\$18
Three-quarter-time.....	128	159	187	14
Half-time.....	85	106	124	9
Farm cooperative, apprentice, or other on-job training: Full-time.....	148	179	207	14

Column I	Column II	Column III	Column IV	Column V
Type of training	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:
Institutional:				
Full-time.....	\$209	\$259	\$304	\$22
Three-quarter-time.....	157	194	229	17
Half-time.....	105	130	152	11
Farm cooperative, apprentice, or other on-the-job training: Full-time.....	182	220	254	17

CHAPTER 34—VETERANS' EDUCATIONAL ASSISTANCE

* * * * *

SUBCHAPTER IV—PAYMENTS TO ELIGIBLE VETERANS; VETERAN-STUDENT SERVICES

Sec.

1681. Educational assistance allowance.

1682. Computation of educational assistance allowances.

1683. Approval of courses.

1684. Apprenticeship or other on-job training; correspondence courses.

1685. Veteran-student services.

1686. Education Loans.

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Subchapter I—Purpose—Definitions

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§ 1652. Definitions

For the purposes of this chapter—

(a)(1) The term "eligible veteran" means any veteran who (A) served on active duty for a period of more than 180 days any part of which occurred after January 31, 1955, and who was discharged or released therefrom under conditions other than dishonorable or (B) was discharged or released from active duty after such date for a service-connected disability.

(2) The requirement of discharge or release, prescribed in paragraph (1)(A), shall be waived in the case of any individual who served more than one hundred and eighty days in an active-duty status for so long as he continues on active duty without a break therein.

(3) For purposes of paragraph (1)(A) and section 1661(a), the term "active duty" does not include any period during which an individual (A) was assigned full time by the Armed Forces to a civilian institution for a course of education which was substantially the same as established courses offered to civilians, (B) served as a cadet or midshipman at one of the service academies, or (C) served under the provisions of section 511(d) of title 10 pursuant to an enlistment in the Army National Guard or the Air National Guard or as a Reserve for service in the Army Reserve, Naval Reserve, Air Force Reserve, Marine Corps Reserve, or Coast Guard Reserve [.] *unless at some time subsequent to the completion of such period of active duty for training such*

individual served on active duty for a consecutive period of one year or more (not including any service as a cadet or midshipman at one of the service academies).

(b) The term "program of education" means any curriculum or any combination of unit courses or subjects pursued at an educational institution which is generally accepted as necessary to fulfill requirements for the attainment of a predetermined and identified educational, professional, or vocational objective. Such term also means any curriculum of unit courses or subjects pursued at an educational institution which fulfill requirements for the attainment of more than one predetermined and identified educational, professional, or vocational objective if all the objectives pursued are generally recognized as being reasonably related to a single career field. Such term also means any unit course or subject, or combination of courses or subjects, pursued by an eligible veteran at an educational institution, required by the Administrator of the Small Business Administration as a condition to obtaining financial assistance under the provisions of 402(a) of the Economic Opportunity Act of 1964 (42 U.S.C. 2902(a)).

(c) The term "educational institution" means any public or private elementary school, secondary school, vocational school, correspondence school, business school, junior college, teachers' college, college, normal school, professional school, university, or scientific or technical institution, or other institution furnishing education for adults.

(d) The term "dependent" means—

- (1) a child of an eligible veteran;
- (2) a dependent parent of an eligible veteran; and
- (3) the wife of an eligible veteran.

(e) For the purposes of this chapter and chapter 36 of this title, the term "training establishment" means any establishment providing apprentice or other training on the job, including those under the supervision of a college or university or any State department of education, or any State apprenticeship agency, or any State board of vocational education, or any joint apprenticeship committee, or the Bureau of Apprenticeship and Training established pursuant to chapter 4C of title 29, United States Code, or any agency of the Federal Government authorized to supervise such training.

Subchapter II—Eligibility and Entitlement

§ 1661. Eligibility; entitlement; duration

Entitlement

(a) Except as provided in subsection (c) and in the second sentence of this subsection, each eligible veteran shall be entitled to educational assistance under this chapter or chapter 36 for a period of one and one-half months (or the equivalent thereof in part-time educational assistance) for each month or fraction thereof of his service on active duty after January 31, 1955. If an eligible veteran has served a period of 18 months or more on active duty January 31, 1955, and has been released from such service under conditions that would satisfy his active duty obligation, he shall be entitled to educational assistance under this chapter for a period of [36] 45 months (or the equivalent thereof in part-time educational assistance).

Entitlement Limitations

(b) Whenever the period of entitlement under this section of an eligible veteran who is enrolled in an educational institution regularly operated on the quarter or semester system ends during a quarter or semester, such period shall be extended to the termination of such unexpired quarter or semester. In educational institutions not operated on the quarter or semester system, whenever the period of eligibility ends after a major portion of the course is completed such period shall be extended to the end of the course or for twelve weeks, whichever is the lesser period.

(c) Except as provided in subsection (b) and in subchapters V and VI of this chapter, no eligible veteran shall receive educational assistance under this chapter in excess of [thirty-six] 45 months.

Subchapter III—Enrollment

§ 1673. Disapproval of enrollment in certain courses

(a) The Administrator shall not approve the enrollment of an eligible veteran in—

- (1) any bartending course or personality development course;
- (2) any sales or sales management course which does not provide specialized training within a specific vocational field, or in any other course with a vocational objective, unless the eligible veteran or the institution offering such course submits justification showing that at least one-half of the persons [completing] who completed such course over the preceding two-year period, and who are not unavailable for employment, have been employed in the [sales or sales management field] occupational category for which the course was designed to provide training (but in computing the number of persons who completed such course over any such two-year period, there shall not be included the number of persons who completed such course with assistance under this title while serving on active duty); or
- (3) any type of course which the Administrator finds to be avocational or recreational in character (or the advertising for which he finds contains significant avocational or recreational themes) unless the veteran submits justification showing that the course will be of bona fide use in the pursuit of his present or contemplated business or occupation.

(b) Except as provided in section 1677 of this title, the Administrator shall not approve the enrollment of an eligible veteran in any course of flight training other than one given by an educational institution of higher learning for credit toward a standard college degree the eligible veteran is seeking.

(c) The Administrator shall not approve the enrollment of an eligible veteran in any course to be pursued by open circuit television (except as herein provided) or radio. 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 the medium of open circuit television, if the major portion of the course requires conventional classroom or laboratory attendance.

(d) The Administration shall not approve the enrollment of any eligible veteran, not already enrolled, in any [nonaccredited] course [below the college level] (other than one offered pursuant to subchapter V or subchapter VI of this chapter) which does not lead to a standard college degree and which is offered by a proprietary profit or proprietary nonprofit educational institution for any period during which the Administrator finds that more than 85 per centum of the students enrolled in the course are having all or part of their tuition, fees, or other charges paid to or for them by the educational institution or the Veterans' Administration under this [chapter or chapter 31, 34, or 36 of this] title.

* * * * *

§ 1677. Flight training

(a) The Administrator may approve the pursuit by an eligible veteran of flight training where such training is generally accepted as necessary for the attainment of a recognized vocational objective in the field of aviation or where generally recognized as ancillary to the pursuit of a vocational endeavor other than aviation, subject to the following conditions:

(1) the eligible veteran must possess a valid private pilot's license and meet the medical requirements necessary for a commercial pilot's license; and

(2) the flight school courses must meet the Federal Aviation Administration standards and be approved both by the Agency and the appropriate State approving agency.

(b) Each eligible veteran who is pursuing a program of education consisting exclusively of flight training approved as meeting the requirements of subsection (a) hereof, shall be paid an educational assistance allowance to be computed at the rate of 90 per centum of the established charges for tuition and fees which similarly circumstanced non-veterans enrolled in the same flight course are required to pay. Such allowance shall be paid monthly upon receipt of a certification as required by section 1681(c) of this title. In each such case the eligible veteran's period of entitlement shall be charged with one month for each [\$220] \$270 which is paid to the veteran as an educational assistance allowance for such course.

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Subchapter IV—Payments to Eligible Veterans; Veteran-Student Services

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Flight Training

§ 1682. Computation of educational assistance allowances

(a)(1) Except as provided in subsection (b), or (c) of this section, or section 1677 or 1787 of this title, while pursuing a program of education under this chapter of half-time or more, each eligible veteran shall be paid the monthly educational assistance allowance set forth in column II, III, IV, or V (whichever is applicable as determined

by the veteran's dependency status) opposite the applicable type of program as shown 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
				The amount in column IV, plus the following for each dependent in excess of two:
Institutional:				
Full-time.....	\$220	\$261	\$298	\$18
Three-quarter-time.....	165	196	224	14
Half-time.....	110	131	149	9
Cooperative.....	177	208	236	14

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:
Institutional:				
Full-time.....	\$270	\$321	\$366	\$22
Three-quarter-time.....	203	240	275	17
Half-time.....	135	160	182	11
Cooperative.....	217	255	289	17

(2) A "cooperative" program, other than a "farm cooperative" program, means a full-time program of education which consists of institutional courses and alternate phases of training in the business or industrial establishment with the training in the business or industrial establishment being strictly supplemental to the institutional portion.

(b) The educational assistance allowance of an individual pursuing a program education—

(1) while on active duty, or

(2) on less than a half-time basis,

shall be computed at the rate of (A) the established charges for tuition and fees which the institution requires similarly circumstanced nonveterans enrolled in the same program to pay, or (B) [\$220] \$270 per month for a full-time course, whichever is the lesser.

(c)(1) An eligible veteran who is enrolled in an educational institution for a "farm cooperative" program consisting of institutional agricultural courses prescheduled to fall within 44 weeks of any period of 12 consecutive months and who pursues such program on—

(A) a full-time basis (a minimum of ten clock hours per week or four hundred and forty clock hours in such year prescheduled to provide not less than eighty clock hours in any 3-month period),

(B) a three-quarter-time basis (a minimum of 7 clock hours per week), or

(C) a half-time basis (a minimum of 5 clock hours per week) shall be eligible to receive an educational assistance allowance at the appropriate rate provided in the table in paragraph (2) of this subsection, if such eligible veteran is concurrently engaged in agricultural employment which is relevant to such institutional agricultural courses as determined under standards prescribed by the Administrator. In computing the foregoing clock hour requirements there shall be included the time involved in field trips and individual and group instruction sponsored and conducted by the educational institution through a duly authorized instructor of such institution in which the veteran is enrolled.

(2) The monthly educational assistance allowance of an eligible veteran pursuing a farm cooperative program under this chapter shall be paid as set forth in column II, III, IV, or V (whichever is applicable as determined by the veteran's dependency status) opposite the basis shown in column I:

Column I	Column II	Column III	Column IV	Column V
Basis	No dependents	One dependent	Two dependents	More than two dependents
Full-time.....	\$177	\$208	\$236	\$14
Three-quarter-time.....	133	156	177	11
Half-time.....	89	104	118	7

The amount in column IV, plus the following for each dependent in excess of two:

Column I	Column II	Column III	Column IV	Column V
Basis	No dependents	One dependent	Two dependents	More than two dependents
Full-time.....	\$217	\$255	\$284	\$17
Three-quarter-time.....	163	191	218	13
Half-time.....	109	128	145	9

The amount in column IV, plus the following for each dependent in excess of two:

(d)(1) Notwithstanding the prohibition in section 1671 of this title prohibiting enrollment of an eligible veteran in a program of education in which such veteran has "already qualified," a veteran shall be allowed up to six months of educational assistance (or the equivalent thereof in part-time assistance) for the pursuit of refresher training to permit such veteran to update such veteran's knowledge and skills and to be instructed in the technological advances which have occurred in such veterans' field of employment during and since the period of such veteran's active military service.

(2) A veteran pursuing refresher training under this subsection shall be paid an educational assistance allowance based upon the rate prescribed in the table in subsection (a)(1) or in subsection (c)(2) of this section, whichever is applicable.

(3) The educational assistance allowance paid under the authority of this subsection shall be charged against the period of entitlement the veteran has earned pursuant to section 1661(a) of this title.

§ 1685. Veteran-student services

(a) Veteran-students utilized under the authority of subsection (b) of this section shall be paid an additional educational assistance allowance (hereafter referred to as "work-study allowance"). Such work-study allowance shall be paid [in advance] in the amount of [\$250] \$625 in return for such veteran-student's agreement to perform services, during or between periods of enrollment, aggregating [one] two hundred and fifty hours during a semester or other applicable enrollment period, required in connection with (1) the outreach services program under subchapter IV of chapter 3 of this title as carried out under the supervision of a Veterans' Administration employee, (2) the preparation and processing of necessary papers and other documents at educational institutions or regional offices or facilities of the Veterans' Administration, (3) the provision of hospital and domiciliary care and medical treatment under chapter 17 of this title, or (4) any other activity of the Veterans' Administration as the Administrator shall determine appropriate. [Advances of lesser amounts may be made in return for agreements to perform services for periods of less than one hundred hours, the amount of such advance to bear the same ratio to the number of hours of work agreed to be performed as \$250 bears to one hundred hours.] An agreement may be entered into for the performance of services for periods of less than two hundred and fifty hours, in which case the amount of the work-study allowance to be paid shall bear the same ratio to the number of hours of work agreed to be performed as \$625 bears to two hundred and fifty hours. In the case of any agreement providing for the performance of services for one hundred hours or more, the veteran student shall be paid \$250 in advance, and in the case of any agreement for the performance of services for less than one hundred hours, the amount of the advance payment shall bear the same ratio to the number of hours of work agreed to be performed as \$625 bears to two hundred and fifty hours.

(b) Notwithstanding any other provision of law, the Administrator shall utilize, in connection with the activities specified in subsection (a) of this section, the services of veteran-students who are pursuing full-time programs of education or training under chapters 31 and 34 of this title. In carrying out this section, the Administrator, wherever feasible, shall give priority to veterans with disabilities rated at 30 per centum or more for purposes of chapter 11 of this title.

(c) The Administrator shall determine the number of veterans whose services the Veterans' Administration can effectively utilize [(not to exceed eight hundred man-years or their equivalent in man-hours during any fiscal year)] and the types of services that such veterans may be required to perform, on the basis of a survey, which he shall conduct annually, of each Veterans' Administration regional office in order to determine the numbers of veteran-students whose services can effectively be utilized during an enrollment period in each geographical area where Veterans' Administration activities are conducted, and shall determine which veteran-students shall be offered

agreements under this section in accordance with regulations which he shall prescribe, including as criteria (1) the need of the veteran to augment his educational assistance or subsistence allowance; (2) the availability to the veteran of transportation to the place where his services are to be performed; (3) the motivation of the veteran; and (4) in the case of a disabled veteran pursuing a course of vocational rehabilitation under chapter 31 of this title, the compatibility of the work assignment to the veteran's physical condition.

(d) While performing the services authorized by this section, veteran-students shall be deemed employees 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 Civil Service Commission.

§ 1686. Education loans

Any eligible veteran shall be entitled to an education loan (if the program of education is pursued in a State) in such amount and on such terms and conditions as provided in sections 1798 and 1799 of this title.

Subchapter V—Special Assistance for the Educationally Disadvantaged

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§ 1692. Special supplementary assistance

(a) In the case of any eligible veteran who—

(1) is enrolled in and pursuing a postsecondary course of education on a half-time or more basis at an educational institution; and

(2) has a deficiency in a subject required as a part of, or which is a prerequisite to, or which is indispensable to the satisfactory pursuit of, an approved program of education,

the Administrator may approve individualized tutorial assistance for such veteran if such assistance is necessary for the veteran to complete such program successfully.

(b) The Administrator shall pay to an eligible veteran receiving tutorial assistance pursuant to subsection (a) of this section, in addition to the educational assistance allowance provided in section 1682 of this title, the cost of such tutorial assistance in an amount not to exceed **[\$50]** \$60 per month, for a maximum of **[nine]** *twelve* months, or until a maximum of **[\$450]** \$720 is utilized, upon certification by the educational institution that—

(1) the individualized tutorial assistance is essential to correct a deficiency of the eligible veteran in a subject required as a part of, or which is prerequisite to, or which is indispensable to the satisfactory pursuit of, an approved program of education;

(2) the tutor chosen to perform such assistance is qualified; and

(3) the charges for such assistance do not exceed the customary charges for such tutorial assistance.

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§ 1696. Payment of educational assistance allowance

(a) The Administrator shall, under such regulations as he shall prescribe after consultation with the Secretary of Defense, pay the educational assistance allowance as computed in subsection (b) of this section to an eligible person enrolled in and pursuing (1) a course or

courses offered by an educational institution (other than by correspondence) and required to receive a secondary school diploma, or (2) any deficiency, remedial, or refresher course or courses offered by an educational institution and required for or preparatory to the pursuit of an appropriate course or training program in an approved educational institution or training establishment.

(b) The educational assistance allowance of an eligible person pursuing education or training under this subchapter shall be computed at the rate of (1) the established charges for tuition and fees which the educational institution requires similarly circumstanced nonveterans enrolled in the same or a similar program to pay, and the cost of books and supplies peculiar to the course which such educational institution requires similarly circumstanced nonveterans enrolled in the same or similar program to have, or (2) **[\$220]** \$270 per month for a full-time course, whichever is the lesser. Where it is determined that there is no same program, the Administrator shall establish appropriate rates for tuition and fees designed to allow reimbursement for reasonable costs for the education or training institution.

(c) The educational assistance allowance authorized by this section shall be paid without charge to any period of entitlement earned pursuant to section 1661(a) of this title.

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CHAPTER 35—WAR ORPHANS' AND WIDOWS' EDUCATIONAL ASSISTANCE

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SUBCHAPTER IV—PAYMENTS TO ELIGIBLE PERSONS

Sec.

1731. Educational assistance allowance.

1732. Computation of educational assistance allowance.

1733. Special assistance for the educationally disadvantaged.

1734. Apprenticeship or other on-job training; correspondence courses.

1735. Approval of courses.

1736. Specialized vocational training courses.

1737. Education loans.

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Subchapter III—Program of Education

* * * * *

§ 1723. Disapproval of enrollment in certain courses

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

(1) any bartending course or personality development course;

(2) any sales or sales management course which does not provide specialized training within a specific vocational field, or in any other course with a vocational objective, unless the eligible person or the institution offering such course submits justification showing that at least one-half of the persons **[completing]** *who completed* such course over the preceding two-year period, and *who are not unavailable for employment*, have been employed in the **[sales or sales management field]** *occupational category for which the course was designed to provide training (but in computing*

the number of persons who completed such course over any such two-year period, there shall not be included the number of persons who completed such course with assistance under this title while serving on active duty); or

(3) any type of course which the Administrator finds to be avocational or recreational in character (or the advertising for which he finds contains significant avocational or recreational themes) unless the eligible person submits justification showing that the course will be of bona fide use in the pursuit of his present or contemplated business or occupation.

(b) The Administrator shall not approve the enrollment of an eligible person in any course of flight training other than one given by an educational institution of higher learning for credit toward a standard college degree the eligible person is seeking.

(c) The Administrator shall not approve the enrollment of an eligible person in [any course of institutional on-farm training,] any course to be pursued by correspondence (except as provided in section 1786 of this title), open circuit television (except as herein provided), or a radio, or any course to be pursued at an educational institution not located in a State or in the Republic of the Philippines (except as herein provided). 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 the medium of open circuit televised instruction, if the major portion of the course requires conventional classroom or laboratory attendance. The Administrator may approve the enrollment at an educational institution which is not located in a State or in the Republic of the Philippines if such program is pursued at an approved educational institution of higher learning. The Administrator in his discretion may deny or discontinue the educational assistance under this chapter of any eligible person in a foreign educational institution if he finds that such enrollment is not in the best interest of the eligible person or the Government.

(d) The Administrator shall not approve the enrollment of an eligible person in any course which is to be pursued as a part of his regular secondary school education (except as provided in section 1733 of this title), but this subsection shall not prevent the enrollment of an eligible person in a course [to be pursued below the college level] not leading to a standard college degree if the Administrator finds that such person has ended his secondary school education (by completion or otherwise) and that such course is a specialized vocational course pursued for the purpose of qualifying in a bona fide vocational objective.

* * * * *

Subchapter IV—Payments to Eligible Persons

§ 1731. Educational assistance allowance

(a) The Administrator shall, in accordance with the provisions of section 1780 of this title, pay to the parent or guardian of each eligible person who is pursuing a program of education under this chapter, and who applies therefor on behalf of such eligible person, an educational assistance allowance to meet, in part, the expenses of the eligible person's subsistence, tuition, fees, supplies, books, equipment, and other educational costs.

(b) No educational assistance allowance shall be paid on behalf of an eligible person enrolled in a course in an educational institution which does not lead to a standard college degree for any period until the Administrator shall have received—

(1) from the eligible person a certification as to his actual attendance during such period; and

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

§ 1732. Computation of educational assistance allowance

(a)(1) The educational assistance allowance on behalf of an eligible person who is pursuing a program of education consisting of institutional courses shall be computed at the rate [of (A) \$220 per month if pursued on a full-time basis, (B) \$165 per month if pursued on a three-quarter-time basis, and (C) \$110 per month if pursued on a half-time basis.] *prescribed in section 1682(a)(1) of this title for full-time, three-quarter-time, or half-time pursuit, as appropriate, of an institutional program by an eligible veteran with no dependents.*

(2) The educational assistance allowance on behalf of an eligible person pursuing a program of education on less than a half-time basis shall be computed at the rate [of (A) the established charges for tuition and fees which the institution requires other individuals enrolled in the same program to pay, or (B) \$220 per month for a full-time course, whichever is the lesser.] *prescribed in section 1682(b)(2) of this title for less-than-half-time pursuit of an institutional program by an eligible veteran.*

(b) The educational assistance allowance to be paid on behalf of an eligible person who is pursuing a full-time program of education which consists of institutional courses and alternate phases of training in a business or industrial establishment with the training in the business or industrial establishment being strictly supplemental to the institutional portion, shall be computed at the rate of [\$177] \$217 per month.

(c)(1) *An eligible person who is enrolled in an educational institution for a "farm cooperative" program consisting of institutional agricultural courses prescheduled to fall within forty-four weeks of any period of twelve consecutive months and who pursues such program on—*

(A) *a full-time basis (a minimum of ten clock hours per week or four hundred and forty clock hours in such year prescheduled to provide not less than eighty clock hours in any three-month period),*

(B) *a three-quarter-time basis (a minimum of seven clock hours per week), or*

(C) *a half-time basis (a minimum of five clock hours per week), shall be eligible to receive an educational assistance allowance at the appropriate rate provided in paragraph (2) of this subsection, if such eligible person is concurrently engaged in agricultural employment which is relevant to such institutional agricultural courses as determined under standards prescribed by the Administrator. In computing the foregoing clock hour requirements there shall be included the time involved in field trips and individual and group instruction sponsored and conducted by the educational institution through a duly authorized instructor of such institution in which the person is enrolled.*

(2) *The monthly educational assistance allowance to be paid on behalf of an eligible person pursuing a farm cooperative program under this*

chapter shall be computed at the rate prescribed in section 1682(c)(2) of this title for full-time, three-quarter-time, or half-time pursuit, as appropriate, of a farm cooperative program by an eligible veteran with no dependents.

[(c)] (d) If a program of education is pursued by an eligible person at an institution located in the Republic of the Philippines, the educational assistance allowance computed for such person under this section shall be paid at a rate in Philippine pesos equivalent to \$0.50 for each dollar.

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§ 1737. Education loans

Any eligible person shall be entitled to an education loan (if the program of education is pursued in a State) in such amount and on such terms and conditions as provided in sections 1798 and 1799 of this title.

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Subchapter V—Special Restorative Training

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§ 1742. Special training allowance

(a) While the eligible person is enrolled in and pursuing a full time course of special restorative training, the parent or guardian shall be entitled to receive on [his] behalf of such person a special training allowance computed at the basic rate of [\$220] \$270 per month. If the charges for tuition and fees applicable to any such course are more than [\$69] \$85 per calendar month, the basic monthly allowance may be increased by the amount that such charges exceed [\$69] \$85 a month, upon election by the [parents] parent or guardian of the eligible person to have such person's period of entitlement reduced by one day for each [\$7.35] \$9.02 that the special training allowance paid exceeds the basic monthly allowance.

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

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

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CHAPTER 36—ADMINISTRATION OF EDUCATIONAL BENEFITS

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SUBCHAPTER II—MISCELLANEOUS PROVISIONS

Sec.

- 1780. Payment of educational or subsistence assistance allowances.
- 1781. Limitations on educational assistance.
- 1782. Control by agencies of the United States.
- 1783. Conflicting interests.
- 1784. Reports by institutions; reporting fee.

Sec.

- 1785. Overpayments to eligible person or veterans.
- 1786. Correspondence courses.
- 1787. Apprenticeship or other on-job training.
- 1788. Measurement of courses.
- 1789. Period of operation for approval.
- 1790. Overcharges by educational institutions; discontinuance of allowances; examination of records; false or misleading statements.
- 1791. Change of program.
- 1792. Advisory committee.
- 1793. Institutions listed by Attorney General.
- 1794. Use of other Federal agencies.
- 1795. Limitation on period of assistance under two or more programs.
- 1796. Limitation on certain advertising, sales, and enrollment practices.

SUBCHAPTER III—EDUCATION LOANS TO ELIGIBLE VETERANS AND ELIGIBLE PERSONS

- 1798. Eligibility for loans; amount and conditions of loans; interest rate on loans.
- 1799. Source of funds; insurance.

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Subchapter I—State Approving Agencies

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§ 1774. Reimbursement of expenses

(a) The Administrator is authorized to enter into contracts or agreements with State and local agencies to pay such State and local agencies for reasonable and necessary expenses of salary and travel incurred by employees of such agencies and an allowance for administrative expenses in accordance with the formula contained in subsection (b) of this section in (1) rendering necessary services in ascertaining the qualifications of educational institutions for furnishing courses of education to eligible persons or veterans under this chapter and chapters 34 and 35, and in the supervision of such educational institutions, and (2) furnishing, at the request of the Administrator, any other services in connection with chapters 34 and 35. Each such contract or agreement shall be conditioned upon compliance with the standards and provisions of chapters 34 and 35.

(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	[Allowance] Allowable for administrative expense
\$5,000 or less	[\$500.] \$550.
Over \$5,000 but not exceeding \$10,000	[\$900.] \$1,000.
Over \$10,000 but not exceeding \$35,000	[\$900.] \$1,000 for the first \$10,000 plus [\$800.] \$925 for each additional \$5,000 or fraction thereof.
Over \$35,000 but not exceeding \$40,000	[\$5,250.] \$6,050.
Over \$40,000 but not exceeding \$75,000	[\$5,250.] \$6,050 for the first \$40,000 plus [\$700.] \$800 for each additional \$5,000 or fraction thereof.
Over \$75,000 but not exceeding \$80,000	[\$10,450.] \$12,000.
Over \$80,000	[\$10,450.] \$12,000 for the first \$80,000 plus [\$600.] \$700 for each additional \$5,000 or fraction thereof.

Subchapter II—Miscellaneous Provisions

§ 1780. Payment of educational assistance or subsistence allowances

Period for Which Payment May Be Made

(a) Payment of educational assistance or subsistence allowances to eligible veterans or eligible persons pursuing a program of education or training, other than a program by correspondence or a program of flight training, in an educational institution under chapter 31, 34, or 35 of this title shall be paid as provided in this section and, as applicable, in section 1504, 1682, 1691, or 1732 of this title. Such payments shall be paid only for the period of such veterans' or persons' enrollment, but no amount shall be paid—

(1) to any eligible veteran or eligible person enrolled in a course which leads to a standard college degree for any period when such veteran or person is not pursuing his course in accordance with the regularly established policies and regulations of the educational institution and the requirements of this chapter or of chapter 34 or 35 of this title; or

(2) to any eligible veteran or eligible person enrolled in a course which does not lead to a standard college degree (excluding programs of apprenticeship and programs of other on-job training authorized by section 1787 of this title) for any day of absence in excess of thirty days in a twelve-month period, not counting as absences weekends or legal holidays (*or customary vacation periods connected therewith*) established by Federal or State law (or in the case of the Republic of the Philippines, Philippine law) during which the institution is not regularly in session.

Notwithstanding the foregoing, the Administrator may, subject to such regulations as he shall prescribe, continue to pay allowances to eligible veterans and eligible persons enrolled in courses set forth in clause (1) or (2) of this subsection during periods when the schools are temporarily closed under an established policy based upon an Executive order of the President or due to an emergency situation, and such periods shall not be counted as absences for the purposes of clause (2).

Correspondence Training Certifications

(b) No educational assistance allowance shall be paid to an eligible veteran or wife or widow enrolled in and pursuing a program of education exclusively by correspondence until the Administrator shall have received—

(1) from the eligible veteran or wife or widow a certificate as to the number of lessons actually completed by the veteran or wife or widow and serviced by the educational institution; and

(2) from the training establishment a certification or an endorsement on the veteran's or wife's or widow's certificate, as to the number of lessons completed by the veteran or wife or widow and serviced by the institution.

Apprenticeship and Other On-Job Training

(c) No training assistance allowance shall be paid to an eligible veteran or eligible person enrolled in and pursuing a program of apprenticeship or other on-job training until the Administrator shall have received—

(1) from such veteran or person a certification as to his actual attendance during such period; and

(2) from the training establishment a certification, or an endorsement on the veteran's or person's certificate, that such veteran or person was enrolled in and pursuing a program of apprenticeship or other on-job training during such period.

Advance Payment of Initial Educational Assistance or Subsistence Allowance

(d)(1) The educational assistance or subsistence allowance advance payment provided for in this subsection is based upon a finding by the Congress that eligible veterans and eligible persons need additional funds at the beginning of a school term to meet the expenses of books, travel, deposits, and payment for living quarters, the initial installment of tuition, and the other special expenses which are concentrated at the beginning of a school term.

(2) Subject to the provisions of this subsection, and under regulations which the Administrator shall prescribe, an eligible veteran or eligible person shall be paid an educational assistance allowance or subsistence allowance, as appropriate, advance payment. Such advance payment shall be made in an amount equivalent to the allowance for the month or fraction thereof in which pursuit of the program will commence, plus the allowance for the succeeding month. In the case of a serviceman on active duty, who is pursuing a program of education (other than under subchapter VI of chapter 34), the advance payment shall be in a lump sum based upon the amount payable for the entire quarter, semester, or term, as applicable. In no event shall an advance payment be made under this subsection to a veteran or person intending to pursue a program of education on less than a half-time basis. The application for advance payment, to be made on a form prescribed by the Administrator, shall—

(A) in the case of an initial enrollment of a veteran or person in an educational institution, contain information showing that the veteran or person (i) is eligible for educational benefits, (ii) has been accepted by the institution, and (iii) has notified the institution of his intention to attend that institution; and

(B) in the case of a re-enrollment of a veteran or person, contain information showing that the veteran or person (i) is eligible to continue his program of education or training and (ii) intends to re-enroll in the same institution,

and, in either case, shall also state the number of semester or clock-hours to be pursued by such veteran or person.

(3) Subject to the provisions of this subsection, and under regulations which the Administrator shall prescribe, a person eligible for education or training under the provisions of subchapter VI of

chapter 34 of this title shall be entitled to a lump-sum educational assistance allowance advance payment. Such advance payment shall in no event be made earlier than thirty days prior to the date on which pursuit of the person's program of education or training is to commence. The application for the advance payment, to be made on a form prescribed by the Administrator, shall, in addition to the information prescribed in paragraph (2)(A), specify—

- (A) that the program to be pursued has been approved;
- (B) the anticipated cost and the number of Carnegie, clock, or semester hours to be pursued; and
- (C) where the program to be pursued is other than a high school credit course, the need of the person to pursue the course or courses to be taken.

(4) For purposes of the Administrator's determination whether any veteran or person is eligible for an advance payment under this section, the information submitted by the institution, the veteran or person, shall establish his eligibility unless there is evidence in his file in the processing office establishing that he is not eligible for such advance payment.

(5) The advance payment authorized by paragraphs (2) and (3) of this subsection shall, in the case of an eligible veteran or eligible person, be (A) drawn in favor of the veteran or person; (B) mailed to the educational institution listed on the application form for temporary care and delivery to the veteran or person by such institution; and (C) delivered to the veteran or person upon his registration at such institution, but in no event shall such delivery be made earlier than thirty days before the program of education is to commence.

(6) Upon delivery of the advance payment pursuant to paragraph (5) of this subsection, the institution shall submit to the Administrator a certification of such delivery. If such delivery is not affected within thirty days after commencement of the program of education in question, such institution shall return such payment to the Administrator forthwith.

Prepayment of Subsequent Educational Assistance or Subsistence Allowance

(e) Except as provided in subsection (g) of this section, subsequent payments of educational assistance or subsistence allowance to an eligible veteran or eligible person shall be prepaid each month, subject to such reports and proof of enrollment in and satisfactory pursuit of such programs as the Administrator may require. The Administrator may withhold the final payment for a period of enrollment until such proof is received and the amount of the final payment appropriately adjusted.

Recovery of Erroneous Payments

(f) If an eligible veteran or eligible person fails to enroll in or pursue a course for which an educational assistance or subsistence allowance advance payment is made, the amount of such payment and any amount of subsequent payments which, in whole or in part, are due to erroneous information required to be furnished under subsection (d) (2) and (3) of this section, shall become an overpayment and shall

constitute a liability of such veteran or person to the United States and may be recovered, unless waived pursuant to section 3102 of this title, from any benefit otherwise due him under any law administered by the Veterans' Administration or may be recovered in the same manner as any other debt due the United States.

Payments for Less Than Half-Time Training

(g) Payment of educational assistance allowance in the case of any eligible veteran or eligible person pursuing a program of education on less than a half-time basis (except as provided by subsection (d)(3) of this section) shall be made in an amount computed for the entire quarter, semester, or term during the month immediately following the month in which certification is received from the educational institution that such veteran or person has enrolled in and is pursuing a program at such institution. Such lump sum payment shall be computed at the rate provided in section 1682(b) or 1732(a)(2) of this title, as applicable.

Determination of Enrollment, Pursuit, and Attendance

(h) The Administrator may, pursuant to regulations which he shall prescribe, determine enrollment in, pursuit of, and attendance at, any program of education or training or course by an eligible veteran or eligible person for any period for which he receives an educational assistance or subsistence allowance under this chapter for pursuing such program or course.

* * * * *

§ 1784. Reports by institutions; reporting fee

(a) Educational institutions shall, without delay, report to the Administrator in the form prescribed by him, the enrollment, interruption, and termination of the education of each eligible person or veteran enrolled therein under chapter 34, 35, or 36.

(b) The Administrator may pay to any educational institution, or to any joint apprenticeship training committee acting as a training establishment, furnishing education or training under either this chapter or chapter 34 [,] or 35 [,] [or 36] of this title, a reporting fee which will be in lieu of any other compensation or reimbursement for reports or certifications which such educational institution or joint apprenticeship training committee is required to [report] submit to him by law or regulation. Such reporting fee shall be computed for each calendar year by multiplying \$3 by the number of eligible veterans or eligible persons enrolled under [chapters] this chapter or chapter 34 [,] or 35 [, and] of this title, or \$4 in the case of those eligible veterans and eligible persons whose educational assistance checks are directed in care of each institution for temporary custody and delivery and are delivered at the time of registration as provided under section 1780(d)(5) of this title, on October 31 of that year; except that the Administrator may, where it is established by [the] such educational institution or joint apprenticeship training committee that eligible veteran plus eligible person enrollment on such date varies more than 15 per centum from the peak eligible veteran enrollment plus eligible person enrollment in such educational institution or joint

apprenticeship training committee during such calendar year, establish such other date as representative of the peak enrollment as may be justified for [that] such educational institution or joint apprenticeship training committee. The reporting fee shall be paid to [the] such educational institution or joint apprenticeship training committee as soon as feasible after the end of the calendar year for which it is applicable.

* * * * *

§ 1786. Correspondence courses

(a)(1) Each eligible veteran (as defined in section 1652(a)(1) and (2) of this title) and each eligible wife or widow (as defined in section 1701(a)(1) (B), (C), or (D) of this title) who enters into an enrollment agreement to pursue a program of education exclusively by correspondence shall be paid an educational assistance allowance computed at the rate of 90 per centum of the established charge which the institution requires nonveterans to pay for the course or courses pursued by the eligible veteran or wife or widow. The term "established charge" as used herein means the charge for the course or courses determined on the basis of the lowest extended time payment plan offered by the institution and approved by the appropriate State approving agency or the actual cost to the veteran or wife or widow, whichever is the lesser. Such allowance shall be paid quarterly on a prorata basis for the lessons completed by the veteran or wife or widow and serviced by the institution.

(2) The period of entitlement of any veteran or wife or widow who is pursuing any program of education exclusively by correspondence shall be charged with one month for each [\$220] \$270 which is paid to the veteran or wife or widow as an educational assistance allowance for such course.

(b) The enrollment agreement shall fully disclose the obligation of both the institution and the veteran or wife or widow and shall prominently display the provisions for affirmance, termination, refunds, and the conditions under which payment of the allowance is made by the Administrator to the veteran or wife or widow. A copy of the enrollment agreement shall be furnished to each such veteran or wife or widow at the time such veteran or wife or widow signs such agreement.

No such agreement shall be effective unless such veteran or wife or widow shall, after the expiration of ten days after the enrollment agreement is signed, have signed and submitted to the Administrator a written statement, with a signed copy to the institution, specifically affirming the enrollment agreement. In the event the veteran or wife or widow at any time notifies the institution of his intention not to affirm the agreement in accordance with the preceding sentence, the institution, without imposing any penalty or charging any fee shall promptly make a full refund of all amounts paid.

(c) In the event veteran or wife or widow elects to terminate his enrollment under an affirmed enrollment agreement, the institution (other than one subject to the provisions of section 1776 of this title) may charge the veteran or wife or widow a registration or similar fee not in excess of 10 per centum of the tuition for the course, or \$50, whichever is less. Where the veteran or wife or widow elects to terminate the

agreement after completion of one or more but less than 25 per centum of the total number of lessons comprising the course, the institution may retain such registration or similar fee plus 25 per centum of the tuition for the course. Where the veteran or wife or widow elects to terminate the agreement after completion of 25 per centum but less than 50 per centum of the lessons comprising the course, the institution may retain the full registration or similar fee plus 50 per centum of the course tuition. If 50 per centum or more of the lessons are completed, no refund of tuition is required.

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§ 1787. Apprenticeship or other on-job training

(a) An eligible veteran (as defined in section 1652(a)(1) of this title) or an eligible person (as defined in section 1701(a) of this title) shall be paid a training assistance allowance as prescribed by subsection (b) of this section while pursuing a full-time—

(1) program of apprenticeship approved by a State approving agency as meeting the standards of apprenticeship published by the Secretary of Labor pursuant to section 50a of title 29, or

(2) program of other on-job training approved under provisions of section 1777 of this title.

subject to the conditions and limitations of chapters 34 and 35 with respect to educational assistance.

(b)(1) The monthly training assistance allowance of an eligible veteran pursuing a program described under subsection (a) shall be as follows:

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.....	\$160	\$179	\$196	The amount in column IV, plus the following for each dependent in excess of two: \$8
Second 6 months.....	120	139	156	8
Third 6 months.....	80	99	116	8
Fourth and any succeeding 6-month periods..	40	59	76	8

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.....	\$196	\$220	\$290	The amount in column IV, plus the following for each dependent in excess of two: \$10
Second 6 months.....	147	171	191	10
Third 6 months.....	98	122	142	10
Fourth and any succeeding 6-month periods....	49	73	95	10

(2) The monthly training assistance allowance of an eligible person pursuing a program described under subsection (a) shall be [(A) \$160 during the first six-month period, (B) \$120 during the second six-month period, (C) \$80 during the third six-month period, and (D) \$40 during the fourth and any succeeding six-month period.] *computed at the rate prescribed in paragraph (1) of this subsection for an eligible veteran with no dependents pursuing such a course.*

(3) In any month in which an eligible veteran or person pursuing a program of apprenticeship or a program of other on-job training fails to complete one hundred and twenty hours of training in such month, the monthly training assistance allowance set forth in subsection (b)(1) or (2) of this section, as applicable, shall be reduced proportionately in the proportion that the number of hours worked bears to one hundred and twenty hours rounded off to the nearest eight hours.

(c) For the purpose of this chapter, the terms "program of apprenticeship" and "program of other on-job training" shall have the same meaning as "program of education"; and the term "training assistance allowance" shall have the same meaning as "educational assistance allowance" as set forth in chapters 34 and 35 of this title.

§ 1788. Measurement of courses

(a) For the purposes of this chapter and chapters 34 and 35 of this title—

(1) an institutional trade or technical course offered on a clock-hour basis [below the college level], *not leading to a standard college degree*, involving shop practice as an integral part thereof, shall be considered a full-time course when a minimum of thirty hours per week of attendance is required with no more than two and one-half hours of rest periods per week allowed;

(2) an institutional course offered on a clock-hour basis [below the college level], *not leading to a standard college degree*, in which theoretical or classroom instruction predominates shall be considered a full-time course when a minimum of twenty-five hours per week net of instruction (which may include customary intervals not to exceed ten minutes between hours of instruction) is required;

(3) an academic high school course requiring sixteen units for a full course shall be considered a full-time course when (A) a minimum of four units per year is required or (B) an individual is pursuing a program of education leading to an accredited high school diploma at a rate which, if continued, would result in receipt of such a diploma in four ordinary school years. For the purpose of subclause (A) of this clause, a unit is defined to be not less than one hundred and twenty sixty-minute hours or their equivalent of study in any subject in one academic year;

(4) an institutional undergraduate course offered by a college or university on a quarter- or semester-hour basis shall be considered a full-time course when a minimum of fourteen semester hours or the equivalent thereof (including such hours for which no credit is granted but which are required to be taken to correct an educational deficiency and which the educational institution considers to be quarter or semester hours for other administrative purposes), for which credit is granted toward a standard college

degree, is required, except that where such college or university certifies, upon the request of the Administrator, that (A) full-time tuition is charged to all undergraduate students carrying a minimum of less than fourteen such semester hours or the equivalent thereof, or (B) all undergraduate students carrying a minimum of less than fourteen such semester hours or the equivalent thereof, are considered to be pursuing a full-time course for other administrative purposes, then such an institutional undergraduate course offered by such college or university with such minimum number of such semester hours shall be considered a full-time course, but in the event such minimum number of semester hours is less than twelve semester hours or the equivalent thereof, then twelve semester hours or the equivalent thereof shall be considered a full-time course;

(5) a program of apprenticeship or a program of other on-job training shall be considered a full-time program when the eligible veteran or person is required to work the number of hours constituting the standard workweek of the training establishment, but a workweek of less than thirty hours shall not be considered to constitute full-time training unless a lesser number of hours has been established as the standard workweek for the particular establishment through bona fide collective bargaining; and

(6) an institutional course offered as part of a program of education [below the college level] *not leading to a standard college degree* under section 1691(a)(2) or 1696(a)(2) of this title shall be considered a full-time course on the basis of measurement criteria provided in clause (2), (3), or (4) as determined by the educational institution.

Notwithstanding the provisions of clause (1) or (2) of this subsection, an educational institution offering courses not leading to a standard college degree may measure such courses on a quarter- or semester-hour basis (with full time measured on the same basis as provided by clause (4) of this subsection); but (A) the academic portions of such courses must require outside preparation and be measured on not less than one quarter or one semester hour for each fifty minutes net of instruction per week or quarter or semester; (B) the laboratory portions of such courses must be measured on not less than one quarter or one semester hour for each two hours of attendance per week per quarter or semester; and (C) the shop portions of such courses must be measured on not less than one quarter or one semester hour for each three hours of attendance per week per quarter or semester. In no event shall such course be considered a full-time course when less than twenty-two hours per week of attendance is required.

* * * * *

§ 1796. Limitation on certain advertising, sales, and enrollment practices

(a) *The Administrator shall not approve the enrollment of an eligible veteran or eligible person in any course offered by an institution which utilizes advertising, sales, or enrollment practices of any type which are erroneous, deceptive, or misleading either by actual statement, omission, or intimation.*

(b) The Administrator shall, pursuant to section 1794 of this title, enter into an agreement with the Federal Trade Commission to utilize, where appropriate, its services and facilities, consistent with its available resources, in carrying out investigations and making his determinations under subsection (a) of this section. Such agreement shall provide that cases arising under subsection (a) of this section or any similar matters with respect to any of the requirements of this chapter or chapters 34 and 35 of this title shall be referred to the Federal Trade Commission which in its discretion will conduct an investigation and make preliminary findings. The findings and results of any such investigations shall be referred to the Administrator who shall take appropriate action in such cases within ninety days after such referral.

(c) Not later than sixty days after the end of each fiscal year, the Administrator shall report to Congress on the nature and disposition of all cases arising under this section.

Subchapter III—Education Loans to Eligible Veterans and Eligible Persons

§ 1798. Eligibility for loans; amount and conditions of loans; interest rate on loans

(a) Each eligible veteran and eligible person shall be entitled to a loan under this subchapter in an amount determined under, and subject to the conditions specified in, subsection (b)(1) of this section if the veteran or person satisfies the requirements set forth in subsection (c) of this section.

(b)(1) Subject to paragraph (3) of this subsection, the amount of the loan to which an eligible veteran or eligible person shall be entitled under this subchapter for any academic year shall be equal to the amount needed by such veteran or person to pursue a program of education at the institution at which he is enrolled, as determined under paragraph (2) of this subsection.

(2)(A) The amount needed by a veteran or person to pursue a program of education at an institution for any academic year shall be determined by subtracting (i) the total amount of financial resources (as defined in subparagraph (B) of this paragraph) available to the veteran or person which may be reasonably expected to be expended by such veteran or person for educational purposes in any year from (ii) the actual cost of attendance (as defined in subparagraph (C) of this paragraph) at the institution in which such veteran or person is enrolled.

(B) The term "total amount of financial resources" of any veteran or person for any year means the total of the following:

(i) The annual adjusted effective income of the veteran or person less Federal income tax paid or payable by such veteran or person with respect to such income.

(ii) The amount of cash assets of the veteran or person.

(iii) The amount of financial assistance received by the veteran or person under the provisions of title IV of the Higher Education Act of 1965, as amended.

(iv) Educational assistance received by the veteran or person under this title other than under this subchapter.

(v) Financial assistance received by the veteran or person under any scholarship or grant program other than those specified in clauses (iii) and (iv).

(C) The term "actual cost of attendance" means, subject to such regulations as the Administrator may provide, the actual per-student charges for tuition, fees, room and board (or expenses related to reasonable commuting), books, and an allowance for such other expenses as the Administrator determines by regulation to be reasonably related to attendance at the institution at which the veteran or person is enrolled.

(3) The aggregate of the amounts any veteran or person may borrow under this subchapter may not exceed \$270 multiplied by the number of months such veteran or person is entitled to receive educational assistance under section 1661 or subchapter II of chapter 35, respectively, of this title, but not in excess of \$1,000 in any one regular academic year.

(c) An eligible veteran or person shall be entitled to a loan under this subchapter if such veteran or person—

(1) is in attendance at an educational institution on at least a half-time basis and (A) is enrolled in a course leading to a standard college degree, or (B) is enrolled in a course, the completion of which requires six months or longer, leading to an identified and predetermined professional or vocational objective;

(2) has sought and is unable to obtain a loan, in the full amount needed by such veteran or person, as determined under subsection (b) of this section, under a student loan program insured pursuant to the provisions of part B of title IV of the Higher Education Act of 1965, as amended, or any successor authority; and

(3) enters into an agreement with the Administrator meeting the requirements of subsection (d) of this section.

No loan shall be made under this subchapter to an eligible veteran or person pursuing a program of correspondence, flight, apprentice or other on-job, or PREP training.

(d) Any agreement between the Administrator and a veteran or person under this subchapter—

(1) shall include a note or other written obligation which provides for repayment to the Administrator of the principal amount of, and payment of interest on, the loan in installments over a period beginning nine months after the date on which the borrower ceases to be at least a half-time student and ending ten years and nine months after such date;

(2) shall include provision for acceleration of repayment of all or any part of the loan, without penalty, at the option of the borrower;

(3) shall provide that the loan shall bear interest, on the unpaid balance of the loan, at a rate prescribed by the Administrator, with the concurrence of the Secretary of the Treasury, but at a rate not less than the rate paid by such Secretary on Treasury notes and obligations being purchased by the Fund at the time the loan agreement is made, except that no interest shall accrue prior to the beginning date of repayment; and

(4) shall provide that the loan shall be made without security and without endorsement.

(e)(1) Except as provided in paragraph (2) of this subsection, whenever the Administrator determines that a default has occurred on any loan made under this subchapter, he shall declare an overpayment, and such overpayment shall be recovered from the veteran or person concerned in the same manner as any other debt due the United States.

(2) If a veteran or person who has received a loan under this section dies or becomes permanently and totally disabled, then the Administrator shall discharge the veteran's or person's liability on such loan by repaying the amount owed on such loan.

(3) The Administrator shall submit to the Committees on Veterans' Affairs of the Senate and the House of Representatives, not later than one year after the date of enactment of the Vietnam Era Veterans' Readjustment Assistance Act of 1974 and annually thereafter, a separate report specifying the default experience and rate at each educational institution along with a comparison of the collective default experience and rate at all such institutions.

§ 1799. Sources of funds; insurance

(a) Loans made by the Administrator under this subchapter shall be made from funds available under subsection (b) of this section for such purpose, and repayment shall be guaranteed as provided in subsection (c) of this section.

(b)(1) Any funds in the National Service Life Insurance Fund continued under section 720 (in this subchapter referred to as the "Fund") shall be available to the Administrator for making loans under section 1798 of this title. The Administrator shall set aside out of the Fund such amounts, not in excess of limitations in appropriations Acts, as may be necessary to enable him to make all the loans to which veterans or persons are entitled under section 1798 of this title.

(2) Any funds set aside under paragraph (1) of this subsection shall be considered as investments of the Fund and while so set aside shall bear interest at a rate determined by the Secretary of the Treasury, but at a rate not less than the rate paid by such Secretary on other Treasury notes and obligations being purchased by the Fund at the time such funds are set aside.

(c) The Administrator shall guarantee repayment to the Fund of any amounts set aside under subsection (b) of this section for loans under section 1798 of this title and of any interest accrued thereon. In order to discharge his responsibility under any such guarantee, he is authorized to issue to the Secretary of the Treasury notes or other obligations in such forms and denominations, bearing such maturities, and subject to such terms and conditions as may be prescribed by the Secretary of the Treasury. Such notes or other obligations shall bear interest at a rate determined by the Secretary of the Treasury, but at a rate not less than the rate paid by such Secretary on other Treasury notes and obligations being purchased by the Fund at the time the loan agreement is made. The Secretary of the Treasury is authorized and directed to purchase such notes and other obligations.

(d) There are authorized to be appropriated to the Administrator such sums as may be necessary to enable him to repay to the Fund any amounts set aside under subsection (b) of this section together with any interest accrued thereon. Any funds paid to the Administrator pursuant to an agreement made under section 1798(d) of this title shall be deemed to have been appropriated pursuant to this subsection.

(e) A fee shall be collected from each veteran or person obtaining a loan made under this subchapter for the purpose of insuring against defaults on loans made under this subchapter, and no loan shall be made under this subchapter until the fee payable with respect to such loan has been collected and remitted to the Administrator. The amount of the fee

shall be established from time to time by the Administrator, but shall in no event exceed 3 per centum of the total loan amount. The amount of the fee may be included in the loan to the veteran or person and paid from the proceeds thereof. The Administrator shall deposit all fees collected hereunder in the Fund, and amounts so deposited shall be available to the Administrator to discharge his obligations under subsection (c) of this section.

CHAPTER 41—JOB COUNSELING, TRAINING, AND PLACEMENT SERVICE FOR VETERANS

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§ 2001. Definitions

For the purposes of this chapter—

(1) The term "eligible veteran" means a person who served in the active military, naval, or air service and who was discharged or released therefrom with other than a dishonorable discharge.

(2) The term "eligible person" means—

(A) the spouse of any person who died of a service-connected disability,

(B) the spouse of any member of the Armed Forces serving on active duty who, at the time of application for assistance under this chapter, is listed, pursuant to section 556 of title 37 and regulations issued thereunder, by the Secretary concerned in one or more of the following categories and has been so listed for a total of more than ninety days: (i) missing in action, (ii) captured in line of duty by a hostile force, or (iii) forcibly detained or interned in line of duty by a foreign government or power, or

(C) the spouse of any person who has a total disability permanent in nature resulting from a service-connected disability or the spouse of a veteran who died while a disability so evaluated was in existence.

[(2)] (3) The term "State" means each of the several States of the United States, the District of Columbia, and the Commonwealth of Puerto Rico, and may include, to the extent determined necessary and feasible, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

§ 2002. Purpose

The Congress declares as its intent and purpose that there shall be an effective (1) job and job training counseling service program, (2) employment placement service program, and (3) job training placement service program for eligible veterans and eligible persons and that, to this end policies shall be promulgated and administered through a Veterans Employment Service within the Department of Labor, so as to provide such veterans and persons the maximum of employment and training opportunities through existing programs, coordination and merger of programs and implementation of new programs.

§ 2003. Assignment of veterans' employment representative

The Secretary of Labor shall assign to each State a representative of the Veterans' Employment Service to serve as the veterans' employment representative, and shall further assign to each State one assistant veterans' employment representative per each 250,000 eligible vet-

erans and eligible persons of the State veterans population, and such additional assistant veterans' employment representatives as he shall determine, based on the data collected pursuant to section 2007 of this title, to be necessary to assist the veterans' employment representative to carry out effectively in that State the purposes of this chapter. Each veterans' employment representative and assistant veterans' employment representative shall be an eligible veteran who at the time of appointment shall have been a bona fide resident of the State for at least two years and who shall be appointed in accordance with the provisions of title 5, United States Code, governing appointments in the competitive service, and shall be paid in accordance with the provisions of chapter 51 of subchapter III of chapter 53 of such title, relating to classification and general schedule pay rates. Each such veterans' employment representative and assistant veterans' employment representative shall be attached to the staff of the public employment service in the State to which they have been assigned. They shall be administratively responsible to the Secretary of Labor for the execution of the Secretary's veterans' and eligible persons' counseling and placement policies through the public employment service and in cooperation with manpower and training programs administered by the Secretary in the State. In cooperation with the public employment service staff and the staffs of each such other program in the State, the veterans' employment representative and his assistants shall—

(1) be functionally responsible for the supervision of the registration of eligible veterans and eligible persons in local employment offices for suitable types of employment and training and for counseling and placement of eligible veterans and eligible persons in employment and job training programs;

(2) engage in job development and job advancement activities for eligible veterans and eligible persons, including maximum coordination with appropriate officials of the Veterans' Administration in that agency's carrying out of its responsibilities under subchapter IV of chapter 3 of this title and in the conduct of job fairs, job marts, and other special programs to match eligible veterans and eligible persons with appropriate job and job training opportunities;

(3) assist in securing and maintaining current information as to the various types of available employment and training opportunities, including maximum use of electronic data processing and telecommunications systems and the matching of an eligible veteran's or an eligible person's particular qualifications with an available job or on-job training or apprenticeship opportunity which is commensurate with those qualifications;

(4) promote the interest of employers and labor unions in employing eligible veterans and eligible persons and in conducting on-job training and apprenticeship programs for such veterans and persons;

(5) maintain regular contact with employers, labor unions, training programs and veterans' organizations with a view to keeping them advised of eligible veterans and eligible persons available for employment and training and to keeping eligible veterans and eligible persons advised of opportunities for employment and training; and

(6) assist in every possible way in improving working conditions and the advancement of employment of eligible veterans and eligible persons.

* * * * *

§ 2005. Cooperation of Federal agencies

All Federal agencies shall furnish the Secretary of Labor such records, statistics, or information as he may deem necessary or appropriate in administering the provisions of this chapter, and shall otherwise cooperate with the Secretary in providing continuous employment and training opportunities for eligible veterans and eligible persons.

§ 2006. Estimate of funds for administration; authorization of appropriations

(a) The Secretary of Labor shall estimate the funds necessary for the proper and efficient administration of this chapter. Such estimated sums shall include the annual amounts necessary for salaries, rents, printing and binding, travel, and communications. Sums thus estimated shall be included as a special item in the annual budget for the Department of Labor. Estimated funds necessary for proper counseling, placement, and training services to eligible veterans and eligible persons provided by the various State public employment service agencies shall be separately identified in the budgets of those agencies as approved by the Department of Labor.

(b) There are authorized to be appropriated such sums as may be necessary for the proper and efficient administration of this chapter.

(c) In the event that the regular appropriations Act making appropriations for administrative expenses for the Department of Labor with respect to any fiscal year does not specify an amount for the purposes specified in subsection (b) of this section for that fiscal year, then of the amounts appropriated in such Act there shall be available only for the purposes specified in subsection (b) of this section such amount as was set forth in the budget estimate submitted pursuant to subsection (a) of this section.

(d) Any funds made available pursuant to subsections (b) and (c) of this section shall not be available for any purpose other than those specified in such subsections, except with the approval of the Secretary of Labor based on a demonstrated lack of need for such funds for such purposes.

§ 2007. Administrative controls; annual report

(a) The Secretary of Labor shall establish administrative controls for the following purposes:

(1) To insure that each eligible veteran, especially those veterans who have been recently discharged or released from active duty, and each eligible person who requests assistance under this chapter shall promptly be placed in a satisfactory job or job training opportunity or receive some other specific form of assistance designed to enhance his employment prospects substantially, such as individual job development or employment counseling services.

(2) To determine whether or not the employment service agencies in each State have committed the necessary staff to insure that the provisions of this chapter are carried out; and to arrange for necessary corrective action where staff resources have been determined by the Secretary of Labor to be inadequate.

(b) The Secretary of Labor shall establish definitive performance standards for determining compliance by the State public employment service agencies with the provisions of this chapter and chapter 42 of this

title. A full report as to the extent and reasons for any noncompliance by any such State agency during any fiscal year, together with the agency's plan for corrective action during the succeeding year, shall be included in the annual report of the Secretary of Labor required by subsection (c) of this section.

[(b)] (c) The Secretary of Labor shall report annually to the Congress on the success of the Department of Labor and its affiliated State employment service agencies in carrying out the provisions of this chapter. The report shall include, by State, the number of recently discharged or released eligible veterans, veterans with service-connected disabilities, [and] other eligible [veterans] veterans, and eligible persons who requested assistance through the public employment service and, of these, the number placed in suitable employment or job training opportunities or who were otherwise assisted, with separate reference to occupational training under appropriate Federal law. The report shall also include any determination by the Secretary under section 2001 or 2006 of this title and a statement of the reasons for such determination.

* * * * *

CHAPTER 42—EMPLOYMENT AND TRAINING OF DISABLED AND VIETNAM ERA VETERANS

Sec.

2011. Definitions.

2012. Veterans' employment emphasis under Federal contracts.

2013. Eligibility requirements for veterans under certain Federal manpower training programs.

2014. *Employment within the Federal Government.*

* * * * *

§ 2012. Veterans' employment emphasis under Federal contracts

(a) Any contract in the amount of \$10,000 or more entered into by any department or agency for the procurement of personal property and non-personal services (including construction) for the United States, shall contain a provision requiring that [, in employing persons to carry out such contract,] the party contracting with the United States shall [give special emphasis to the employment of] *take affirmative action to employ and advance in employment* qualified disabled veterans and veterans of the Vietnam era. The provisions of this section shall apply to any subcontract entered into by a prime contractor in carrying out any contract for the procurement of personal property and non-personal services (including construction) for the United States. [The] *In addition to requiring affirmative action to employ such veterans under such contracts and subcontracts and in order to promote the implementation of such requirement, the President shall implement the provisions of this section by promulgating regulations within 60 days after the date of enactment of this section, which regulations shall require that (1) each such contractor undertake in such contract to list immediately with the appropriate local employment service office all of its suitable employment openings, and (2) each such local office shall give such veterans priority in referral to such employment openings.*

(b) If any disabled veteran or veteran of the Vietnam era believes any contractor has failed or refuses to comply with the provisions of

his contract with the United States, relating to [giving special emphasis in] *the employment [to] of veterans, such veteran may file a complaint with the Veterans' Employment Service of the Department of Labor. Such complaint shall be promptly referred to the Secretary who shall promptly investigate such complaint and shall take such action thereon as the facts and circumstances warrant consistent with the terms of such contract and the laws and regulations applicable thereto.*

* * * * *

§ 2014. *Employment within the Federal Government*

(a) *It is the policy of the United States and the purpose of this section to promote the maximum of employment and job advancement opportunities within the Federal Government for qualified disabled veterans and veterans of the Vietnam era.*

(b) *To further this policy, veterans of the Vietnam era shall be eligible, in accordance with regulations which the Civil Service Commission shall prescribe, for veterans readjustment appointments up to and including the level GS-5, as specified in subchapter II of chapter 51 of title 5, and subsequent career-conditional appointments, under the terms and conditions specified in Executive Order Numbered 11521 (March 26, 1970), except that in applying the one-year period of eligibility specified in section 2(a) of such order to a veteran or disabled veteran who enrolls, within one year following separation from the Armed Forces or following release from hospitalization or treatment immediately following separation from the Armed Forces, in a program of education (as defined in section 1652 of this title) on more than a half-time basis (as defined in section 1788 of this title), the time spent in such program of education (including customary periods of vacation and permissible absences) shall not be counted. The eligibility of such a veteran for a readjustment appointment shall continue for not less than six months after such veteran first ceases to be enrolled therein on more than a half-time basis. No veterans readjustment appointment may be made under authority of this subsection after June 30, 1978.*

(c) *Each department, agency, and instrumentality in the executive branch shall include in its affirmative action plan for the hiring, placement, and advancement of handicapped individuals in such department, agency, or instrumentality as required by section 501(b) of Public Law 93-112 (87 Stat. 391), a separate specification of plans (in accordance with regulations which the Civil Service Commission shall prescribe in consultation with the Administrator, the Secretary of Labor, and the Secretary of Health, Education, and Welfare, consistent with the purposes, provisions and priorities of such Act) to promote and carry out such affirmative action with respect to disabled veterans in order to achieve the purpose of this section.*

(d) *The Civil Service Commission shall be responsible for the review and evaluation of the implementation of this section and the activities of each such department, agency, and instrumentality to carry out the purpose and provisions of this section. The Commission shall periodically obtain and publish (on at least a semiannual basis) reports on such implementation and activities from each such department, agency, and instrumentality, including specification of the use and extent of appointments made under subsection (b) of this section and the results of the plans required under subsection (c) thereof.*

(e) *The Civil Service Commission shall submit to the Congress annually a report on activities carried out under this section, except that, with respect to subsection (c) of this section, the Commission may include a report of such activities separately in the report required to be submitted by section 501(d) of such Public Law 93-112, regarding the employment of handicapped individuals by each department, agency, and instrumentality.*

(f) *Notwithstanding section 2011 of this title, the terms "veteran" and "disabled veteran" as used in this section shall have the meaning provided for under generally applicable civil service law and regulations.*

Chapter 43—VETERANS' REEMPLOYMENT RIGHTS

Sec.

2021. *Right to reemployment of inducted persons; benefits protected.*

2022. *Enforcement procedures.*

2023. *Reemployment by the United States, territory, possession, or the District of Columbia.*

2024. *Rights of persons who enlist or are called to active duty; Reserves.*

2025. *Assistance in obtaining reemployment.*

2026. *Prior rights for reemployment.*

§ 2021. *Right to reemployment of inducted persons; benefits protected*

(a) *In any case in which any person is inducted into the Armed Forces of the United States under the Military Selective Service Act (or under any prior or subsequent corresponding law) for training and service and who leaves a position (other than a temporary position) in the employ of any employer in order to perform such training and service, and (1) receives a certificate described in section 9(a) of the Military Selective Service Act (relating to the satisfactory completion of military service) and (2) makes application for reemployment within ninety days after such person is relieved from such training and service from hospitalization continuing after discharge for a period of not more than one year—*

(A) *if such position was in the employ of the United States Government, its territories, or possessions, or political subdivisions thereof, or the District of Columbia, such person shall—*

(i) *if still qualified to perform the duties of such position, be restored to such position or to a position of like seniority, status, and pay; or*

(ii) *if not qualified to perform the duties of such position, by reason of disability sustained during such service, but qualified to perform the duties of any other position in the employ of the employer, be offered employment and, if such person so requests, be employed in such other position the duties of which such person is qualified to perform as will provide such person like seniority, status, and pay, or the nearest approximation thereof consistent with the circumstances in such person's case;*

(B) *if such position was in the employ of a State or political subdivision thereof or a private employer, such person shall—*

(i) *if still qualified to perform the duties of such position, be restored by such employer or his successor in interest to such position or to a position of like seniority, status, and pay; or*

(ii) *if not qualified to perform the duties of such position by reason of disability sustained during such service, but qualified to*

perform the duties of any other position in the employ of such employer or his successor in interest, be offered employment and, if such person so requests, be employed by such employer or his successor in interest in such other position the duties of which such person is qualified to perform as will provide such person like seniority, status, and pay, or the nearest approximation thereof consistent with the circumstances in such person's case, unless the employer's circumstances have so changed as to make it impossible or unreasonable to do so. Nothing in this chapter shall excuse noncompliance with any statute or ordinance of a State or political subdivision thereof establishing greater or additional rights or protections than the rights and protections established pursuant to this chapter.

(b)(1) *Any person who is restored to or employed in a position in accordance with the provisions of clause (A) or (B) of subsection (a) of this section shall be considered as having been on furlough or leave of absence during such person's period of training and service in the Armed Forces, shall be so restored or reemployed without loss of seniority, shall be entitled to participate in insurance or other benefits offered by the employer pursuant to established rules and practices relating to employees on furlough or leave of absence in effect with the employer at the time such person was inducted into such forces, and shall not be discharged from such position without cause within one year after such restoration or reemployment.*

(2) *It is hereby declared to be the sense of the Congress that any person who is restored to or employed in a position in accordance with the provisions of clause (A) or (B) of subsection (a) of this section should be so restored or reemployed in such manner as to give such person such status in his employment as he would have enjoyed if such person had continued in such employment continuously from the time of such person's entering the Armed Forces until the time of such person's restoration to such employment or reemployment.*

(3) *Any person who holds a position described in clause (A) or (B) of subsection (a) of this section shall not be denied retention in employment or any promotion or other incident or advantage of employment because of any obligation as a member of a Reserve component of the Armed Forces.*

(c) *The rights granted by subsections (a) and (b) of this section to persons who left the employ of a State or political subdivision thereof and were inducted into the Armed Forces shall not diminish any rights such persons may have pursuant to any statute or ordinance of such State or political subdivision establishing greater or additional rights or protections.*

§ 2022. *Enforcement procedures*

If any employer, who is a private employer or a State or political subdivision thereof, fails or refuses to comply with the provisions of section 2021(a), or (b)(1), (b)(3), or section 2024, the district court of the United States for any district in which such private employer maintains a place of business, or in which such State or political subdivision thereof exercises authority or carries out its functions, shall have the power, upon the filing of a motion, petition, or other appropriate pleading by the person entitled to the benefits of such provisions, specifically to require such employer to comply with such provisions and to compensate such person for any loss of wages or benefits suffered by reason of such employer's unlawful action. Any such compensation shall be in addition

to and shall not be deemed to diminish any of the benefits provided for in such provisions. The court shall order speedy hearing in any such case and shall advance it on the calendar. Upon application to the United States attorney or comparable official for any district in which such private employer maintains a place of business, or in which such State or political subdivision thereof exercises authority or carries out its functions, by any person claiming to be entitled to the benefits provided for in such provisions, such United States attorney or official, if reasonably satisfied that the person so applying is entitled to such benefits, shall appear and act as attorney for such person in the amicable adjustment of the claim or in the filing of any motion, petition, or other appropriate pleading and the prosecution thereof specifically to require such employer to comply with such provisions. No fees or court costs shall be taxed against any person who may apply for such benefits. In any such action only the employer shall be deemed a necessary party respondent. No State statute of limitations shall apply to any proceedings under this chapter.

§ 2023. Reemployment by the United States, territory, possession, or the District of Columbia

(a) Any person who is entitled to be restored to or employed in a position in accordance with the provisions of clause (A) of section 2021(a) and who was employed, immediately before entering the Armed Forces, by any agency in the executive branch of the Government or by any territory or possession, or political subdivision thereof, or by the District of Columbia, shall be so restored or reemployed by any such agency or the successor to its functions, or by such territory, possession, political subdivision, or the District of Columbia. In any case in which, upon appeal of any person who was employed, immediately before entering the Armed Forces, by any agency in the executive branch of the Government or by the District of Columbia, the United States Civil Service Commission finds that—

(1) such agency is no longer in existence and its functions have not been transferred to any other agency; or

(2) for any reason it is not feasible for such person to be restored to employment by such agency or by the District of Columbia, the Commission shall determine whether or not there is a position in any other agency in the executive branch of the Government or in the government of the District of Columbia for which such person is qualified and which is either vacant or held by a person having a temporary appointment thereto. In any case in which the Commission determines that there is such a position, such person shall be offered employment and, if such person so requests, be employed in such position by the agency in which such position exists or by the government of the District of Columbia, as the case may be. The Commission is authorized and directed to issue regulations giving full force and effect to the provisions of this section insofar as they relate to persons entitled to be restored to or employed in positions in the executive branch of the Government or in the government of the District of Columbia, including persons entitled to be reemployed under the last sentence of subsection (b) of this section. The agencies in the executive branch of the Government and the government of the District of Columbia shall comply with such rules, regulations, and orders issued by the Commission pursuant to this subsection. The Commission is authorized and directed whenever it finds, upon appeal of the person concerned, that any agency in the executive branch of the Government or the government of the District of Columbia has failed or refuses to comply

with the provisions of this section, to issue an order specifically requiring such agency or the government of the District of Columbia to comply with such provisions and to compensate such person for any loss of salary or wages suffered by reason of failure to comply with such provisions, less any amounts received by such person through other employment, unemployment compensation, or readjustment allowances. Any such compensation ordered to be paid by the Commission shall be in addition to and shall not be deemed to diminish any of the benefits provided for in such provisions, and shall be paid by the head of the agency concerned or by the government of the District of Columbia out of appropriations currently available for salary and expenses of such agency or government, and such appropriations shall be available for such purpose. As used in this chapter, the term "agency in the executive branch of the Government" means any department, independent establishment, agency, or corporation in the executive branch of the United States Government (including the States Postal Service and the Postal Rate Commission).

(b) Any person who is entitled to be restored to or employed in a position in accordance with the provisions of clause (A) of section 2021(a), and who was employed, immediately before entering the Armed Forces, in the legislative branch of the Government, shall be so restored or employed by the officer who appointed such person to the position which such person held immediately before entering the Armed Forces. In any case in which it is not possible for any such person to be restored to or employed in a position in the legislative branch of the Government and such person is otherwise eligible to acquire a status for transfer to a position in the competitive service in accordance with section 3304(c) of title 5, the United States Civil Service Commission shall, upon appeal of such person, determine whether or not there is a position in the executive branch of the Government for which such person is qualified and which is either vacant or held by a person having a temporary appointment thereto. In any case in which the Commission determines that there is such a position, such person shall be offered employment and, if such person so requests, be employed in such position by the agency in which such position exists.

(c) Any person who is entitled to be restored to or employed in a position in accordance with the provisions of clause (A) of section 2021(a) and who was employed, immediately before entering the Armed Forces, in the judicial branch of the Government, shall be so restored or reemployed by the officer who appointed such person to the position which such person held immediately before entering the Armed Forces.

§ 2024. Rights of persons who enlist or are called to active duty; Reserves

(a) Any person who, after entering the employment on the basis of which such person claims restoration or reemployment, enlists in the Armed Forces of the United States (other than in a Reserve component) shall be entitled upon release from service under honorable conditions to all the reemployment rights and other benefits provided for by this section in the case of persons inducted under the provisions of the Military Selective Service Act (or prior or subsequent legislation providing for the involuntary induction of persons into the Armed Forces), if the total of such person's service performed between June 24, 1948, and August 1, 1961, did not exceed four years, and the total of any service, additional or otherwise performed by such person after August 1, 1961, does not exceed five years,

and if the service in excess of four years after August 1, 1961, is at the request and for the convenience of the Federal Government (plus in each case any period of additional service imposed pursuant to law).

(b)(1) Any person who, after entering the employment on the basis of which such person claims restoration or reemployment enters upon active duty (other than for the purpose of determining physical fitness and other than for training), whether or not voluntarily, in the Armed Forces of the United States or the Public Health Service in response to an order or call to active duty shall, upon such person's relief from active duty under honorable conditions be entitled to all of the reemployment rights and benefits provided by this chapter in the case of persons inducted under the provisions of the Military Selective Service Act (or prior or subsequent legislation providing for the involuntary induction of persons into the Armed Forces), if the total of such active duty performed between June 24, 1948, and August 1, 1961, did not exceed four years, and the total of any such active duty, additional or otherwise, performed after August 1, 1961, does not exceed four years (plus in each case any additional period in which such person was unable to obtain orders relieving such person from active duty).

(2) Any member of a Reserve component of the Armed Forces of the United States who voluntarily or involuntarily enters upon active duty (other than for the purpose of determining physical fitness and other than for training) or whose active duty is voluntary or involuntarily extended during a period when the President is authorized to order units of the Ready Reserve or members of a Reserve component to active duty shall have the service limitation governing eligibility for reemployment rights under subsection (b)(1) of this section extended by such member's period of such active duty, but not to exceed that period of active duty to which the President is authorized to order units of the Ready Reserve or members of a Reserve component. With respect to a member who voluntarily enters upon active duty or whose active duty is voluntarily extended, the provisions of this subsection shall apply only when such additional active duty is at the request and for the convenience of the Federal Government.

(c) Any member of a Reserve component of the Armed Forces of the United States who is ordered to an initial period of active duty for training of not less than three consecutive months shall, upon application for reemployment within thirty-one days after (1) such member's release from such active duty for training after satisfactory service, or (2) such member's discharge from hospitalization incident to such active duty for training, or one year after such member's scheduled release from such training, whichever is earlier, be entitled to all reemployment rights and benefits provided by this chapter for persons inducted under the provisions of the Military Selective Service Act (or prior or subsequent legislation providing for the involuntary induction of persons into the Armed Forces), except that (A) any person restored to or employed in a position in accordance with the provisions of this subsection shall not be discharged from such position without cause within six months after that restoration, and (B) no reemployment rights granted by this subsection shall entitle any person to retention, preference, or displacement rights over any veteran with a superior claim under those provisions of title 5 relating to veterans and other preference eligibles.

(d) Any employee not covered by subsection (c) of this section who holds a position described in clause (A) or (B) of section 2021(a) shall upon request be granted a leave of absence by such person's employer

for the period required to perform active duty for training or inactive duty training in the Armed Forces of the United States. Upon such employee's release from a period of such active duty for training or inactive duty training, or upon such employee's discharge from hospitalization incident to that training, such employee shall be permitted to return to such employee's position with such seniority, status, pay, and vacation as such employee would have had if such employee had not been absent for such purposes. Such employee shall report for work at the beginning of the next regularly scheduled working period after expiration of the last calendar day necessary to travel from the place of training to the place of employment following such employee's release, or within a reasonable time thereafter if delayed return is due to factors beyond the employee's control. Failure to report for work at such next regularly scheduled working period shall make the employee subject to the conduct rules of the employer pertaining to explanations and discipline with respect to absence from scheduled work. If such an employee is hospitalized incident to active duty for training or inactive duty training, such employee shall be required to report for work at the beginning of the next regularly scheduled work period after expiration of the time necessary to travel from the place of discharge from hospitalization to the place of employment, or within a reasonable time thereafter if delayed return is due to factors beyond the employee's control, or within one year after such employee's release from active duty for training or inactive duty training, whichever is earlier. If an employee covered by this subsection is not qualified to perform the duties of such employee's position by reason of disability sustained during active duty for training or inactive duty training, but is qualified to perform the duties of any other position in the employ of the employer or his successor in interest, such employee shall be offered employment and, if such person so requests, be employed by that employer or his successor in interest in such other position the duties of which such employee is qualified to perform as will provide such employee like seniority, status, and pay, or the nearest approximation thereof consistent with the circumstances in such employee's case.

(e) Any employee not covered by subsection (c) of this section who holds a position described in clause (A) or (B) of section 2021(a) shall be considered as having been on leave of absence during the period required to report for the purpose of being inducted into, entering, or determining, by a preinduction or other examination, physical fitness to enter the Armed Forces. Upon such employee's rejection, upon completion of such employee's preinduction or other examination, or upon such employee's discharge from hospitalization incident to such rejection or examination, such employee shall be permitted return to such employee's position in accordance with the provisions of subsection (d) of this section.

(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, 503, 504, or 505 of title 32, is considered active duty for training; and for the purpose 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.

§ 2025. Assistance in obtaining reemployment

The Secretary of Labor, through the Office of Veterans' Reemployment Rights, shall render aid in the replacement in their former positions or

reemployment of persons who have satisfactorily completed any period of active duty in the Armed Forces or the Public Health Service. In rendering such aid, the Secretary shall use existing Federal and State agencies engaged in similar or related activities and shall utilize the assistance of volunteers.

§ 2026. Prior rights for reemployment

In any case in which two or more persons who are entitled to be restored to or employed in a position under the provisions of this chapter or of any other law relating to similar reemployment benefits left the same position in order to enter the Armed Forces, the person who left such position first shall have the prior right to be restored thereto or reemployed on the basis thereof, without prejudice to the reemployment rights of the other person or persons to be restored or reemployed.

MILITARY SELECTIVE SERVICE ACT

(PUBLIC LAW 92-129)

* * * * *

Sec. 9. Reemployment.—(a) Any person inducted into the armed forces under this title for training and service, who, in the judgment of those in authority over him, satisfactorily completes his period of training and service under section 4(b) shall be entitled to a certificate to that effect upon the completion of such period of training and service, which shall include a record of any special proficiency or merit attained. In addition, each such person who is inducted into the armed forces under this title for training and service shall be given a physical examination at the beginning of such training and service, and upon the completion of his period of training and service under this title, each such person shall be given another physical examination and, upon his written request, shall be given a statement of physical condition by the Secretary concerned: *Provided*, That such statement shall not contain any reference to mental or other conditions which in the judgment of the Secretary concerned would prove injurious to the physical or mental health of the person to whom it pertains: *Provided further*, That, if upon completion of training and service under this title, such person continues on active duty without an interruption of more than seventy-two hours as a member of the Armed Forces of the United States, a physical examination upon completion of such training and service shall not be required unless it is requested by such person, or the medical authorities of the Armed Force concerned determine that the physical examination is warranted.

[(b) In the case of any such person who, in order to perform such training and service, has left or leaves a position (other than a temporary position) in the employ of any employer and who (1) receives such certificate, and (2) makes application for reemployment within ninety days after he is relieved from such training and service or from hospitalization continuing after discharge for a period of not more than one year—

[(A) if such position was in the employ of the United States Government, its Territories, or possessions, or political subdivisions thereof, or the District of Columbia, such person shall—

[(i) if still qualified to perform the duties of such position,

be restored to such position or to a position of like seniority, status, and pay; or

[(ii) if not qualified to perform the duties of such position by reason of disability sustained during such service but qualified to perform the duties of any other position in the employ of the employer, be restored to such other position the duties of which he is qualified to perform as will provide him like seniority, status, and pay, or the nearest approximation thereof consistent with the circumstances in his case;

[(B) if such position was in the employ of a private employer, such person shall—

[(i) if still qualified to perform the duties of such position, be restored by such employer or his successor in interest to such position or to a position of like seniority, status, and pay; or

[(ii) if not qualified to perform the duties of such position, by reason of disability sustained during such service but qualified to perform the duties of any other position in the employ of such employer or his successor in interest, be restored by such employer or his successor in interest to such other position the duties of which he is qualified to perform as will provide him like seniority, status, and pay, or the nearest approximation thereof consistent with the circumstances in his case,

unless the employer's circumstances have so changed as to make it impossible or unreasonable to do so;

[(C) if such position was in the employ of any State or political subdivision thereof, it is hereby declared to be the sense of the Congress that such person should—

[(i) if still qualified to perform the duties of such position, be restored to such position or to a position of like seniority, status, and pay or;

[(ii) if not qualified to perform the duties of such position by reason of disability sustained during such service but qualified to perform the duties of any other position in the employ of the employer, be restored to such other position the duties of which he is qualified to perform as will provide him like seniority, status, and pay, or the nearest approximation thereof consistent with the circumstances in his case.

[(c)(1) Any person who is restored to a position in accordance with the provisions of paragraph (A) or (B) of subsection (b) shall be considered as having been on furlough or leave of absence during his period of training and service in the armed forces, shall be so restored without loss of seniority, shall be entitled to participate in insurance or other benefits offered by the employer pursuant to established rules and practices relating to employees on furlough or leave of absence in effect with the employer at the time such person was inducted into such forces, and shall not be discharged from such position without cause within one year after such restoration.

[(2) It is hereby declared to be the sense of the Congress that any person who is restored to a position in accordance with the provisions of paragraph (A) or (B) of subsection (b) should be so restored in such manner as to give him such status in his employment as he would have enjoyed if he had continued in such employment continuously from the time of his entering the armed forces until the time of his restoration to such employment.

[(3) Any person who holds a position described in paragraph (A) or (B) of subsection (b) shall not be denied retention in employment or any promotion or other incident or advantage of employment because of any obligation as a member of a reserve component of the Armed Forces of the United States.

[(d) In case any private employer fails or refuses to comply with the provisions of subsection (b), subsection (c)(1), subsection (c)(3), or subsection (g) the district court of the United States for the district in which such private employer maintains a place of business shall have power, upon the filing of a motion, petition, or other appropriate pleading by the person entitled to the benefits of such provisions, specifically to require such employer to comply with such provisions and to compensate such person for any loss of wages or benefits suffered by reason of such employer's unlawful action: *Provided*, That any such compensation shall be in addition to and shall not be deemed to diminish any of the benefits of such provisions. The court shall order speedy hearing in any such case and shall advance it on the calendar. Upon application to the United States Attorney or comparable official for the district in which such private employer maintains a place of business, by any person claiming to be entitled to the benefits of such provisions, such United States Attorney or official, if reasonably satisfied that the person so applying is entitled to such benefits, shall appear and act as attorney for such person in the amicable adjustment of the claim or in the filing of any motion, petition or other appropriate pleading and the prosecution thereof specifically to require such employer to comply with such provisions: *Provided*, That no fees or court costs shall be taxed against any person who may apply for such benefits: *Provided further*, That only the employer shall be deemed a necessary party respondent to any such action.

[(e)(1) Any person who is entitled to be restored to a position in accordance with the provisions of paragraph (A) of subsection (b) and who was employed, immediately before entering the armed forces, by any agency in the executive branch of the Government or by any Territory or possession, or political subdivision thereof, or by the District of Columbia, shall be so restored by such agency or the successor to its functions, or by such Territory, possession, political subdivision, or the District of Columbia. In any case in which, upon appeal of any person who was employed immediately before entering the armed forces by any agency in the executive branch of the Government or by the District of Columbia, the United States Civil Service Commission finds that—

[(A) such agency is no longer in existence and its functions have not been transferred to any other agency; or

[(B) for any reason it is not feasible for such person to be restored to employment by such agency or by the District of Columbia,

the Commission shall determine whether or not there is a position in any other agency in the executive branch of the Government or in the government of the District of Columbia for which such person is qualified and which is either vacant or held by a person having a temporary appointment thereto. In any case in which the Commission determines that there is such a position, such person shall be restored to such position by the agency in which such position exists or by the government of the District of Columbia, as the case may be. The Com-

mission is authorized and directed to issue regulations giving full force and effect to the provisions of this section insofar as they relate to persons entitled to be restored to positions in the executive branch of the Government or in the government of the District of Columbia, including persons entitled to be restored under the last sentence of paragraph (2) of this subsection. The agencies in the executive branch of the Government and the government of the District of Columbia shall comply with such rules and regulations and orders issued by the Commission pursuant to this subsection. The Commission is authorized and directed whenever it finds, upon appeal of the person concerned, that any agency in the executive branch of the Government or the government of the District of Columbia has failed or refuses to comply with the provisions of this section, to issue an order specifically requiring such agency or the government of the District of Columbia to comply with such provisions and to compensate such person for any loss of salary or wages suffered by reason of failure to comply with such provisions, less any amounts received by him through other employment, unemployment compensation, or readjustment allowances: *Provided*, That any such compensation ordered to be paid by the Commission shall be in addition to and shall not be deemed to diminish any of the benefits of such provisions, and shall be paid by the head of the agency concerned or by the government of the District of Columbia out of appropriations currently available for salary and expenses of such agency or government, and such appropriations shall be available for such purpose. As used in this paragraph, the term "agency in the executive branch of the Government" means any department, independent establishment, agency, or corporation in the executive branch of the United States Government.

[(2) Any person who is entitled to be restored to a position in accordance with the provisions of paragraph (A) of subsection (b), and who was employed, immediately before entering the armed forces, in the legislative branch of the Government, shall be so restored by the officer who appointed him to the position which he held immediately before entering the armed forces. In any case in which it is not possible for any such person to be restored to a position in the legislative branch of the Government and he is otherwise eligible to acquire a status for transfer to a position in the classified (competitive) civil service in accordance with section 2(b) of the Act of November 26, 1940 (54 Stat. 1212), the United States Civil Service Commission shall, upon appeal of such person, determine whether or not there is a position in the executive branch of the Government for which he is qualified and which is either vacant or held by a person having a temporary appointment thereto. In any case in which the Commission determines that there is such a position, such person shall be restored to such position by the agency in which such position exists.

[(3) Any person who is entitled to be restored to a position in accordance with the provisions of paragraph (A) of subsection (b) and who was employed, immediately before entering the armed forces, in the judicial branch of the Government, shall be so restored by the officer who appointed him to the position which he held immediately before entering the armed forces.

[(f) In any case in which two or more persons who are entitled to be restored to a position under the provisions of this section or of any other law relating to similar reemployment benefits left the same position in order to enter the armed forces, the person who left such

position first shall have the prior right to be restored thereto, without prejudice to the reemployment rights of the other person or persons to be restored.

[(g) (1) Any person who, after entering the employment to which he claims restoration, enlists in the Armed Forces of the United States (other than in a reserve component) shall be entitled upon release from service under honorable conditions to all the reemployment rights and other benefits provided for by this section in the case of persons inducted under the provisions of this title, if the total of his service performed between June 24, 1948, and August 1, 1961, did not exceed four years, and the total of any service, additional or otherwise performed by him after August 1, 1961, does not exceed five years, provided that the service in excess of four years after August 1, 1961, is at the request and for the convenience of the Federal Government (plus in each case any period of additional service imposed pursuant to law).

[(2)(A) Any person who, after entering the employment to which he claims restoration enters upon active duty (other than for the purpose of determining his physical fitness and other than for training), whether or not voluntarily, in the Armed Forces of the United States or the Public Health Service in response to an order or call to active duty shall, upon his relief from active duty under honorable conditions, be entitled to all of the reemployment rights and benefits provided by this section in the case of persons inducted under the provisions of this title, if the total of such active duty performed between June 24, 1948, and August 1, 1961, did not exceed four years, and the total of any such active duty, additional or otherwise, performed after August 1, 1961, does not exceed four years (plus in each case any additional period in which he was unable to obtain orders relieving him from active duty).

[(B) Any member of a Reserve component of the Armed Forces of the United States who voluntarily or involuntarily enters upon active duty (other than for the purpose of determining his physical fitness and other than for training) or whose active duty is voluntarily or involuntarily extended during a period when the President is authorized to order units of the Ready Reserve or members of a Reserve component to active duty shall have the service limitation governing eligibility for reemployment rights under paragraph (2)(A) of this subsection extended by his period of such active duty, but not to exceed that period of active duty to which the President is authorized to order units of the Ready Reserve or members of a Reserve component: *Provided*, That with respect to a member who voluntarily enters upon active duty or whose active duty is voluntarily extended the provisions of this paragraph shall apply only when such additional active duty is at the request and for the convenience of the Federal Government.

[(3) Any member of a reserve component of the Armed Forces of the United States who is ordered to an initial period of active duty for training of not less than three consecutive months shall, upon application for reemployment within thirty-one days after (A) his release from that active duty for training after satisfactory service, or (B) his discharge from hospitalization incident to that active duty for training, or one year after his scheduled release from the training, whichever is earlier, be entitled to all reemployment rights and benefits provided by this section for persons inducted under the provisions of this title, except that (A) any person restored to a posi-

tion in accordance with the provisions of this paragraph shall not be discharged from such position without cause within six months after that restoration, and (B) no reemployment rights granted by this paragraph shall entitle any person to retention, preference, or displacement rights over any veteran with a superior claim under the Veterans' Preference Act of 1944, as amended (5 U.S.C. 851 and the following).

[(4) Any employee not covered by paragraph (3) of this subsection who holds a position described in paragraph (A) or (B) of subsection (b) of this section shall upon request be granted a leave of absence by his employer for the period required to perform active duty for training or inactive duty training in the Armed Forces of the United States. Upon his release from a period of such active duty for training or inactive duty training, or upon his discharge from hospitalization incident to that training, such employee shall be permitted to return to his position with such seniority, status, pay, and vacation as he would have had if he had not been absent for such purposes. He shall report for work at the beginning of his next regularly scheduled working period after expiration of the last calendar day necessary to travel from the place of training to the place of employment following his release, or within a reasonable time thereafter if delayed return is due to factors beyond the employee's control. Failure to report for work at such next regularly scheduled working period shall make the employee subject to the conduct rules of the employer pertaining to explanations and discipline with respect to absence from scheduled work. If that employee is hospitalized incident to active duty for training or inactive duty training, he shall be required to report for work at the beginning of his next regularly scheduled work period after expiration of the time necessary to travel from the place of discharge from hospitalization to the place of employment, or within a reasonable time thereafter if delayed return is due to factors beyond the employee's control, or within one year after his release from active duty for training or inactive duty training, whichever is earlier. If an employee covered by this paragraph is not qualified to perform the duties of his position by reason of disability sustained during active duty for training or inactive duty training, but is qualified to perform the duties of any other position in the employ of the employer or his successor in interest, he shall be restored by that employer or his successor in interest to such other position the duties of which he is qualified to perform as will provide him like seniority, status, and pay, or the nearest approximation thereof consistent with the circumstances in his case.

[(5) Any employee not covered by paragraph (3) of this subsection who holds a position described in paragraph (A) or (B) of subsection (b) of this section shall be considered as having been on leave of absence during the period required to report for the purpose of being inducted into, entering or determining by a preinduction or other examination his physical fitness, to enter the Armed Forces of the United States. Upon his rejection, upon completion of his preinduction or other examination, or upon his discharge from hospitalization incident to that rejection or examination, such employee shall be permitted to return to his position in accordance with the provisions of paragraph (4) of this subsection.

[(6) For the purposes of paragraphs (3) and (4), full-time training or other full-time duty performed by a member of the National Guard

under section 316, 503, 504, or 505 of title 32, United States Code, is considered active duty for training; and for the purpose of paragraph (4), inactive duty training performed by that member under section 502 of title 32, or section 301 of title 37, United States Code, is considered inactive duty training.

[(h) The Secretary of Labor, through the Bureau of Veterans' Reemployment Rights, shall render aid in the replacement in their former positions of persons who have satisfactorily completed any period of active duty in the armed forces of the United States or the Public Health Service. In rendering such aid, the Secretary shall use the then existing Federal and State agencies engaged in similar or related activities and shall utilize the assistance of volunteers.]

[(i) (b) Right to vote; Poll Tax.—Any person inducted into the armed forces for training and service under this title shall, during the period of such service, be permitted to vote in person or by absentee ballot in any general, special, or primary election occurring in the State of which he is a resident, whether he is within or outside such State at the time of such election, if under the laws of such State he is otherwise entitled to vote in such election; but nothing in this subsection shall be construed to require granting to any such person a leave of absence or furlough for longer than one day in order to permit him to vote in person in any such election. No person inducted into, or enlisted in, the armed forces for training and service under this title shall, during the period of such service, as a condition of voting in any election for President, Vice President, electors for President or Vice President, or for Senator or Member of the House of Representatives, be required to pay any poll tax or other tax or make any other payment to any State or political subdivision thereof.

[(j) (c) Reports of separation.—The Secretaries of Army, Navy, Air Force, or Transportation shall furnish to the Selective Service System hereafter established a report of separation for each person separated from active duty.

WM. J. BRYAN DORN,
 OLIN E. TEAGUE,
 JAMES A. HALEY,
 THADDEUS J. DULSKI,
 HENRY HELSTOSKI,
 JOHN PAUL HAMMERSCHMIDT,
 MARGARET M. HECKLER,
 JOHN M. ZWACH,
 CHALMERS WYLIE,
Managers on the Part of the House.
 VANCE HARTKE,
 H. E. TALMADGE,
 JENNINGS RANDOLPH,
 HAROLD E. HUGHES,
 ALAN CRANSTON,
 CLIFFORD P. HANSEN,
 STROM THURMOND,
 ROBERT T. STAFFORD,
 JAMES A. McCLURE,
Managers on the Part of the Senate.

VIETNAM ERA VETERANS' READJUSTMENT
ASSISTANCE ACT OF 1974

AUGUST 19, 1974.—Ordered to be printed

Mr. TALMADGE (for Mr. HARTKE), from the committee of conference,
submitted the following

CONFERENCE REPORT

[To accompany H.R. 12628]

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 12628) to amend title 38, United States Code, to increase the rates of vocational rehabilitation, educational assistance, and special training allowances paid to eligible veterans and other persons; to make improvements in the educational assistance programs; and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate to the text of the bill, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment to the text of the bill, insert the following:

That this Act may be cited as the "Vietnam Era Veterans' Readjustment Assistance Act of 1974".

TITLE I—VOCATIONAL REHABILITATION AND EDUCATIONAL AND TRAINING ASSISTANCE ALLOWANCE RATE ADJUSTMENTS

SEC. 101. Chapter 31 of title 38, United States Code, is amended as follows:

(1) by inserting in section 1501(2) a comma and "all appropriate individualized tutorial assistance," after "counseling";

(2) by striking out in section 1502(a) all after "if such disability" and inserting in lieu thereof "arose out of service during World War II or thereafter."; and

(3) by amending the table contained in section 1504(b) to read as follows:

"Column I Type of training	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:
<i>Institutional:</i>				
Full-time.....	\$209	\$259	\$304	\$22
Three-quarter-time.....	157	194	229	17
Half-time.....	105	150	162	11
<i>Farm cooperative, apprentice, or other on-the-job training:</i>				
Full-time.....	182	220	254	17".

SEC. 102. Chapter 34 of title 38, United States Code, is amended as follows:

(1) by striking out in the last sentence of section 1677(b) "\$220" and inserting in lieu thereof "\$270";

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

"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:
<i>Institutional:</i>				
Full-time.....	\$270	\$321	\$366	\$22
Three-quarter-time.....	203	240	275	17
Half-time.....	135	160	182	11
<i>Cooperative.....</i>	217	255	289	17";

(3) by striking out in section 1682(b) "\$220" and inserting in lieu thereof "\$270";

(4) by amending the table contained in section 1682(c)(2) 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.....	\$217	\$255	\$289	\$17
Three-quarter-time.....	163	191	218	13
Half-time.....	109	128	145	9";

and

(5) by striking out in section 1696(b) "\$220" and inserting in lieu thereof "\$270".

SEC. 103. Chapter 35 of title 38, United States Code, is amended as follows:

(1) by amending section 1732(a)(1) to read as follows:

"(a)(1) The educational assistance allowance on behalf of an eligible person who is pursuing a program of education consisting of institutional courses shall be computed at the rate prescribed in section 1682(a)(1) of this title for full-time, three-quarter-time, or half-time pursuit, as appropriate, of an institutional program by an eligible veteran with no dependents.";

(2) by striking out in section 1732(a)(2) all after and including "of (A)" and inserting in lieu thereof "prescribed in section 1682(b)(2) of this title for less-than-half-time pursuit of an institutional program by an eligible veteran.";

(3) by striking out in section 1732(b) "\$177" and inserting in lieu thereof "\$217"; and

(4) by amending section 1742(a) to read as follows:

"(a) While the eligible person is enrolled in and pursuing a full-time course of special restorative training, the parent or guardian shall be entitled to receive on behalf of such person a special training allowance computed at the basic rate of \$270 per month. If the charges for tuition and fees applicable to any such course are more than \$85 per calendar month, the basic monthly allowance may be increased by the amount that such charges exceed \$85 a month, upon election by the parent or guardian of the eligible person to have such person's period of entitlement reduced by one day for each \$9.02 that the special training allowance paid exceeds the basic monthly allowance."

SEC. 104. Chapter 36 of title 38, United States Code, is amended as follows:

(1) by striking out in section 1786(a)(2) "\$220" and inserting in lieu thereof "\$270";

(2) by amending the table contained in paragraph (1) of section 1787 (b) to read as follows:

"Column I Periods of training	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:
First 6 months.....	\$196	\$220	\$240	\$10
Second 6 months.....	147	171	191	10
Third 6 months.....	98	122	142	10
Fourth and any succeeding 6-month periods.....	49	73	95	10";

and

(3) by amending section 1787(b)(2) to read as follows:

"(2) The monthly training assistance allowance of an eligible person pursuing a program described under subsection (a) shall be computed at the rate prescribed in paragraph (1) of this subsection for an eligible veteran with no dependents pursuing such a course."

SEC. 105. (a) The Administrator shall carry out directly a thorough study and investigation of the administrative difficulties and opportunities or abuse that would be occasioned by enactment of some form of variable tuition assistance allowance program, with reference to such difficulties

and abuses experienced by the Veterans' Administration after the end of World War II in carrying out the provisions of Veterans' Regulation Numbered 1(a), relating to the payment of tuition and related expenses for veterans of World War II pursuing a program of education or training under the Servicemen's Readjustment Act of 1944, and to any such difficulties and abuses presently being experienced by the Veterans' Administration in carrying out existing tuition assistance programs under title 38, United States Code, including chapter 31 vocational rehabilitation, correspondence courses, flight training and PREP, and of ways in which any such difficulties and abuses could be avoided or minimized through legislative or administrative action so as to ensure an expeditious, orderly, and effective implementation of any tuition assistance allowance program.

(b) In carrying out the study and investigation required by subsection (a), the Administrator shall consult with and solicit the views and suggestions of interested veterans' organizations, educational groups and associations, persons receiving assistance under chapters 31, 34, 35 and 36 of title 38, United States Code, other Federal departments and agencies, and other interested parties.

(c) The Administrator shall report to the Congress and the President not later than one year after the date of enactment of this Act on the results of the study and investigation carried out under this section, including any recommendations for legislative or administrative action.

TITLE II—EDUCATIONAL ASSISTANCE PROGRAM ADJUSTMENTS

SEC. 201. Section 1652(a)(3) of title 38, United States Code, is amended by striking out the period at the end of such section and inserting in lieu thereof "unless at some time subsequent to the completion of such period of active duty for training such individual served on active duty for a consecutive period of one year or more (not including any service as a cadet or midshipman at one of the service academies)."

SEC. 202. Section 1661 of title 38, United States Code, is amended by—

(1) striking out in subsection (a) "36 months" and inserting in lieu thereof "45 months"; and

(2) striking out in subsection (c) "thirty-six" and inserting in lieu thereof "45".

SEC. 203. Section 1673 of title 38, United States Code, is amended as follows:

(1) by amending subsection (a)(2) to read as follows:

"(2) any sales or sales management course which does not provide specialized training within a specific vocational field, or in any other course with a vocational objective, unless the eligible veteran or the institution offering such course submits justification showing that at least one-half of the persons who completed such course over the preceding two-year period, and who are not unavailable for employment, have been employed in the occupational category for which the course was designed to provide training (but in computing the number of persons who completed such course over any such two-year period, there shall not be included the number of persons who completed such course with assistance under this title while serving on active duty); or";

(2) by inserting in subsection (a)(3) "(or the advertising for which he finds contains significant avocational or recreational themes)" after "character"; and

(3) by amending subsection (d) to read as follows:

"(d) The Administrator shall not approve the enrollment of any eligible veteran, not already enrolled, in any course (other than one offered pursuant to subchapter V or subchapter VI of this chapter) which does not lead to a standard college degree and which is offered by a proprietary profit or proprietary nonprofit educational institution for any period during which the Administrator finds that more than 85 per centum of the students enrolled in the course are having all or part of their tuition, fees, or other charges paid to or for them by the educational institution or the Veterans' Administration under this title."

SEC. 204. Section 1682 of title 38, United States Code, is amended by adding at the end thereof the following new subsection:

"(d)(1) Notwithstanding the prohibition in section 1671 of this title prohibiting enrollment of an eligible veteran in a program of education in which such veteran has 'already qualified,' a veteran shall be allowed up to six months of educational assistance (or the equivalent thereof in part-time assistance) for the pursuit of refresher training to permit such veteran to update such veteran's knowledge and skills and to be instructed in the technological advances which have occurred in such veteran's field of employment during and since the period of such veteran's active military service.

"(2) A veteran pursuing refresher training under this subsection shall be paid an educational assistance allowance based upon the rate prescribed in the table in subsection (a)(1) or in subsection (c)(2) of this section, whichever is applicable.

"(3) The educational assistance allowance paid under the authority of this subsection shall be charged against the period of entitlement the veteran has earned pursuant to section 1661(a) of this title."

SEC. 205. Section 1685 of title 38, United States Code, is amended as follows:

(1) by striking out in subsection (a) all of that portion of the second sentence preceding "during a semester" and inserting in lieu thereof "Such work-study allowance shall be paid in the amount of \$625 in return for such veteran-student's agreement to perform services, during or between periods of enrollment, aggregating two hundred and fifty hours";

(2) by striking out the last sentence of subsection (a) and inserting in lieu thereof the following: "An agreement may be entered into for the performance of services for periods of less than two hundred and fifty hours, in which case the amount of the work-study allowance to be paid shall bear the same ratio to the number of hours of work agreed to be performed as \$625 bears to two hundred and fifty hours. In the case of any agreement providing for the performance of services for one hundred hours or more, the veteran student shall be paid \$250 in advance, and in the case of any agreement for the performance of services for less than one hundred hours, the amount of the advance payment shall bear the same ratio to the number of hours of work agreed to be performed as \$625 bears to two hundred and fifty hours."; and

(3) by striking out in subsection (c) "(not to exceed eight hundred man-years or their equivalent in man-hours during any fiscal year)".

SEC. 206. Section 1692(b) of title 38, United States Code, is amended as follows:

- (1) by striking out "\$50" and inserting in lieu thereof "\$60";
- (2) by striking out "nine months" and inserting in lieu thereof "twelve months"; and
- (3) by striking out "\$450" and inserting in lieu thereof "\$720".

SEC. 207. Section 1723 of title 38, United States Code, is amended as follows:

- (1) by amending subsection (a)(2) to read as follows:

"(2) any sales or sales management course which does not provide specialized training within a specific vocational field, or in any other course with a vocational objective, unless the eligible person or the institution offering such course submits justification showing that at least one-half of the persons who completed such course over the preceding two-year period, and who are not unavailable for employment, have been employed in the occupational category for which the course was designed to provide training (but in computing the number of persons who completed such course over any such two-year period, there shall not be included the number of persons who completed such course with assistance under this title while serving on active duty); or";

- (2) by inserting in subsection (a)(3) "(or the advertising for which he finds contains significant avocational or recreational themes)" after "character";

- (3) by striking out in subsection (c) "any course of institutional on-farm training,"; and

- (4) by striking out in subsection (d) "to be pursued below the college level" and inserting in lieu thereof "not leading to a standard college degree".

SEC. 208. Section 1732 of title 38, United States Code, is amended by redesignating subsection (c) as subsection (d) and by inserting after subsection (b) the following new subsection:

"(c)(1) An eligible person who is enrolled in an educational institution for a 'farm cooperative' program consisting of institutional agricultural courses prescheduled to fall within forty-four weeks of any period of twelve consecutive months and who pursues such program on—

"(A) a full-time basis (a minimum of ten clock hours per week or four hundred and forty clock hours in such year prescheduled to provide not less than eighty clock hours in any three-month period),

"(B) a three-quarter-time basis (a minimum of seven clock hours per week), or

"(C) a half-time basis (a minimum of five clock hours per week), shall be eligible to receive an educational assistance allowance at the appropriate rate provided in paragraph (2) of this subsection, if such eligible person is concurrently engaged in agricultural employment which is relevant to such institutional agricultural courses as determined under standards prescribed by the Administrator. In computing the foregoing clock hour requirements there shall be included the time involved in field trips and individual and group instruction sponsored and conducted by

the educational institution through a duly authorized instructor of such institution in which the person is enrolled.

"(2) The monthly educational assistance allowance to be paid on behalf of an eligible person pursuing a farm cooperative program under this chapter shall be computed at the rate prescribed in section 1682(c)(2) of this title for full-time, three-quarter-time, or half-time pursuit, as appropriate, of a farm cooperative program by an eligible veteran with no dependents."

SEC. 209. Section 1780(a)(2) is amended by inserting "(or customary vacation periods connected therewith)" after "holidays".

SEC. 210. Chapter 36 of title 38, United States Code, is amended as follows:

- (1) by amending section 1774(b) 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-----	\$550.
Over \$5,000 but not exceeding \$10,000---	\$1,000.
Over \$10,000 but not exceeding \$35,000--	\$1,000 for the first \$10,000 plus \$925 for each additional \$5,000 or fraction thereof.
Over \$35,000 but not exceeding \$40,000--	\$6,050.
Over \$40,000 but not exceeding \$75,000--	\$6,050 for the first \$40,000 plus \$800 for each additional \$5,000 or fraction thereof.
Over \$75,000 but not exceeding \$80,000--	\$12,000.
Over \$80,000-----	\$12,000 for the first \$80,000 plus \$700 for each additional \$5,000 or fraction thereof."

and

- (2) by amending section 1784(b) to read as follows:

"(b) The Administrator may pay to any educational institution, or to any joint apprenticeship training committee acting as a training establishment, furnishing education or training under either this chapter or chapter 34 or 35 of this title, a reporting fee which will be in lieu of any other compensation or reimbursement for reports or certifications which such educational institution or joint apprenticeship training committee is required to submit to him by law or regulation. Such reporting fee shall be computed for each calendar year by multiplying \$3 by the number of eligible veterans or eligible persons enrolled under this chapter or chapter 34 or 35 of this title, or \$4 in the case of those eligible veterans and eligible persons whose educational assistance checks are directed in care of each institution for temporary custody and delivery and are delivered at the time of registration as provided under section 1780(d)(5) of this title, on October 31 of that year; except that the Administrator may, where it is established by such educational institution or joint apprenticeship training committee that eligible veteran plus eligible person enrollment on such date varies more than 15 per centum from the peak eligible veteran enrollment plus eligible person enrollment in such educational institution or joint apprenticeship training committee during such calendar year, establish such other date as representative of the peak enrollment as may be justified for such educational institution or joint apprenticeship training committee. The reporting fee shall be paid to such educational institution or joint apprenticeship training committee as soon as feasible after the end of the calendar year for which it is applicable."

SEC. 211. Section 1788(a) of title 38, United States Code, is amended as follows:

(1) by striking out in clause (1) "below the college level" and inserting in lieu thereof a comma and "not leading to a standard college degree,";

(2) by striking out in clause (2) "below the college level" and inserting in lieu thereof a comma and "not leading to a standard college degree,";

(3) by striking out in clause (6) "below the college level" and inserting in lieu thereof "not leading to a standard college degree"; and

(4) by adding at the end of such subsection the following:

"Notwithstanding the provisions of clause (1) or (2) of this subsection, an educational institution offering courses not leading to a standard college degree may measure such courses on a quarter- or semester-hour basis (with full time measured on the same basis as provided by clause (4) of this subsection); but (A) the academic portions of such courses must require outside preparation and be measured on not less than one quarter or one semester hour for each fifty minutes net of instruction per week or quarter or semester; (B) the laboratory portions of such courses must be measured on not less than one quarter or one semester hour for each two hours of attendance per week per quarter or semester; and (C) the shop portions of such courses must be measured on not less than one quarter or one semester hour for each three hours of attendance per week per quarter or semester. In no event shall such course be considered a full-time course when less than twenty-two hours per week of attendance is required."

SEC. 212. (a) Chapter 36 of title 38, United States Code, is amended by inserting at the end thereof the following new section:

"§ 1796. Limitation on certain advertising, sales, and enrollment practices

"(a) The Administrator shall not approve the enrollment of an eligible veteran or eligible person in any course offered by an institution which utilizes advertising, sales, or enrollment practices of any type which are erroneous, deceptive, or misleading either by actual statement, omission, or intimation.

"(b) The Administrator shall, pursuant to section 1794 of this title, enter into an agreement with the Federal Trade Commission to utilize, where appropriate, its services and facilities, consistent with its available resources, in carrying out investigations and making his determinations under subsection (a) of this section. Such agreement shall provide that cases arising under subsection (a) of this section or any similar matters with respect to any of the requirements of this chapter or chapters 34 and 35 of this title shall be referred to the Federal Trade Commission which in its discretion will conduct an investigation and make preliminary findings. The findings and results of any such investigations shall be referred to the Administrator who shall take appropriate action in such cases within ninety days after such referral.

"(c) Not later than sixty days after the end of each fiscal year, the Administrator shall report to Congress on the nature and disposition of all cases arising under this section."

(b) The table of sections at the beginning of chapter 36 of such title is amended by inserting

"1796. Limitation on certain advertising, sales, and enrollment practices."

below

"1795. Limitation on period of assistance under two or more programs."

SEC. 213. (a) Subchapter II of chapter 3 of title 38, United States Code, is amended by adding at the end thereof the following new sections:

"§ 219. Evaluation and data collection

"(a) The Administrator, pursuant to general standards which he shall prescribe in regulations, shall measure and evaluate on a continuing basis the impact of all programs authorized under this title, in order to determine their effectiveness in achieving stated goals in general, and in achieving such goals in relation to their cost, their impact on related programs, and their structure and mechanisms for delivery of services. Such information as the Administrator may deem necessary for purposes of such evaluations shall be made available to him, upon request, by all departments, agencies, and instrumentalities of the executive branch.

"(b) In carrying out this section, the Administrator shall collect, collate, and analyze on a continuing basis full statistical data regarding participation (including the duration thereof), provision of services, categories of beneficiaries, planning and construction of facilities, acquisition of real property, proposed expropriation of land, accretion and attrition of personnel, and categorized expenditures attributable thereto, under all programs carried out under this title.

"(c) The Administrator shall make available to the public and on a regular basis provide to the appropriate committees of the Congress copies of all completed evaluative research studies and summaries of evaluations of program impact and effectiveness carried out, and tabulations and analyses of all data collected, under this section.

"§ 220. Coordination of other Federal programs affecting veterans and their dependents

"The Administrator shall seek to achieve the maximum feasible effectiveness, coordination, and interrelationship of services among all programs and activities affecting veterans and their dependents carried out by and under all other departments, agencies, and instrumentalities of the executive branch and shall seek to achieve the maximum feasible coordination of such programs with programs carried out under this title."

(b) The table of sections at the beginning of chapter 3 of such title is amended by adding

"219. Evaluation and data collection.

"220. Coordination of other Federal programs affecting veterans and their dependents."

below

"218. Standards of conduct and arrests for crimes at hospitals, domiciliaries, cemeteries, and other Veterans' Administration reservations."

SEC. 214. Subchapter IV of chapter 3 of title 38, United States Code, is amended as follows:

(1) by inserting in section 241 "in carrying out the purposes of this subchapter (including the provision, to the maximum feasible

extent, of such services, in areas where a significant number of eligible veterans and eligible dependents speak a language other than English as their principal language, in the principal language of such persons" after "outreach services";

(2) by inserting in clause (2) "to eligible veterans and eligible dependents" after "information" the first time it appears;

(3) by striking out in section 242(b) "may implement such special telephone service" and inserting in lieu thereof "shall establish and carry out all possible programs and services, including special telephone facilities,";

(4) redesignating sections 243 and 244 as 244 and 245, respectively, and adding the following new section after section 242:

"§ 243. Veterans' representatives

"(a)(1) Except as otherwise provided in paragraph (4) of this subsection, the Administrator shall assign, with appropriate clerical/secretarial support, to each educational institution (as defined in section 1652(c) except for correspondence schools) where at least five hundred persons are enrolled under chapters 31, 34, 35, and 36 of this title such number of full-time veterans' representatives as will provide at least one such veterans' representative per each five hundred such persons so enrolled at each such institution; and the Administrator shall also assign to other such veterans' representatives responsibility for carrying out the functions set forth in paragraph (3) of this subsection with respect to groups of institutions with less than five hundred such persons so enrolled, on the basis of such proportion of such veterans' representatives' time to such persons so enrolled as he deems appropriate to be adequate to perform such functions at such institutions.

"(2) In selecting and appointing veterans' representatives under this subsection, preference shall be given to veterans of the Vietnam era with experience in veterans affairs' counseling, outreach, and other related veterans' services.

"(3) The functions of such veterans' representatives shall be to—

"(A) answer all inquiries related to Veterans' Administration educational assistance and other benefits, and take all necessary action to resolve such inquiries expeditiously, especially those relating to payments of educational assistance benefits;

"(B) assure correctness and proper handling of applications, completion of certifications of attendance, and submission of all necessary information (including changes in status or program affecting payments) in support of benefit claims submitted;

"(C) maintain active liaison, communication, and cooperation with the officials of the educational institution to which assigned, in order to alert veterans to changes in law and Veterans' Administration policies or procedures;

"(D) supervise and expeditiously resolve all difficulties relating to the delivery of advance educational assistance payments authorized under this title;

"(E) coordinate Veterans' Administration matters with, and provide appropriate briefings to, all on-campus veterans' groups, working particularly closely with veterans' coordinators at educational institutions receiving veterans' cost-of-instruction payments under section

420 of the Higher Education Act of 1965, as amended (hereinafter referred to as 'V.C.I. institutions');

"(F) provide necessary guidance and support to veteran-student services personnel assigned to the campus under section 1685 of this title;

"(G) where such functions are not being adequately carried out by existing programs at such institutions (i) provide appropriate motivational and other counseling to veterans (informing them of all available benefits and services, as provided for under section 241 of this title) and (ii) carry out outreach activities under this subchapter; and

"(H) carry out such other activities as may be assigned by the director of the Veterans' Administration regional office, established under section 230 of this title.

"(4) Based on the extent to which the functions set forth in paragraph (3) of this subsection are being adequately carried out at a particular educational institution or in consideration of other factors indicating the inappropriateness of assignment of veterans' representatives to a particular educational institution, the director of the appropriate Veterans' Administration regional office shall, notwithstanding the formula set forth in paragraph (1) of this subsection, either reallocate such veterans' representatives to other educational institutions in such region where he determines that such additional veterans' representatives are necessary, or, with the approval of the chief benefits officer of the Veterans' Administration, assign such veterans' representatives to carry out such functions or related activities at the regional office in question, with special responsibility for one or more than one particular educational institution.

"(5) The functions of a veterans' representative assigned under this subsection shall be carried out in such a way as to complement and not interfere with the statutory responsibilities and duties of persons carrying out veterans affairs' functions at V.C.I. institutions.

"(b) The Administrator shall establish rules and procedures to guide veterans' representatives in carrying out their functions under this section. Such rules and procedures shall contain provisions directed especially to assuring that the activities of veterans' representatives carried out under this section complement, and do not interfere with, the established responsibilities of representatives recognized by the Administrator under section 3402 of this title."; and

(5) amending section 244 (as redesignated by clause (4) of this subsection) of such title by—

(A) striking out "may" and inserting in lieu thereof "shall"; and

(B) inserting "and provide for" after "conduct" in paragraph

(5).

(b) The table of sections at the beginning of such chapter is amended by striking out

"243. Utilization of other agencies.

"244. Report to Congress."

and inserting in lieu thereof

"243. Veterans' representatives.

"244. Utilization of other agencies.

"245. Report to Congress."

**TITLE III—VETERANS AND DEPENDENTS EDUCATION
LOAN PROGRAM**

SEC. 301. (a) Chapter 36 of title 38, United States Code, is amended by adding at the end thereof the following new subchapter:

"Subchapter III—Education Loans to Eligible Veterans and Eligible Persons

"§ 1798. Eligibility for loans; amount and conditions of loans; interest rate on loans

"(a) Each eligible veteran and eligible person shall be entitled to a loan under this subchapter in an amount determined under, and subject to the conditions specified in, subsection (b)(1) of this section if the veteran or person satisfies the requirements set forth in subsection (c) of this section.

"(b)(1) Subject to paragraph (3) of this subsection, the amount of the loan to which an eligible veteran or eligible person shall be entitled under this subchapter for any academic year shall be equal to the amount needed by such veteran or person to pursue a program of education at the institution at which he is enrolled, as determined under paragraph (2) of this subsection.

"(2)(A) The amount needed by a veteran or person to pursue a program of education at an institution for any academic year shall be determined by subtracting (i) the total amount of financial resources (as defined in subparagraph (B) of this paragraph) available to the veteran or person which may be reasonably expected to be expended by such veteran or person for educational purposes in any year from (ii) the actual cost of attendance (as defined in subparagraph (C) of this paragraph) at the institution in which such veteran or person is enrolled.

"(B) The term 'total amount of financial resources' of any veteran or person for any year means the total of the following:

"(i) The annual adjusted effective income of the veteran or person less Federal income tax paid or payable by such veteran or person with respect to such income.

"(ii) The amount of cash assets of the veteran or person.

"(iii) The amount of financial assistance received by the veteran or person under the provisions of title IV of the Higher Education Act of 1965, as amended.

"(iv) Educational assistance received by the veteran or person under this title other than under this subchapter.

"(v) Financial assistance received by the veteran or person under any scholarship or grant program other than those specified in clauses (iii) and (iv).

"(C) The term 'actual cost of attendance' means, subject to such regulations as the Administrator may provide, the actual per-student charges for tuition, fees, room and board (or expenses related to reasonable commuting), books, and an allowance for such other expenses as the Administrator determines by regulation to be reasonably related to attendance at the institution at which the veteran or person is enrolled.

"(3) The aggregate of the amounts any veteran or person may borrow under this subchapter may not exceed \$270 multiplied by the number of months such veteran or person is entitled to receive educational assistance under section 1661 or subchapter II of chapter 35, respectively, of this title, but not in excess of \$1,000 in any one regular academic year.

"(c) An eligible veteran or person shall be entitled to a loan under this subchapter if such veteran or person—

"(1) is in attendance at an educational institution on at least a half-time basis and (A) is enrolled in a course leading to a standard college degree, or (B) is enrolled in a course, the completion of which requires six months or longer, leading to an identified and pre-determined professional or vocational objective;

"(2) has sought and is unable to obtain a loan, in the full amount needed by such veteran or person, as determined under subsection (b) of this section, under a student loan program insured pursuant to the provisions of part B of title IV of the Higher Education Act of 1965, as amended, or any successor authority; and

"(3) enters into an agreement with the Administrator meeting the requirements of subsection (d) of this section.

No loan shall be made under this subchapter to an eligible veteran or person pursuing a program of correspondence, flight, apprentice or other on-job, or PRÉP training.

"(d) Any agreement between the Administrator and a veteran or person under this subchapter—

"(1) shall include a note or other written obligation which provides for repayment to the Administrator of the principal amount of, and payment of interest on, the loan in installments over a period beginning nine months after the date on which the borrower ceases to be at least a half-time student and ending ten years and nine months after such date;

"(2) shall include provision for acceleration of repayment of all or any part of the loan, without penalty, at the option of the borrower;

"(3) shall provide that the loan shall bear interest, on the unpaid balance of the loan, at a rate prescribed by the Administrator, with the concurrence of the Secretary of the Treasury, but at a rate not less than the rate paid by such Secretary on Treasury notes and obligations being purchased by the Fund at the time the loan agreement is made, except that no interest shall accrue prior to the beginning date of repayment; and

"(4) shall provide that the loan shall be made without security and without endorsement.

"(e)(1) Except as provided in paragraph (2) of this subsection, whenever the Administrator determines that a default has occurred on any loan made under this subchapter, he shall declare an overpayment, and such overpayment shall be recovered from the veteran or person concerned in the same manner as any other debt due the United States.

"(2) If a veteran or person who has received a loan under this section dies or becomes permanently and totally disabled, then the Administrator shall discharge the veteran's or person's liability on such loan by repaying the amount owed on such loan.

"(3) The Administrator shall submit to the Committees on Veterans' Affairs of the Senate and the House of Representatives, not later than one year after the date of enactment of the Vietnam Era Veterans' Readjustment Assistance Act of 1974 and annually thereafter, a separate report specifying the default experience and default rate at each educational institution along with a comparison of the collective default experience and default rate at all such institutions.

“ §1799. Sources of funds; insurance

“(a) Loans made by the Administrator under this subchapter shall be made from funds available under subsection (b) of this section for such purpose, and repayment shall be guaranteed as provided in subsection (c) of this section.

“(b)(1) Any funds in the National Service Life Insurance Fund continued under section 720 (in this subchapter referred to as the ‘Fund’) shall be available to the Administrator for making loans under section 1798 of this title. The Administrator shall set aside out of the Fund such amounts, not in excess of limitations in appropriations Acts, as may be necessary to enable him to make all the loans to which veterans or persons are entitled under section 1798 of this title.

“(2) Any funds set aside under paragraph (1) of this subsection shall be considered as investments of the Fund and while so set aside shall bear interest at a rate determined by the Secretary of the Treasury, but at a rate not less than the rate paid by such Secretary on other Treasury notes and obligations being purchased by the Fund at the time such funds are set aside.

“(c) The Administrator shall guarantee repayment to the Fund of any amounts set aside under subsection (b) of this section for loans under section 1798 of this title and of any interest accrued thereon. In order to discharge his responsibility under any such guarantee, he is authorized to issue to the Secretary of the Treasury notes or other obligations in such forms and denominations, bearing such maturities, and subject to such terms and conditions as may be prescribed by the Secretary of the Treasury. Such notes or other obligations shall bear interest at a rate determined by the Secretary of the Treasury, but at a rate not less than the rate paid by such Secretary on other Treasury notes and obligations being purchased by the Fund at the time the loan agreement is made. The Secretary of the Treasury is authorized and directed to purchase such notes and other obligations.

“(d) There are authorized to be appropriated to the Administrator such sums as may be necessary to enable him to repay to the Fund any amounts set aside under subsection (b) of this section together with any interest accrued thereon. Any funds paid to the Administrator pursuant to an agreement made under section 1798(d) of this title shall be deemed to have been appropriated pursuant to this subsection.

“(e) A fee shall be collected from each veteran or person obtaining a loan made under this subchapter for the purpose of insuring against defaults on loans made under this subchapter; and no loan shall be made under this subchapter until the fee payable with respect to such loan has been collected and remitted to the Administrator. The amount of the fee shall be established from time to time by the Administrator, but shall in no event exceed 3 per centum of the total loan amount. The amount of the fee may be included in the loan to the veteran or person and paid from the proceeds thereof. The Administrator shall deposit all fees collected hereunder in the Fund, and amounts so deposited shall be available to the Administrator to discharge his obligations under subsection (c) of this section.”

(b) The table of sections at the beginning of such chapter is amended by adding at the end thereof

“SUBCHAPTER III—EDUCATION LOANS TO ELIGIBLE VETERANS AND ELIGIBLE PERSONS

“1798. Eligibility for loans; amount and conditions of loans; interest rate on loans.

“1799. Source of funds; insurance.”

SEC. 302. (a) Subchapter IV of chapter 34 of title 38, United States Code, is amended by adding at the end thereof the following new section:

“§ 1686. Education loans

“Any eligible veteran shall be entitled to an education loan (if the program of education is pursued in a State) in such amount and on such terms and conditions as provided in sections 1798 and 1799 of this title.”

(b) The table of sections at the beginning of such chapter is amended by inserting

“1686. Education loans.”

below

“1685. Veteran-student services.”

SEC. 303. (a) Subchapter IV of chapter 35 of title 38, United States Code, is amended by adding at the end thereof the following new section:

“§ 1737. Education loans

“Any eligible person shall be entitled to an education loan (if the program of education is pursued in a State) in such amount and on such terms and conditions as provided in sections 1798 and 1799 of this title.”

(b) The table of sections at the beginning of such chapter is amended by inserting

“1737. Education loans.”

below

“1736. Specialized vocational training courses.”

TITLE IV—VETERANS, WIVES, AND WIDOWS EMPLOYMENT ASSISTANCE AND PREFERENCE AND VETERANS' REEMPLOYMENT RIGHTS

SEC. 401. Chapter 41 of title 38, United States Code, is amended as follows:

(a) Section 2001 is amended by redesignating paragraph (2) as paragraph (3) and adding after paragraph (1) a new paragraph (2) as follows:

“(2) The term ‘eligible person’ means—

“(A) the spouse of any person who died of a service-connected disability,

“(B) the spouse of any member of the Armed Forces serving on active duty who, at the time of application for assistance under this chapter, is listed, pursuant to section 556 of title 37 and regulations issued thereunder, by the Secretary concerned in one or more of the following categories and has been so listed for a total of more than ninety days: (i) missing in action, (ii) captured in line of duty by a hostile force, or (iii) forcibly detained or interned in line of duty by a foreign government or power, or

(C) the spouse of any person who has a total disability permanent in nature resulting from a service-connected disability or the spouse of a veteran who died while a disability so evaluated was in existence.”

(b) Section 2002 is amended by (1) inserting “and eligible persons” after “eligible veterans” and (2) inserting “and persons” after “such veterans”.

(c) Section 2003 is amended by—

(1) striking out in the first sentence “250,000 veterans” and inserting in lieu thereof “250,000 veterans and eligible persons”;

(2) striking out in the fourth sentence “veterans” and inserting in lieu thereof “veterans and eligible persons”;

(3) inserting in clauses (1), (2), (4), (5), and (6) of the fifth sentence “and eligible persons” after “eligible veterans” each time the latter term appears in such clauses;

(4) inserting in clause (3) of the fifth sentence “or an eligible person’s” after “eligible veteran’s”; and

(5) inserting in clause (4) of the fifth sentence “and persons” after “such veterans”.

(d) Section 2005 is amended by inserting “and eligible persons” after “eligible veterans”.

(e) The last sentence of section 2006(a) is amended by striking out “veterans” and inserting in lieu thereof “eligible veterans and eligible persons”.

(f) Section 2007 is amended by—

(1) inserting in subsection (a)(1) “and each eligible person” after “active duty”;

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

“(b) The Secretary of Labor shall establish definitive performance standards for determining compliance by the State public employment service agencies with the provisions of this chapter and chapter 42 of this title. A full report as to the extent and reasons for any noncompliance by any such State agency during any fiscal year, together with the agency’s plan for corrective action during the succeeding year, shall be included in the annual report of the Secretary of Labor required by subsection (c) of this section.”; and

(3) striking out in the second sentence of subsection (c) (as redesignated by clause (2) of this subsection) “and other eligible veterans” and inserting in lieu thereof “other eligible veterans, and eligible persons”.

Sec. 402. Chapter 42 of title 38, United States Code, is amended as follows:

(1) by inserting in the first sentence of section 2012(a) “in the amount of \$10,000 or more” after “contract” where it first appears, by striking out “, in employing persons to carry out such contract,” in such sentence, and by striking out “give special emphasis to the employment of” and inserting in lieu thereof “take affirmative action to employ and advance in employment” in such sentence;

(2) by striking out in the third sentence of section 2012(a) “The” and inserting in lieu thereof “In addition to requiring affirmative action to employ such veterans under such contracts and subcontracts and in order to promote the implementation of such requirement, the”;

(3) by striking out in the first sentence of section 2012(b) “giving special emphasis in employment to” and inserting in lieu thereof “the employment of”.

SEC. 403. (a) Chapter 42 of title 38, United States Code, is amended by adding at the end thereof the following new section:

“§ 2014. Employment within the Federal Government

“(a) It is the policy of the United States and the purpose of this section to promote the maximum of employment and job advancement opportunities within the Federal Government for qualified disabled veterans and veterans of the Vietnam era.

“(b) To further this policy, veterans of the Vietnam era shall be eligible, in accordance with regulations which the Civil Service Commission shall prescribe, for veterans readjustment appointments up to and including the level GS-5, as specified in subchapter II of chapter 51 of title 5, and subsequent career-conditional appointments, under the terms and conditions specified in Executive Order Numbered 11521 (March 26, 1970), except that in applying the one-year period of eligibility specified in section 2(a) of such order to a veteran or disabled veteran who enrolls, within one year following separation from the Armed Forces or following release from hospitalization or treatment immediately following separation from the Armed Forces, in a program of education (as defined in section 1652 of this title) on more than a half-time basis (as defined in section 1788 of this title), the time spent in such program of education (including customary periods of vacation and permissible absences) shall not be counted. The eligibility of such a veteran for a readjustment appointment shall continue for not less than six months after such veteran first ceases to be enrolled therein on more than a half-time basis. No veterans readjustment appointment may be made under authority of this subsection after June 30, 1978.

“(c) Each department, agency, and instrumentality in the executive branch shall include in its affirmative action plan for the hiring, placement, and advancement of handicapped individuals in such department, agency, or instrumentality as required by section 501(b) of Public Law 93-112 (87 Stat. 391), a separate specification of plans (in accordance with regulations which the Civil Service Commission shall prescribe in consultation with the Administrator, the Secretary of Labor, and the Secretary of Health, Education, and Welfare, consistent with the purposes, provisions, and priorities of such Act) to promote and carry out such affirmative action with respect to disabled veterans in order to achieve the purpose of this section.

“(d) The Civil Service Commission shall be responsible for the review and evaluation of the implementation of this section and the activities of each such department, agency, and instrumentality to carry out the purpose and provisions of this section. The Commission shall periodically obtain and publish (on at least a semiannual basis) reports on such implementation and activities from each such department, agency, and instrumentality, including specification of the use and extent of appointments made under subsection (b) of this section and the results of the plans required under subsection (c) thereof.

“(e) The Civil Service Commission shall submit to the Congress annually a report on activities carried out under this section, except that, with respect to subsection (c) of this section, the Commission may include a

report of such activities separately in the report required to be submitted by section 501(d) of such Public Law 93-112, regarding the employment of handicapped individuals by each department, agency, and instrumentality.

“(f) Notwithstanding section 2011 of this title, the terms ‘veteran’ and ‘disabled veteran’ as used in this section shall have the meaning provided for under generally applicable civil service law and regulations.”

(b) The table of sections at the beginning of such chapter is amended by adding at the end thereof

“2014. Employment within the Federal Government.”

SEC. 404. (a) Part III of title 38, United States Code, is amended by adding at the end thereof a new chapter as follows:

“Chapter 43—Veterans’ Reemployment Rights

“Sec.

“2021. Right to reemployment of inducted persons; benefits protected.

“2022. Enforcement procedures.

“2023. Reemployment by the United States, territory, possession, or the District of Columbia.

“2024. Rights of persons who enlist or are called to active duty; Reserves.

“2025. Assistance in obtaining reemployment.

“2026. Prior rights for reemployment.

“§ 2021. Right to reemployment of inducted persons; benefits protected

“(a) In the case of any person who is inducted into the Armed Forces of the United States under the Military Selective Service Act (or under any prior or subsequent corresponding law) for training and service and who leaves a position (other than a temporary position) in the employ of any employer in order to perform such training and service, and (1) receives a certificate described in section 9(a) of the Military Selective Service Act (relating to the satisfactory completion of military service), and (2) makes application for reemployment within ninety days after such person is relieved from such training and service or from hospitalization continuing after discharge for a period of not more than one year—

“(A) if such position was in the employ of the United States Government, its territories, or possessions, or political subdivisions thereof, or the District of Columbia, such person shall—

“(i) if still qualified to perform the duties of such position, be restored to such position or to a position of like seniority, status, and pay; or

“(ii) if not qualified to perform the duties of such position, by reason of disability sustained during such service, but qualified to perform the duties of any other position in the employ of the employer, be offered employment and, if such person so requests, be employed in such other position the duties of which such person is qualified to perform as will provide such person like seniority, status, and pay, or the nearest approximation thereof consistent with the circumstances in such person’s case;

“(B) if such position was in the employ of a State, or political subdivision thereof, or a private employer, such person shall—

“(i) if still qualified to perform the duties of such position, be restored by such employer or his successor in interest to such position or to a position of like seniority, status, and pay; or

“(ii) if not qualified to perform the duties of such position, by reason of disability sustained during such service, but qualified to perform the duties of any other position in the employ of such employer or his successor in interest, be offered employment and, if such person so requests, be employed by such employer or his successor in interest in such other position the duties of which such person is qualified to perform as will provide such person like seniority, status, and pay, or the nearest approximation thereof consistent with the circumstances in such person’s case,

unless the employer’s circumstances have so changed as to make it impossible or unreasonable to do so. Nothing in this chapter shall excuse noncompliance with any statute or ordinance of a State or political subdivision thereof establishing greater or additional rights or protections than the rights and protections established pursuant to this chapter.

“(b)(1) Any person who is restored to or employed in a position in accordance with the provisions of clause (A) or (B) of subsection (a) of this section shall be considered as having been on furlough or leave of absence during such person’s period of training and service in the Armed Forces, shall be so restored or reemployed without loss of seniority, shall be entitled to participate in insurance or other benefits offered by the employer pursuant to established rules and practices relating to employees on furlough or leave of absence in effect with the employer at the time such person was inducted into such forces, and shall not be discharged from such position without cause within one year after such restoration or reemployment.

“(2) It is hereby declared to be the sense of the Congress that any person who is restored to or employed in a position in accordance with the provisions of clause (A) or (B) of subsection (a) of this section should be so restored or reemployed in such manner as to give such person such status in his employment as he would have enjoyed if such person had continued in such employment continuously from the time of such person’s entering the Armed Forces until the time of such person’s restoration to such employment, or reemployment.

“(3) Any person who holds a position described in clause (A) or (B) of subsection (a) of this section shall not be denied retention in employment or any promotion or other incident or advantage of employment because of any obligation as a member of a Reserve component of the Armed Forces.

“(c) The rights granted by subsections (a) and (b) of this section to persons who left the employ of a State or political subdivision thereof and were inducted into the Armed Forces shall not diminish any rights such persons may have pursuant to any statute or ordinance of such State or political subdivision establishing greater or additional rights or protections.

“§ 2022. Enforcement procedures

“If any employer, who is a private employer or a State or political subdivision thereof, fails or refuses to comply with the provisions of section 2021 (a), (b) (1), or (b) (3), or section 2024, the district court of the United States for any district in which such private employer maintains a place of business, or in which such State or political subdivision thereof ex-

exercises authority or carries out its functions, shall have the power, upon the filing of a motion, petition, or other appropriate pleading by the person entitled to the benefits of such provisions, specifically to require such employer to comply with such provisions and to compensate such person for any loss of wages or benefits suffered by reason of such employer's unlawful action. Any such compensation shall be in addition to and shall not be deemed to diminish any of the benefits provided for in such provisions. The court shall order speedy hearing in any such case and shall advance it on the calendar. Upon application to the United States attorney or comparable official for any district in which such private employer maintains a place of business, or in which such State or political subdivision thereof exercises authority or carries out its functions, by any person claiming to be entitled to the benefits provided for in such provisions, such United States attorney or official, if reasonably satisfied that the person so applying is entitled to such benefits, shall appear and act as attorney for such person in the amicable adjustment of the claim or in the filing of any motion, petition, or other appropriate pleading and the prosecution thereof specifically to require such employer to comply with such provisions. No fees or court costs shall be taxed against any person who may apply for such benefits. In any such action only the employer shall be deemed a necessary party respondent. No State statute of limitations shall apply to any proceedings under this chapter.

“§ 2023. Reemployment by the United States, territory, possession, or the District of Columbia

“(a) Any person who is entitled to be restored to or employed in a position in accordance with the provisions of clause (A) of section 2021(a) and who was employed, immediately before entering the Armed Forces, by any agency in the executive branch of the Government or by any territory or possession, or political subdivision thereof, or by the District of Columbia, shall be so restored or reemployed by such agency or the successor to its functions, or by such territory, possession, political subdivision, or the District of Columbia. In any case in which, upon appeal of any person who was employed, immediately before entering the Armed Forces, by any agency in the executive branch of the Government or by the District of Columbia, the United States Civil Service Commission finds that—

“(1) such agency is no longer in existence and its functions have not been transferred to any other agency; or

“(2) for any reason it is not feasible for such person to be restored to employment by such agency or by the District of Columbia, the Commission shall determine whether or not there is a position in any other agency in the executive branch of the Government or in the government of the District of Columbia for which such person is qualified and which is either vacant or held by a person having a temporary appointment thereto. In any case in which the Commission determines that there is such a position, such person shall be offered employment and, if such person so requests, be employed in such position by the agency in which such position exists or by the government of the District of Columbia, as the case may be. The Commission is authorized and directed to issue regulations giving full force and effect to the provisions of this section insofar as they relate to persons entitled to be restored to or employed in positions in the executive branch of the Government or in the government of the District of Columbia, including persons entitled to be reemployed under the last sentence of subsection (b) of this section. The agencies in the

executive branch of the Government and the government of the District of Columbia shall comply with such rules, regulations, and orders issued by the Commission pursuant to this subsection. The Commission is authorized and directed whenever it finds, upon appeal of the person concerned, that any agency in the executive branch of the Government or the government of the District of Columbia has failed or refuses to comply with the provisions of this section, to issue an order specifically requiring such agency or the government of the District of Columbia to comply with such provisions and to compensate such person for any loss of salary or wages suffered by reason of failure to comply with such provisions, less any amounts received by such person through other employment, unemployment compensation, or readjustment allowances. Any such compensation ordered to be paid by the Commission shall be in addition to and shall not be deemed to diminish any of the benefits provided for in such provisions, and shall be paid by the head of the agency concerned or by the government of the District of Columbia out of appropriations currently available for salary and expenses of such agency or government, and such appropriations shall be available for such purpose. As used in this chapter, the term ‘agency in the executive branch of the Government’ means any department, independent establishment, agency, or corporation in the executive branch of the United States Government (including the United States Postal Service and the Postal Rate Commission).

“(b) Any person who is entitled to be restored to or employed in a position in accordance with the provisions of clause (A) of section 2021(a), and who was employed, immediately before entering the Armed Forces, in the legislative branch of the Government, shall be so restored or employed by the officer who appointed such person to the position which such person held immediately before entering the Armed Forces. In any case in which it is not possible for any such person to be restored to or employed in a position in the legislative branch of the Government and such person is otherwise eligible to acquire a status for transfer to a position in the competitive service in accordance with section 3304(c) of title 5, the United States Civil Service Commission shall, upon appeal of such person, determine whether or not there is a position in the executive branch of the Government for which such person is qualified and which is either vacant or held by a person having a temporary appointment thereto. In any case in which the Commission determines that there is such a position, such person shall be offered employment and, if such person so requests, be employed in such position by the agency in which such position exists.

“(c) Any person who is entitled to be restored to or employed in a position in accordance with the provisions of clause (A) of section 2021(a) and who was employed, immediately before entering the Armed Forces, in the judicial branch of the Government, shall be so restored or reemployed by the officer who appointed such person to the position which such person held immediately before entering the Armed Forces.

“§ 2024. Rights of persons who enlist or are called to active duty; Reserves

“(a) Any person who, after entering the employment on the basis of which such person claims restoration or reemployment, enlists in the Armed Forces of the United States (other than in a Reserve component) shall be entitled upon release from service under honorable conditions to all of the reemployment rights and other benefits provided for by this section in the

case of persons inducted under the provisions of the Military Selective Service Act (or prior or subsequent legislation providing for the involuntary induction of persons into the Armed Forces), if the total of such person's service performed between June 24, 1948, and August 1, 1961, did not exceed four years, and the total of any service, additional or otherwise, performed by such person after August 1, 1961, does not exceed five years, and if the service in excess of four years after August 1, 1961, is at the request and for the convenience of the Federal Government (plus in each case any period of additional service imposed pursuant to law).

"(b)(1) Any person who, after entering the employment on the basis of which such person claims restoration or reemployment, enters upon active duty (other than for the purpose of determining physical fitness and other than for training), whether or not voluntarily, in the Armed Forces of the United States or the Public Health Service in response to an order or call to active duty shall, upon such person's relief from active duty under honorable conditions, be entitled to all of the reemployment rights and benefits provided for by this chapter in the case of persons inducted under the provisions of the Military Selective Service Act (or prior or subsequent legislation providing for the involuntary induction of persons into the Armed Forces), if the total of such active duty performed between June 24, 1948, and August 1, 1961, did not exceed four years, and the total of any such active duty, additional or otherwise, performed after August 1, 1961, does not exceed four years (plus in each case any additional period in which such person was unable to obtain orders relieving such person from active duty).

"(2) Any member of a Reserve component of the Armed Forces of the United States who voluntarily or involuntarily enters upon active duty (other than for the purpose of determining physical fitness and other than for training) or whose active duty is voluntarily or involuntarily extended during a period when the President is authorized to order units of the Ready Reserve or members of a Reserve component to active duty shall have the service limitation governing eligibility for reemployment rights under subsection (b)(1) of this section extended by such member's period of such active duty, but not to exceed that period of active duty to which the President is authorized to order units of the Ready Reserve or members of a Reserve component. With respect to a member who voluntarily enters upon active duty or whose active duty is voluntarily extended, the provisions of this subsection shall apply only when such additional active duty is at the request and for the convenience of the Federal Government.

"(c) Any member of a Reserve component of the Armed Forces of the United States who is ordered to an initial period of active duty for training of not less than three consecutive months shall, upon application for reemployment within thirty-one days after (1) such member's release from such active duty for training after satisfactory service, or (2) such member's discharge from hospitalization incident to such active duty for training, or one year after such member's scheduled release from such training, whichever is earlier, be entitled to all reemployment rights and benefits provided by this chapter for persons inducted under the provisions of the Military Selective Service Act (or prior or subsequent legislation providing for the involuntary induction of persons into the Armed Forces), except that (A) any person restored to or employed in a position in accordance with the provisions of this subsection shall not be discharged from such position

without cause within six months after that restoration, and (B) no reemployment rights granted by this subsection shall entitle any person to retention, preference, or displacement rights over any veteran with a superior claim under those provisions of title 5 relating to veterans and other preference eligibles.

"(d) Any employee not covered by subsection (c) of this section who holds a position described in clause (A) or (B) of section 2021(a) shall upon request be granted a leave of absence by such person's employer for the period required to perform active duty for training or inactive duty training in the Armed Forces of the United States. Upon such employee's release from a period of such active duty for training or inactive duty training, or upon such employee's discharge from hospitalization incident to that training, such employee shall be permitted to return to such employee's position with such seniority, status, pay, and vacation as such employee would have had if such employee had not been absent for such purposes. Such employee shall report for work at the beginning of the next regularly scheduled working period after expiration of the last calendar day necessary to travel from the place of training to the place of employment following such employee's release, or within a reasonable time thereafter if delayed return is due to factors beyond the employee's control. Failure to report for work at such next regularly scheduled working period shall make the employee subject to the conduct rules of the employer pertaining to explanations and discipline with respect to absence from scheduled work. If such an employee is hospitalized incident to active duty for training or inactive duty training, such employee shall be required to report for work at the beginning of the next regularly scheduled work period after expiration of the time necessary to travel from the place of discharge from hospitalization to the place of employment, or within a reasonable time thereafter if delayed return is due to factors beyond the employee's control, or within one year after such employee's release from active duty for training or inactive duty training, whichever is earlier. If an employee covered by this subsection is not qualified to perform the duties of such employee's position by reason of disability sustained during active duty for training or inactive duty training, but is qualified to perform the duties of any other position in the employ of the employer or his successor in interest, such employee shall be offered employment and, if such person so requests, be employed by that employer or his successor in interest in such other position the duties of which such employee is qualified to perform as will provide such employee like seniority, status, and pay, or the nearest approximation thereof consistent with the circumstances in such employee's case.

"(e) Any employee not covered by subsection (c) of this section who holds a position described in clause (A) or (B) of section 2021(a) shall be considered as having been on leave of absence during the period required to report for the purpose of being inducted into, entering, or determining, by a preinduction or other examination, physical fitness to enter the Armed Forces. Upon such employee's rejection, upon completion of such employee's preinduction or other examination, or upon such employee's discharge from hospitalization incident to such rejection or examination, such employee shall be permitted to return to such employee's position in accordance with the provisions of subsection (d) of this section.

"(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, 503, 504, or 505 of title 32, is consid-

ered active duty for training; and for the purpose 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.

“§ 2025. Assistance in obtaining reemployment

“The Secretary of Labor, through the Office of Veterans’ Reemployment Rights, shall render aid in the replacement in their former positions or reemployment of persons who have satisfactorily completed any period of active duty in the Armed Forces or the Public Health Service. In rendering such aid, the Secretary shall use existing Federal and State agencies engaged in similar or related activities and shall utilize the assistance of volunteers.

“§ 2026. Prior rights for reemployment

“In any case in which two or more persons who are entitled to be restored to or employed in a position under the provisions of this chapter or of any other law relating to similar reemployment benefits left the same position in order to enter the Armed Forces, the person who left such position first shall have the prior right to be restored thereto or reemployed on the basis thereof, without prejudice to the reemployment rights of the other person or persons to be restored or reemployed.”

(b) The table of chapters at the beginning of title 38, United States Code, and the table of chapters at the beginning of part III of such title are each amended by adding at the end thereof

“48. Veterans’ Reemployment Rights----- 2021”.

SEC. 405. Section 9 of the Military Selective Service Act is amended by—

(1) repealing subsections (b) through (h); and

(2) redesignating subsections (i) and (j) as subsections (b) and (c), respectively.

TITLE V—EFFECTIVE DATES

SEC. 501. Title I of this Act shall become effective on September 1, 1974.

SEC. 502. Title III of this Act shall become effective on November 1, 1974, except that eligible persons shall, upon application, be entitled (and all such persons shall be notified by the Administrator of Veterans’ Affairs of such entitlement) to a loan under the new subchapter III of chapter 36 of title 38, United States Code, as added by section 301 of this Act, the terms of which take into account the full amount of the actual cost of attendance (as defined in section 1798(b)(2)(C) of such title) which such persons incurred for the academic year beginning on or about September 1, 1974.

SEC. 503. Titles II and IV of this Act shall become effective on the date of their enactment.

And the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate to the title of the bill, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the amendment of the Senate to the title of the bill, insert the following: “An Act to amend title 38, United States Code, to increase vocational rehabilitation subsistence allowances, educational and training assistance allowances, and special allowances paid to eligible veterans and persons un-

der chapters 31, 34, and 35 of such title; to improve and expand the special programs for educationally disadvantaged veterans and servicemen under chapter 34 of such title; to improve and expand the veteran-student services program; to establish an education loan program for veterans and persons eligible for benefits under chapter 34 or 35 of such title; to make other improvements in the educational assistance program and in the administration of educational benefits; to promote the employment of veterans and the wives and widows of certain veterans by improving and expanding the provisions governing the operation of the Veterans Employment Service, by increasing the employment of veterans by Federal contractors and subcontractors, and by providing for an action plan for the employment of disabled and Vietnam era veterans within the Federal Government; to codify and expand veterans reemployment rights; and for other purposes.”

And the Senate agree to the same.

VANCE HARTKE,
H. E. TALMADGE,
JENNINGS RANDOLPH,
HAROLD E. HUGHES,
ALAN CRANSTON,
CLIFFORD P. HANSEN,
STROM THURMOND,
ROBERT T. STAFFORD,
JAMES A. McCLURE,
Managers on the Part of the Senate.
WM. J. BRYAN DORN,
OLIN E. TEAGUE,
JAMES A. HALEY,
THADDEUS J. DULSKI,
HENRY HELSTOSKI,
JOHN PAUL HAMMERSCHMIDT,
MARGARET M. HECKLER,
JOHN M. ZWACH,
CHALMERS WYLIE,
Managers on the part of the House.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE ON CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 12628) to amend title 38, United States Code, to increase the rates of vocational rehabilitation, educational assistance, and special training allowances paid to eligible veterans and other persons; to make improvements in the educational assistance programs and for other purposes, submit the following joint statement to the House and Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The Senate amendment struck out all of the House bill after the enacting clause and inserted a substitute text and made a title amendment.

The House recedes from its disagreement to the amendment of the Senate with an amendment which is a substitute for the House bill and the Senate amendment and with a title amendment. The differences between the House bill, the Senate amendment, and the substitute agreed to in conference are noted below, except for clerical corrections, conforming changes made necessary by agreements reached by the conferees, and minor drafting and clarifying changes.

TITLE I. VOCATIONAL REHABILITATION AND EDUCATIONAL, AND TRAINING ASSISTANCE ALLOWANCE RATE ADJUSTMENTS

Both the House bill and the Senate amendment liberalize eligibility requirements for disabled Vietnam era and post-Korean conflict veterans to receive training under the vocational rehabilitation program in chapter 31 so as to provide all post-Korean conflict veterans equal treatment for purposes of these benefits with veterans of service during World War II and the Korean conflict. The conference agreement provides for this liberalization of chapter 31 benefits—made available to any veteran with a 10-percent compensable service-connected disability or higher—for any veteran of World War II service or later service.

The House bill provides for increasing the rates of monthly educational assistance and training allowances by 13.6 percent for eligible veterans and dependents under chapters 34 and 35 and a comparable percentage increase for the vocational rehabilitation subsistence allowance under chapter 31 for service-connected disabled veterans. (This would increase the monthly educational assistance allowance for a single veteran with no dependents from \$220 to \$250 for full-time institutional study.) The Senate amendment provides for an increase in these rates of 18.2 percent and includes as an integral part of the rate increase package a partial tuition assistance allowance program,

under which an additional allowance of up to \$720 per school year would be paid to eligible veterans and persons under chapters 34 and 35, the VA paying according to the following formula: 80 percent of a school's yearly tuition charges up to \$1,000 after excluding the first \$100 of tuition. (The basic monthly educational assistance allowance for a single veteran with no dependents under the Senate amendment is increased from \$220 to \$260 for full-time institutional study plus the tuition assistance allowance entitlement, as appropriate, which would average out to approximately \$31 more per average veteran per month—a total educational assistance average payment of \$291 per month.)

The conference agreement provides for an increase in the monthly educational assistance, training, and vocational rehabilitation subsistence allowances of 22.7 percent, an increase for the single veteran with no dependents of from \$220 to \$270 for full-time institutional study. The conference did not approve the tuition assistance allowance portion of the Senate amendment, after the most extensive and careful consideration. The conferees instead substituted a provision (section 105) directing the Veterans' Administration to carry out a thorough study, and to report to the Congress and the President within 12 months, on the opportunities for abuse and administrative difficulties arising from a tuition assistance program if one were to be enacted. Various interested organizations and agencies would be consulted and their views solicited as part of the study process. The study would draw its context from the findings of abuses in connection with the World War II GI bill program and from an investigation of these problems as presently being experienced under GI bill tuition assistance programs such as chapter 31 vocational rehabilitation, correspondence courses, flight training, and PREP, and would include recommendations by the Veterans' Administration as to legislative or administrative ways in which any such abuses and difficulties could be prevented or mitigated under present or future programs.

TITLE II. EDUCATIONAL ASSISTANCE PROGRAM ADJUSTMENTS

The Senate amendment clarifies and liberalizes the circumstances under which service-connected disabled veterans training under the vocational rehabilitation program in chapter 31 may qualify for individualized tutorial assistance. The House bill contains no comparable provision. The House recedes.

Both the House bill and the Senate amendment, by an amendment to the section 1661(a) entitlement provision, permit the initial six months of active duty training by Reserve and National Guard members to be counted for entitlement for educational assistance under chapter 34 if such members subsequently serve on active duty for 12 or more consecutive months. The conference agreement provides for this new eligibility by amending the definition of "active duty" in section 1652(a)(3) in order to provide greater clarity.

The Senate amendment extends the maximum entitlement to educational assistance for eligible veterans and eligible dependents from 36 to 45 months. The House bill contains no comparable provision. The House recedes.

Both the House bill and the Senate amendment extend to 10 years the current 8-year delimiting date for veterans and chapter 35 eligible dependents to complete their programs of education (and exclude in computing such delimiting date the period of time that such veteran-civilians were held as prisoners of war during the Vietnam conflict). The conference agreement does not contain such a provision since the conferees decided during the course of their deliberations to separate this agreed-upon item and proceeded to pass S. 3705 in early July, which has now been enacted into law as Public Law 93-337 (July 10, 1974).

The Senate Amendment clarifies and strengthens certain administrative provisions governing the chapters 34 and 35 educational assistance program in order to prevent and mitigate against abuses by requiring that courses with vocational objectives must demonstrate a 50-percent placement record over the preceding two-year period in the specific occupational category for which the course was designed to provide training; by prohibiting enrollment in courses which utilize significant avocational or recreational themes in their advertising; and by providing that not more than 85 percent of eligible students enrolled in proprietary below-college level courses may be wholly or partially subsidized by the Veterans' Administration or the institution. The House bill contains no comparable provisions. The conference agreement includes these provisions, clarifying that the 50-percent placement requirement does not apply where it is clear that the individual graduate is not available for employment or trained during active duty. Situations in which a graduate could be regarded as not available for employment would include a graduate who becomes disabled, is continuing schooling, is pregnant, or undergoes a change in marital status which compels the graduate to forego a new career. In addition, a graduate who unreasonably refuses to cooperate by seeking employment should not be counted in determining whether the placement percentage has been attained. Such a lack of cooperation can include unreasonable demands as to job location, remuneration, or working conditions. (The "reasonableness" of graduate cooperation should be tested, in part, against normal expectations created by the nature of the training offered by the institution and the advertising, sales, or enrollment practices which it utilizes.)

In addition, the conferees have agreed to add a parenthetical provision so as to exclude from the computation of the 50-percent placement requirement those numbers of persons who receive their vocational training while on active duty military service. The purpose of this modification is merely to avoid imposing an unreasonable requirement on such vocational institutions to follow such servicemen throughout their period of military service—which might be a matter of several years—in order to determine whether appropriate job placement had been secured following release from active duty. On the other hand, the conferees do not intend by this modification to manifest any less concern about the quality of training which active duty servicemen obtain under the GI bill, and the conferees continue to expect, as expressed in connection with consideration of Public Law 92-540 in 1972, that the base education officers and education program of the Defense Department will generally continue adequately to

counsel active duty servicemen and to monitor closely the utilization by such servicemen of their GI bill entitlements.

The conference agreement also deletes the word "specific" in modification of the term "occupational category". This deletion was agreed to in order to permit the Veterans' Administration somewhat more latitude in writing regulations to carry out this requirement. The conference has been made aware that use of the Dictionary of Titles is in some cases obsolete or unduly restrictive. Accordingly, as defined by VA regulations, closely related employment obtained by course graduates could also qualify in determining placement figures. In providing for this flexibility, however, the conferees stress that it is still their intention that this requirement be interpreted in light of the very specific discussion and examples contained in the Senate committee report (No. 93-907) on pages 64 through 72.

The conferees are aware of the inherent difficulties in locating all course graduates and intend that a statistically valid and reliable sample approved and verified by the Veterans' Administration will satisfy the requirement of this section without necessitating that the institution secure information about each course graduate. The conferees would also anticipate that, in implementing the placement requirement under this section, the Veterans' Administration will allow schools a reasonable period of time to collect and submit the required data.

Both the House bill and the Senate amendment authorize up to six months of refresher training for veterans with current GI bill eligibility in order to update knowledge and skills in light of the technological advances occurring in their fields of employment during and since the period of their active military service; however, the House bill permitted such refresher training to be initiated not later than 6 months after the veteran's discharge. The House recedes.

Both the House bill and the Senate amendment liberalize the veteran-student services program by raising the maximum work-study allowance (the House bill from \$250 to \$500 and the Senate amendment to \$625), commensurately increasing the maximum number of hours a veteran-student may work (the House bill from 100 to 200 hours and the Senate amendment to 250 hours), and removing any statutory ceiling on the number of veterans permitted to participate in this program. The Senate amendment also limited to \$250 the amount of the work-study educational assistance allowance which may be paid to a participating veteran in advance. The House recedes.

The Senate amendment liberalizes the tutorial assistance program by extending the maximum assistance period from 9 to 12 months and increasing the maximum monthly tutorial assistance allowance from \$50 to \$60. The House bill contains no comparable provision. The House recedes.

The Senate amendment liberalizes permissible absences from courses not leading to a standard college degree by excluding customary vacation period established by institutions in connection with Federal or State legal holidays. The House bill contains no comparable provision. The House recedes.

In this connection, the conferees note that in numerous places in the bill, the Senate amendment and the conference report have deleted the words "below the college level" and inserted in lieu thereof "leading to a standard college degree". The House conferees have

agreed to these stylistic changes only with the very explicit understanding, which is also shared by the Senate conferees, that this change in terminology makes no substantive alteration in the scope and applicability of all of the sections being so modified.

Both the House bill and the Senate amendment extend to eligible dependents under chapter 35 eligibility for farm cooperative training under the same terms and conditions as apply to eligible veterans under chapter 34. The conference agreement contains this provision.

The Senate amendment increases the allowance payable by the Administrator for the administrative expenses incurred by State approving agencies and administering educational benefits under title 38. The House bill contains no comparable provision. The House recedes.

Both the House bill and the Senate amendment permit any joint apprenticeship training committee which acts as a training establishment to receive the annual reporting fee of \$3 for each eligible veteran or person enrolled in educational assistance programs in return for furnishing the VA with required reports and certificates of enrollment, attendance, and terminations regarding such eligible veterans. The conference agreement includes this provision.

Both the House bill and the Senate amendment permit an educational institution offering courses not leading to a standard college degree to measure such courses on a quarter- or semester-hour basis provided certain specific measurements of the academic, laboratory, and shop portions of such courses meet minimum requirements. The House bill adds a proviso that in no event shall such course be considered a full-time course when less than 25 hours of attendance per week is required; the Senate amendment reduces this minimum requirement to 18 hours. The conference agreement provides that 22 hours of attendance per week shall be required.

The Senate amendment repeals the current 48-month limitation on any person training under more than one VA educational assistance program. The House bill contains no comparable provision. The Senate recedes.

The Senate amendment provides that the Administrator shall not approve the enrollment of any eligible veteran or dependent in any course offered by an institution which utilizes erroneous, deceptive, or misleading advertising, sales, or enrollment practices of any type and provides that a final cease and desist order entered by the Federal Trade Commission shall be conclusive as to disapproval of such a course for GI bill enrollment purposes. The House bill contains no comparable provision. The conference agreement contains the Senate provision without the above described FTC-order-conclusiveness provision.

The Senate amendment provides for a new subchapter under which the Administrator is directed to measure and evaluate all programs authorized by title 38 with respect to their effectiveness, impact, and structure and mechanisms for service delivery, and to collect, collate, and analyze on a continuing basis, full data regarding the operation of all such programs and to make available to the public the results of his findings. The House bill contains no comparable provision. The conference agreement embodies the essence of the Senate provision, although somewhat revising and condensing the language in order to provide for greater focus and more specificity.

The conferees wish to stress that in condensing the new section 219 (evaluation and data collection), as added in section 213 of the conference report, the requirement in subsection (c) of the original Senate provision, that, whenever feasible, the Administrator should arrange to obtain the specific views of program beneficiaries and program participants with respect to evaluations of such programs, was deleted as unnecessary. The conferees believe that the Administrator already possesses inherent authority to do this, and that it would be desirable for him to exercise that authority. The conferees also believe that the most effective evaluations are those conducted by fully independent personnel.

The Senate amendment clarifies and strengthens the Administrator's functions and responsibilities under the VA outreach program provisions to include a greater use of telephone and mobile facilities and peer-group contact, as well as providing for certain stress on bilingual services in certain areas and providing explicit contract authority with respect to certain outreach activities. The House bill contains no comparable provision. The conference agreement contains the Senate provisions, except that it eliminates the requirement that contract authority be exercised for outreach activities, and any statutory specification of mobile facilities.

The conferees do not intend by the deletion of specific statutory reference to the use of "mobile" facilities to indicate in any way their disapproval of or lack of support for the appropriate use of such facilities as mobile vans and wish to stress, moreover, their belief that these vans, which hitherto have generally been employed only in rural areas, could serve as useful a purpose in urban areas with high population concentrations.

The Senate amendment establishes a veterans representative (Vet Rep) program to provide for a full-time VA employee at, or in connection with, each educational institution where at least 500 GI bill trainees are enrolled, to serve as a liaison between the VA and the institution and to identify and resolve various problems with respect to VA benefits, especially educational assistance, for veterans attending each such institution. The House bill contains no comparable provision. The House recedes.

In adopting this provision, the conferees were keenly aware of the concerns which have been expressed to members of both bodies about the implementation of this program which has already been undertaken administratively by the VA, and of the assurances received from the Office of Management and Budget, the White House, and the VA with respect to the intended operation of this program. Of specific concern is the understanding, most recently embodied in the Senate Appropriations Committee report (No. 93-1056) on H.R. 15572, the Fiscal Year 1975 HUD-Space-Science-Veterans Appropriations Act, that VA regional offices, with the concurrence of the Chief Benefits Director, will have considerable flexibility in the assignment of these new Vet Reps in terms of particular campus needs. This same flexibility is provided for in the conference report. In those instances where a Vet Rep can perform more effectively in terms of carrying out the special responsibilities of liaison with the campus veterans, assignment of the Vet Reps to regional offices should be carried out in order to improve the capacity of those offices to provide

effective services. At the same time, the conferees wish to call attention to the conference report provision which is intended to avoid any situation in which an educational institution might be in any way compelled to accept such an on-campus assignment by the VA (new section 243 (f) (4) provides that the "inappropriateness of assignment of veterans' representatives to a particular educational institution" shall be grounds for reallocation of such Vet Reps to other educational institutions or to the regional office). The conferees expect that such assignment matters will be resolved amicably in close consultation and coordination with individual institutions, GI bill trainees at such institutions, and other interested parties.

The Senate amendment establishes an Inter-Agency Advisory Committee on Veterans Services to be composed of the heads of various Federal departments and agencies (with the Administrator as Chairman) to promote maximum feasible effectiveness and coordination of and interrelationship among all Federal programs affecting veterans and dependents, and to make recommendations to the President and the Congress regarding the annual budget and the development, coordination, and improvement of Federal programs and laws affecting veterans and their dependents. The House bill contains no comparable provision. The conference agreement provides that the Administrator shall seek to achieve the maximum feasible effectiveness, coordination, and interrelationship of services among all Federal programs and activities affecting veterans and seek to achieve the maximum coordination of their programs with the programs carried out by the Veterans' Administration. The conferees expect the Administrator to specify in his annual report the results of this new process.

TITLE III. VETERANS AND DEPENDENTS EDUCATION LOAN PROGRAM

The Senate amendment authorizes supplementary assistance to veterans and eligible dependents by direct loans to them from the VA (utilizing the National Service Life Insurance Trust Fund) of up to \$2,000 a year to cover educational costs not otherwise provided for in title 38 or other Federal loan or grant programs. The House bill contains no comparable provision. The conference agreement provides for such a supplementary loan program, reducing the maximum yearly loan to \$1,000, increasing the maximum amount of the loan fee which the Administrator may charge for such loans, directing the Administrator to collect any delinquent amounts in loan principal and interest payments in the same manner as any other debt due the United States, and directing the Administrator to report to the Congress annually on the default experience at each institution. The conferees are concerned that excessive default rates at certain institutions might jeopardize the success of the program, and both Committees will closely monitor default experience and expect the Administrator to do so as well. In this connection, the conferees direct the Administrator to utilize his new authority under new section 1796, added to title 38 by section 212 of the conference report, with respect to deceptive and misleading advertising, to take affirmative steps to prevent any questionable sales or enrollment practices utilizing advertising about the availability of the new loan program

as a promotional technique. The Administrator should, in this regard and as part of fulfilling his notification requirement under section 502 of the conference report, promulgate in regulations a model loan description which shall be used by institutions in their advertising if they wish to refer to the loan availability.

TITLE IV. VETERANS, WIVES, AND WIDOWS EMPLOYMENT ASSISTANCE AND PREFERENCE AND VETERANS' REEMPLOYMENT RIGHTS

The Senate amendment extends chapter 41 benefits (job counselling, training, and placement services) to wives and widows eligible for educational assistance benefits under chapter 35. The House bill contains no comparable provision. The House recedes.

The Senate amendment expands and strengthens the administrative controls which the Secretary of Labor is directed to establish under chapter 41 in order to ensure that eligible veterans, wives, and widows are promptly placed in a satisfactory job or job training opportunity or receive some other specific form of employment assistance, and requires the Secretary to publish standards for determining compliance by State Public Employment Service agencies with the provisions of chapters 41 and 42. The House bill contains no comparable provision. The House recedes.

The Senate amendment clarifies and strengthens existing law requiring that Federal contractors and all of their subcontractors take particular actions in addition to job listing in order to give "special emphasis" to the employment of qualified service-connected disabled and Vietnam era veterans. The House bill contains no comparable provision. The conference agreement provides further clarification in this provision by making clear the intention of the Congress that affirmative action is to be taken by all Federal contractors and all of their subcontractors with respect to their employment practices in order to promote the greatest possible employment and advancement in employment of qualified service-connected disabled veterans and veterans of the Vietnam era. It is the conferees' objective in making this clarification to ensure that the goals of the program, as spelled out above, will be achieved according to an orderly and effective timetable, backed up by an effective compliance mechanism. The provision in the conference report is thus substantially identical in language and intended scope with the provisions of section 503 of the Rehabilitation Act of 1973 (Public Law 93-112).

The Senate amendment includes a provision stating that it is the policy of the United States to promote maximum employment and job advancement opportunities within the Federal Government for qualified service-connected disabled and Vietnam era veterans, and providing for special Federal appointment authority and other mechanisms to carry out such policy. The House bill contains no comparable provision. The House recedes.

The Senate amendment provides for the codification into title 38 of existing law on veterans' reemployment rights, and further extends such rights to veterans who were employed by States or their political subdivisions. The House bill contains no comparable provision. The House recedes.

TITLE V. EFFECTIVE DATES

The House bill makes all amendments effective on the date of enactment except for rate increases which are to be effective on the first day of the second calendar month which begins after the date of enactment. The Senate amendment makes the provisions in titles II and IV of the Senate amendment effective on the date of enactment (improvements in GI bill provisions and in employment assistance), the new loan program in title III effective on September 1, 1974, and the rate increases and other provisions of title I effective on July 1, 1974. The conference agreement makes all amendments effective on the date of enactment except that the rate increase will be effective September 1, 1974, and the new loan program will be effective November 1, 1974 (except that veterans or dependents eligible for such loan entitlement on or after November 1, 1974, shall be entitled to a loan amount reflective of the full amount of their tuition and all other costs of attendance which they incurred for the academic year beginning on or about September 1, 1974).

TITLE AMENDMENT

The Senate amendment amends the title of the bill to reflect the provisions in the Senate amendment. The conference agreement amends the title to reflect the provisions in the conference report.

CHANGES IN EXISTING LAW MADE BY H.R. 12628 AS AGREED TO IN CONFERENCE

For the information of the Members of Congress, changes in existing law made by the bill (H.R. 12628) as agreed to in conference, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italics, existing law in which no change is proposed is shown in roman):

TITLE 38—UNITED STATES CODE

* * * * *

PART III. READJUSTMENT AND RELATED BENEFITS

CHAPTER	Sec.
31. Vocational Rehabilitation.....	1501
34. Veterans Educational Assistance.....	1650
35. War Orphans' and Widows' Educational Assistance.....	1700
36. Administration of Educational Benefits.....	1770
37. Home, Farm, and Business Loans.....	1801
39. Automobiles and Adaptive Equipment for Certain Disabled Veterans and Members of the Armed Forces.....	1901
41. Job Counseling, Training, and Placement Service for Veterans.....	2001
42. Employment and Training of Disabled and Vietnam Era Veterans...	2011
43. <i>Veterans' Reemployment Rights</i>	<i>2021</i>

CHAPTER 3—VETERANS' ADMINISTRATION; OFFICERS AND EMPLOYEES

* * * * *

SUBCHAPTER II—ADMINISTRATOR OF VETERANS' AFFAIRS

Sec.
210. Appointment and general authority of Administrator; Deputy Administrator.
211. Decisions by Administrator; opinions of Attorney General.
212. Delegation of authority and assignment of duties.
213. Contracts and personal services.
214. Report to the Congress.
215. Publication of laws relating to veterans.
216. Research by Administrator; indemnification of contractors.
217. Studies of rehabilitation of disabled persons.
218. Standards of conduct and arrests for crimes at hospitals, domiciliaries, cemeteries, and other Veterans' Administration reservations.
<i>219. Evaluation and data collection.</i>
<i>220. Coordination of other Federal programs affecting veterans and their dependents.</i>

SUBCHAPTER IV—VETERANS OUTREACH SERVICES PROGRAM

Sec.

240. Purpose; definitions.

241. Outreach services.

242. Veterans assistance offices.

243. Veterans' representatives.

[243.] 244. Utilization of other agencies.

[244.] 245. Report to Congress.

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Subchapter II—Administrator of Veterans' Affairs

* * * * *

§ 219. Evaluation and data collection

(a) *The Administrator, pursuant to general standards which he shall prescribe in regulations, shall measure and evaluate on a continuing basis the impact of all programs authorized under this title, in order to determine their effectiveness in achieving stated goals in general, and in achieving such goals in relation to their cost, their impact on related programs, and their structure and mechanisms for delivery of services. Such information as the Administrator may deem necessary for purposes of such evaluations shall be made available to him, upon request, by all departments, agencies, and instrumentalities of the executive branch.*

(b) *In carrying out this section, the Administrator shall collect, collate, and analyze on a continuing basis full statistical data regarding participation (including the duration thereof), provision of services, categories of beneficiaries, planning and construction of facilities, acquisition of real property, proposed excessing of land, accretion and attrition of personnel, and categorized expenditures attributable thereto, under all programs carried out under this title.*

(c) *The Administrator shall make available to the public and on a regular basis provide to the appropriate committees of the Congress copies of all completed evaluative research studies and summaries of evaluations of program impact and effectiveness carried out, and tabulations and analyses of all data collected, under this section.*

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

The Administrator shall seek to achieve the maximum feasible effectiveness, coordination, and interrelationship of services among all programs and activities affecting veterans and their dependents carried out by and under all other departments, agencies, and instrumentalities of the executive branch and shall seek to achieve the maximum feasible coordination of such programs with programs carried out under this title.

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Subchapter IV—Veterans Outreach Services Program

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§ 241. Outreach services

The Administrator shall provide the following outreach services in carrying out the purposes of this subchapter (including the provision, to the maximum feasible extent, of such services, in areas where a signifi-

cant number of eligible veterans and eligible dependents speak a language other than English as their principal language, in the principal language of such persons):

(1) by letter advise each veteran at the time of his discharge or release from active military, naval, or air service, or as soon as possible thereafter, of all benefits and services under laws administered by the Veterans' Administration for which the veteran may be eligible and, in carrying out this paragraph, the Administrator shall insure, through the utilization of veteran-student services under section 1685 of this title, that contact, in person or by telephone, is made with those veterans who, on the basis of their military service records, do not have a high school education or equivalent at the time of discharge or release;

(2) distribute full information to eligible veterans and eligible dependents regarding all benefits and services to which they may be entitled under laws administered by the Veterans' Administration and may, to the extent feasible, distribute information on other governmental programs (including manpower and training programs) which he determines would be beneficial to veterans; and

(3) provide, to the maximum extent possible, aid and assistance (including personal interviews) to members of the Armed Forces, veterans, and eligible dependents in respect to clauses (1) and (2) above and in the preparation and presentation of claims under laws administered by the Veterans' Administration.

§ 242. Veterans assistance offices

(a) The Administrator shall establish and maintain veterans assistance offices at such places throughout the United States and its territories and possessions, and the Commonwealth of Puerto Rico, as he determines to be necessary to carry out the purposes of this subchapter, with due regard for the geographical distribution of veterans recently discharged or released from active military, naval, or air service, the special needs of educationally disadvantaged veterans (including their need for accessibility of outreach services), and the necessity of providing appropriate outreach services in less populated areas.

(b) The Administrator [may implement such special telephone service] shall establish and carry out all possible programs and services, including special telephone facilities, as may be necessary to make the outreach services provided for under this subchapter as widely available as possible.

§ 243. Veterans' representatives

(a)(1) *Except as otherwise provided in paragraph (4) of this subsection, the Administrator shall assign, with appropriate clerical/secretarial support, to each educational institution (as defined in section 1652(c) except for correspondence schools) where at least five hundred persons are enrolled under chapters 31, 34, 35, and 36 of this title such number of full-time veterans' representatives as will provide at least one such veterans' representative per each five hundred such persons so enrolled at each such institution; and the Administrator shall also assign to other such veterans' representatives responsibility for carrying out the functions set forth in paragraph (3) of this subsection with respect to groups of institutions with less than five hundred such persons so enrolled, on the basis of such proportion of such veterans' representatives' time to such persons so enrolled*

as he deems appropriate to be adequate to perform such functions at such institutions.

(2) In selecting and appointing veterans' representatives under this subsection, preference shall be given to veterans of the Vietnam era with experience in veterans affairs' counseling, outreach, and other related veterans' services.

(3) The functions of such veterans' representatives shall be to—

(A) answer all inquiries related to Veterans' Administration educational assistance and other benefits, and take all necessary action to resolve such inquiries expeditiously, especially those relating to payments of educational assistance benefits;

(B) assure correctness and proper handling of applications, completion of certifications of attendance, and submission of all necessary information (including changes in status or program affecting payments) in support of benefit claims submitted;

(C) maintain active liaison, communication, and cooperation with the officials of the educational institution to which assigned, in order to alert veterans to changes in law and Veterans' Administration policies or procedures;

(D) supervise and expeditiously resolve all difficulties relating to the delivery of advance educational assistance payments authorized under this title;

(E) coordinate Veterans' Administration matters with, and provide appropriate briefings to, all on-campus veterans' groups, working particularly closely with veterans' coordinators at educational institutions receiving veterans' cost-of-instruction payments under section 420 of the Higher Education Act of 1965, as amended (hereinafter referred to as "V.C.I. institutions");

(F) provide necessary guidance and support to veteran-student services personnel assigned to the campus under section 1685 of this title;

(G) where such functions are not being adequately carried out by existing programs at such institutions (i) provide appropriate motivational and other counseling to veterans (informing them of all available benefits and services, as provided for under section 241 of this title) and (ii) carry out outreach activities under this subchapter; and

(H) carry out such other activities as may be assigned by the director of the Veterans' Administration regional office, established under section 230 of this title.

(4) Based on the extent to which the functions set forth in paragraph (3) of this subsection are being adequately carried out at a particular educational institution or in consideration of other factors indicating the inappropriateness of assignment of veterans' representatives to a particular educational institution, the director of the appropriate Veterans' Administration regional office shall, notwithstanding the formula set forth in paragraph (1) of this subsection, either reallocate such veterans' representatives to other educational institutions in such region where he determines that such additional veterans' representatives are necessary, or, with the approval of the chief benefits officer of the Veterans' Administration, assign such veterans' representatives to carry out such functions or related activities at the regional office in question, with special responsibility for one or more than one particular educational institution.

(5) The functions of a veterans' representative assigned under this subsection shall be carried out in such a way as to complement and not

interfere with the statutory responsibilities and duties of persons carrying out veterans affairs' functions at V.C.I. institutions.

(b) The Administrator shall establish rules and procedures to guide veterans' representatives in carrying out their functions under this section. Such rules and procedures shall contain provisions directed especially to assuring that activities of veterans' representatives carried out under this section complement, and do not interfere with, the established responsibilities of representatives recognized by the Administrator under section 3402 of this title.

【§ 243.】 § 244. Utilization of other agencies

In carrying out the purposes of this subchapter, the Administrator [may] shall—

(1) arrange with the Secretary of Labor for the State employment service to match the particular qualifications of an eligible veteran or eligible dependent with an appropriate job or job training opportunity, to include where possible, arrangements for outstationing the State employment personnel who provide such assistance at appropriate facilities of the Veterans' Administration;

(2) cooperate with and use the services of any Federal department or agency or any State or local governmental agency or recognized national or other organization;

(3) where appropriate, make referrals to any Federal department or agency or State or local governmental unit or recognized national or other organization;

(4) at his discretion, furnish available space and office facilities for the use of authorized representatives of such governmental unit or other organization providing services; and

(5) conduct and provide for studies in consultation with appropriate Federal departments and agencies to determine the most effective program design to carry out the purposes of this subchapter.

【§ 244.】 § 245. Report to Congress

The Administrator shall include in the annual report to the Congress required by section 214 of this title a report on the activities carried out under this subchapter, each report to include an appraisal of the effectiveness of the programs authorized herein and recommendations for the improvement or more effective administration of such programs.

CHAPTER 31—VOCATIONAL REHABILITATION

* * * * *

§ 1501. Definitions

For the purposes of this chapter—

(1) The term "World War II" means the period beginning on September 16, 1940, and ending on July 25, 1947.

(2) The term "vocational rehabilitation" means training (including educational and vocational counseling, all appropriate individualized tutorial assistance, and other necessary incidental services) for the purpose of restoring employability, to the extent consistent with the degree of disablement, lost by virtue of a handicap due to service-connected disability.

§ 1502. Basic entitlement

(a) Every veteran who is in need of vocational rehabilitation on account of a service-connected disability which is, or but for the receipt of retirement pay would be, compensable under chapter 11 of this title shall be furnished such vocational rehabilitation as may be prescribed by the Administrator, [if such disability—] arose out of service during World War II or thereafter.

[(1) arose out of service during World War II or the Korean conflict; or

[(2) arose out of service (A) after World War II, and before the Korean conflict, or (B) after the Korean conflict, and is rated for compensation purposes as 30 per centum or more, or if less than 30 per centum, is clearly shown to have caused a pronounced employment handicap.]

(b) Unless a longer period is prescribed by the Administrator, no course of vocational rehabilitation may exceed four years. If the veteran has pursued an educational or training program under chapter 33 (prior to its repeal), 34, 35, or 36 of this title, such program shall be utilized to the fullest extent practical in determining the character and duration of the vocational rehabilitation to be furnished him under this chapter.

(c) Vocational rehabilitation may not be afforded outside of a State to a veteran on account of post-World War II service if the veteran, at the time of such service, was not a citizen of the United States.

(d) Veterans pursuing a program of vocational rehabilitation training under the provisions of this chapter shall also be eligible, where feasible, to perform veteran-student services pursuant to section 1685 of this title and for advance subsistence allowance payments as provided by section 1780 of this title.

* * * * *

§ 1504. Subsistence allowances

(a) While pursuing a course of vocational rehabilitation training and for two months after his employability is determined, each veteran shall be paid a subsistence allowance as prescribed in this section.

(b) The subsistence allowance of a veteran-trainee is to be determined in accordance with the following table, and 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 training as specified in column I:

Column I	Column II	Column III	Column IV	Column V
Type of training	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:
Institutional:				
Full-time.....	\$170	\$211	\$248	\$18
Three-quarter-time.....	128	159	187	14
Half-time.....	85	106	124	9
Farm cooperative, apprentice, or other on-job training: Full-time.....	148	179	207	14

Column I	Column II	Column III	Column IV	Column V
Type of training	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:
Institutional:				
Full-time.....	\$209	\$259	\$304	\$22
Three-quarter-time.....	157	194	229	17
Half-time.....	105	130	152	11
Farm cooperative, apprentice, or other on-the-job training: Full-time.....	182	220	254	17

CHAPTER 34—VETERANS' EDUCATIONAL ASSISTANCE

* * * * *

SUBCHAPTER IV—PAYMENTS TO ELIGIBLE VETERANS; VETERAN-STUDENT SERVICES

Sec.

- 1681. Educational assistance allowance.
- 1682. Computation of educational assistance allowances.
- 1683. Approval of courses.
- 1684. Apprenticeship or other on-job training; correspondence courses.
- 1685. Veteran-student services.
- 1686. Education Loans.

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Subchapter I—Purpose—Definitions

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§ 1652. Definitions

For the purposes of this chapter—

(a)(1) The term "eligible veteran" means any veteran who (A) served on active duty for a period of more than 180 days any part of which occurred after January 31, 1955, and who was discharged or released therefrom under conditions other than dishonorable or (B) was discharged or released from active duty after such date for a service-connected disability.

(2) The requirement of discharge or release, prescribed in paragraph (1)(A), shall be waived in the case of any individual who served more than one hundred and eighty days in an active-duty status for so long as he continues on active duty without a break therein.

(3) For purposes of paragraph (1)(A) and section 1661(a), the term "active duty" does not include any period during which an individual (A) was assigned full time by the Armed Forces to a civilian institution for a course of education which was substantially the same as established courses offered to civilians, (B) served as a cadet or midshipman at one of the service academies, or (C) served under the provisions of section 511(d) of title 10 pursuant to an enlistment in the Army National Guard or the Air National Guard or as a Reserve for service in the Army Reserve, Naval Reserve, Air Force Reserve, Marine Corps Reserve, or Coast Guard Reserve [.] unless at some time subsequent to the completion of such period of active duty for training such

individual served on active duty for a consecutive period of one year or more (not including any service as a cadet or midshipman at one of the service academies).

(b) The term "program of education" means any curriculum or any combination of unit courses or subjects pursued at an educational institution which is generally accepted as necessary to fulfill requirements for the attainment of a predetermined and identified educational, professional, or vocational objective. Such term also means any curriculum of unit courses or subjects pursued at an educational institution which fulfill requirements for the attainment of more than one predetermined and identified educational, professional, or vocational objective if all the objectives pursued are generally recognized as being reasonably related to a single career field. Such term also means any unit course or subject, or combination of courses or subjects, pursued by an eligible veteran at an educational institution, required by the Administrator of the Small Business Administration as a condition to obtaining financial assistance under the provisions of 402(a) of the Economic Opportunity Act of 1964 (42 U.S.C. 2902(a)).

(c) The term "educational institution" means any public or private elementary school, secondary school, vocational school, correspondence school, business school, junior college, teachers' college, college, normal school, professional school, university, or scientific or technical institution, or other institution furnishing education for adults.

(d) The term "dependent" means—

- (1) a child of an eligible veteran;
- (2) a dependent parent of an eligible veteran; and
- (3) the wife of an eligible veteran.

(e) For the purposes of this chapter and chapter 36 of this title, the term "training establishment" means any establishment providing apprentice or other training on the job, including those under the supervision of a college or university or any State department of education, or any State apprenticeship agency, or any State board of vocational education, or any joint apprenticeship committee, or the Bureau of Apprenticeship and Training established pursuant to chapter 4C of title 29, United States Code, or any agency of the Federal Government authorized to supervise such training.

Subchapter II—Eligibility and Entitlement

§ 1661. Eligibility; entitlement; duration

Entitlement

(a) Except as provided in subsection (c) and in the second sentence of this subsection, each eligible veteran shall be entitled to educational assistance under this chapter or chapter 36 for a period of one and one-half months (or the equivalent thereof in part-time educational assistance) for each month or fraction thereof of his service on active duty after January 31, 1955. If an eligible veteran has served a period of 18 months or more on active duty January 31, 1955, and has been released from such service under conditions that would satisfy his active duty obligation, he shall be entitled to educational assistance under this chapter for a period of **[36]** 45 months (or the equivalent thereof in part-time educational assistance).

Entitlement Limitations

(b) Whenever the period of entitlement under this section of an eligible veteran who is enrolled in an educational institution regularly operated on the quarter or semester system ends during a quarter or semester, such period shall be extended to the termination of such unexpired quarter or semester. In educational institutions not operated on the quarter or semester system, whenever the period of eligibility ends after a major portion of the course is completed such period shall be extended to the end of the course or for twelve weeks, whichever is the lesser period.

(c) Except as provided in subsection (b) and in subchapters V and VI of this chapter, no eligible veteran shall receive educational assistance under this chapter in excess of **[thirty-six]** 45 months.

Subchapter III—Enrollment

§ 1673. Disapproval of enrollment in certain courses

(a) The Administrator shall not approve the enrollment of an eligible veteran in—

- (1) any bartending course or personality development course;
- (2) any sales or sales management course which does not provide specialized training within a specific vocational field, or in any other course with a vocational objective, unless the eligible veteran or the institution offering such course submits justification showing that at least one-half of the persons **[completing]** who completed such course over the preceding two-year period, and who are not unavailable for employment, have been employed in the **[sales or sales management field]** occupational category for which the course was designed to provide training (but in computing the number of persons who completed such course over any such two-year period, there shall not be included the number of persons who completed such course with assistance under this title while serving on active duty); or

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

(b) Except as provided in section 1677 of this title, the Administrator shall not approve the enrollment of an eligible veteran in any course of flight training other than one given by an educational institution of higher learning for credit toward a standard college degree the eligible veteran is seeking.

(c) The Administrator shall not approve the enrollment of an eligible veteran in any course to be pursued by open circuit television (except as herein provided) or radio. 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 the medium of open circuit television, if the major portion of the course requires conventional classroom or laboratory attendance.

(d) The Administration shall not approve the enrollment of any eligible veteran, not already enrolled, in any [nonaccredited] course [below the college level] (other than one offered pursuant to subchapter V or subchapter VI of this chapter) which does not lead to a standard college degree and which is offered by a proprietary profit or proprietary nonprofit educational institution for any period during which the Administrator finds that more than 85 per centum of the students enrolled in the course are having all or part of their tuition, fees, or other charges paid to or for them by the educational institution or the Veterans' Administration under this [chapter or chapter 31, 34, or 36 of this] title.

* * * * *

§ 1677. Flight training

(a) The Administrator may approve the pursuit by an eligible veteran of flight training where such training is generally accepted as necessary for the attainment of a recognized vocational objective in the field of aviation or where generally recognized as ancillary to the pursuit of a vocational endeavor other than aviation, subject to the following conditions:

(1) the eligible veteran must possess a valid private pilot's license and meet the medical requirements necessary for a commercial pilot's license; and

(2) the flight school courses must meet the Federal Aviation Administration standards and be approved both by the Agency and the appropriate State approving agency.

(b) Each eligible veteran who is pursuing a program of education consisting exclusively of flight training approved as meeting the requirements of subsection (a) hereof, shall be paid an educational assistance allowance to be computed at the rate of 90 per centum of the established charges for tuition and fees which similarly circumstanced non-veterans enrolled in the same flight course are required to pay. Such allowance shall be paid monthly upon receipt of a certification as required by section 1681(c) of this title. In each such case the eligible veteran's period of entitlement shall be charged with one month for each [\$220] \$270 which is paid to the veteran as an educational assistance allowance for such course.

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**Subchapter IV—Payments to Eligible Veterans;
Veteran-Student Services**

* * * * *

Flight Training:

§ 1682. Computation of educational assistance allowances

(a)(1) Except as provided in subsection (b), or (c) of this section, or section 1677 or 1787 of this title, while pursuing a program of education under this chapter of half-time or more, each eligible veteran shall be paid the monthly educational assistance allowance set forth in column II, III, IV, or V (whichever is applicable as determined

by the veteran's dependency status) opposite the applicable type of program as shown 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
				The amount in column IV, plus the following for each dependent in excess of two:
Institutional:				
Full-time.....	\$220	\$261	\$298	\$18
Three-quarter-time.....	165	196	224	14
Half-time.....	110	131	149	9
Cooperative.....	177	208	236	14

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:
Institutional:				
Full-time.....	\$270	\$321	\$366	\$22
Three-quarter-time.....	203	240	275	17
Half-time.....	135	160	182	11
Cooperative.....	217	255	289	17

(2) A "cooperative" program, other than a "farm cooperative" program, means a full-time program of education which consists of institutional courses and alternate phases of training in the business or industrial establishment with the training in the business or industrial establishment being strictly supplemental to the institutional portion.

(b) The educational assistance allowance of an individual pursuing a program education—

(1) while on active duty, or

(2) on less than a half-time basis,

shall be computed at the rate of (A) the established charges for tuition and fees which the institution requires similarly circumstanced nonveterans enrolled in the same program to pay, or (B) [\$220] \$270 per month for a full-time course, whichever is the lesser.

(c)(1) An eligible veteran who is enrolled in an educational institution for a "farm cooperative" program consisting of institutional agricultural courses prescheduled to fall within 44 weeks of any period of 12 consecutive months and who pursues such program on—

(A) a full-time basis (a minimum of ten clock hours per week or four hundred and forty clock hours in such year prescheduled to provide not less than eighty clock hours in any 3-month period),

(B) a three-quarter-time basis (a minimum of 7 clock hours per week), or

(C) a half-time basis (a minimum of 5 clock hours per week) shall be eligible to receive an educational assistance allowance at the appropriate rate provided in the table in paragraph (2) of this subsection, if such eligible veteran is concurrently engaged in agricultural employment which is relevant to such institutional agricultural courses as determined under standards prescribed by the Administrator. In computing the foregoing clock hour requirements there shall be included the time involved in field trips and individual and group instruction sponsored and conducted by the educational institution through a duly authorized instructor of such institution in which the veteran is enrolled.

(2) The monthly educational assistance allowance of an eligible veteran pursuing a farm cooperative program under this chapter shall be paid as set forth in column II, III, IV, or V (whichever is applicable as determined by the veteran's dependency status) opposite the basis shown in column I:

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.....	\$177	\$208	\$236	\$14
Three-quarter-time.....	133	156	177	11
Half-time.....	89	104	118	7

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.....	\$217	\$255	\$284	\$17
Three-quarter-time.....	163	191	218	13
Half-time.....	109	128	145	9

(d)(1) Notwithstanding the prohibition in section 1671 of this title prohibiting enrollment of an eligible veteran in a program of education in which such veteran has "already qualified," a veteran shall be allowed up to six months of educational assistance (or the equivalent thereof in part-time assistance) for the pursuit of refresher training to permit such veteran to update such veteran's knowledge and skills and to be instructed in the technological advances which have occurred in such veterans' field of employment during and since the period of such veteran's active military service.

(2) A veteran pursuing refresher training under this subsection shall be paid an educational assistance allowance based upon the rate prescribed in the table in subsection (a)(1) or in subsection (c)(2) of this section, whichever is applicable.

(3) The educational assistance allowance paid under the authority of this subsection shall be charged against the period of entitlement the veteran has earned pursuant to section 1661(a) of this title.

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§ 1685. Veteran-student services

(a) Veteran-students utilized under the authority of subsection (b) of this section shall be paid an additional educational assistance allowance (hereafter referred to as "work-study allowance"). Such work-study allowance shall be paid [in advance] in the amount of [\$250] \$625 in return for such veteran-student's agreement to perform services, during or between periods of enrollment, aggregating [one] two hundred and fifty hours during a semester or other applicable enrollment period, required in connection with (1) the outreach services program under subchapter IV of chapter 3 of this title as carried out under the supervision of a Veterans' Administration employee, (2) the preparation and processing of necessary papers and other documents at educational institutions or regional offices or facilities of the Veterans' Administration, (3) the provision of hospital and domiciliary care and medical treatment under chapter 17 of this title, or (4) any other activity of the Veterans' Administration as the Administrator shall determine appropriate. [Advances of lesser amounts may be made in return for agreements to perform services for periods of less than one hundred hours, the amount of such advance to bear the same ratio to the number of hours of work agreed to be performed as \$250 bears to one hundred hours.] An agreement may be entered into for the performance of services for periods of less than two hundred and fifty hours, in which case the amount of the work-study allowance to be paid shall bear the same ratio to the number of hours of work agreed to be performed as \$625 bears to two hundred and fifty hours. In the case of any agreement providing for the performance of services for one hundred hours or more, the veteran student shall be paid \$250 in advance, and in the case of any agreement for the performance of services for less than one hundred hours, the amount of the advance payment shall bear the same ratio to the number of hours of work agreed to be performed as \$625 bears to two hundred and fifty hours.

(b) Notwithstanding any other provision of law, the Administrator shall utilize, in connection with the activities specified in subsection (a) of this section, the services of veteran-students who are pursuing full-time programs of education or training under chapters 31 and 34 of this title. In carrying out this section, the Administrator, wherever feasible, shall give priority to veterans with disabilities rated at 30 per centum or more for purposes of chapter 11 of this title.

(c) The Administrator shall determine the number of veterans whose services the Veterans' Administration can effectively utilize [(not to exceed eight hundred man-years or their equivalent in man-hours during any fiscal year)] and the types of services that such veterans may be required to perform, on the basis of a survey, which he shall conduct annually, of each Veterans' Administration regional office in order to determine the numbers of veteran-students whose services can effectively be utilized during an enrollment period in each geographical area where Veterans' Administration activities are conducted, and shall determine which veteran-students shall be offered

agreements under this section in accordance with regulations which he shall prescribe, including as criteria (1) the need of the veteran to augment his educational assistance or subsistence allowance; (2) the availability to the veteran of transportation to the place where his services are to be performed; (3) the motivation of the veteran; and (4) in the case of a disabled veteran pursuing a course of vocational rehabilitation under chapter 31 of this title, the compatibility of the work assignment to the veteran's physical condition.

(d) While performing the services authorized by this section, veteran-students shall be deemed employees 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 Civil Service Commission.

§ 1686. Education loans

Any eligible veteran shall be entitled to an education loan (if the program of education is pursued in a State) in such amount and on such terms and conditions as provided in sections 1798 and 1799 of this title.

Subchapter V—Special Assistance for the Educationally Disadvantaged

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§ 1692. Special supplementary assistance

(a) In the case of any eligible veteran who—

(1) is enrolled in and pursuing a postsecondary course of education on a half-time or more basis at an educational institution; and

(2) has a deficiency in a subject required as a part of, or which is a prerequisite to, or which is indispensable to the satisfactory pursuit of, an approved program of education,

the Administrator may approve individualized tutorial assistance for such veteran if such assistance is necessary for the veteran to complete such program successfully.

(b) The Administrator shall pay to an eligible veteran receiving tutorial assistance pursuant to subsection (a) of this section, in addition to the educational assistance allowance provided in section 1682 of this title, the cost of such tutorial assistance in an amount not to exceed **[\$50]** \$60 per month, for a maximum of **[nine]** twelve months, or until a maximum of **[\$450]** \$720 is utilized, upon certification by the educational institution that—

(1) the individualized tutorial assistance is essential to correct a deficiency of the eligible veteran in a subject required as a part of, or which is prerequisite to, or which is indispensable to the satisfactory pursuit of, an approved program of education;

(2) the tutor chosen to perform such assistance is qualified; and

(3) the charges for such assistance do not exceed the customary charges for such tutorial assistance.

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§ 1696. Payment of educational assistance allowance

(a) The Administrator shall, under such regulations as he shall prescribe after consultation with the Secretary of Defense, pay the educational assistance allowance as computed in subsection (b) of this section to an eligible person enrolled in and pursuing (1) a course or

courses offered by an educational institution (other than by correspondence) and required to receive a secondary school diploma, or (2) any deficiency, remedial, or refresher course or courses offered by an educational institution and required for or preparatory to the pursuit of an appropriate course or training program in an approved educational institution or training establishment.

(b) The educational assistance allowance of an eligible person pursuing education or training under this subchapter shall be computed at the rate of (1) the established charges for tuition and fees which the educational institution requires similarly circumstanced nonveterans enrolled in the same or a similar program to pay, and the cost of books and supplies peculiar to the course which such educational institution requires similarly circumstanced nonveterans enrolled in the same or similar program to have, or (2) **[\$220]** \$270 per month for a full-time course, whichever is the lesser. Where it is determined that there is no same program, the Administrator shall establish appropriate rates for tuition and fees designed to allow reimbursement for reasonable costs for the education or training institution.

(c) The educational assistance allowance authorized by this section shall be paid without charge to any period of entitlement earned pursuant to section 1661(a) of this title.

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CHAPTER 35—WAR ORPHANS' AND WIDOWS' EDUCATIONAL ASSISTANCE

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SUBCHAPTER IV—PAYMENTS TO ELIGIBLE PERSONS

Sec.

1731. Educational assistance allowance.

1732. Computation of educational assistance allowance.

1733. Special assistance for the educationally disadvantaged.

1734. Apprenticeship or other on-job training; correspondence courses.

1735. Approval of courses.

1736. Specialized vocational training courses.

1737. Education loans.

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Subchapter III—Program of Education

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§ 1723. Disapproval of enrollment in certain courses

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

(1) any bartending course or personality development course;

(2) any sales or sales management course which does not provide specialized training within a specific vocational field, or in any other course with a vocational objective, unless the eligible person or the institution offering such course submits justification showing that at least one-half of the persons **[completing]** who completed such course over the preceding two-year period, and who are not unavailable for employment, have been employed in the **[sales or sales management field]** occupational category for which the course was designed to provide training (but in computing

the number of persons who completed such course over any such two-year period, there shall not be included the number of persons who completed such course with assistance under this title while serving on active duty); or

(3) any type of course which the Administrator finds to be avocational or recreational in character (or the advertising for which he finds contains significant avocational or recreational themes) unless the eligible person submits justification showing that the course will be of bona fide use in the pursuit of his present or contemplated business or occupation.

(b) The Administrator shall not approve the enrollment of an eligible person in any course of flight training other than one given by an educational institution of higher learning for credit toward a standard college degree the eligible person is seeking.

(c) The Administrator shall not approve the enrollment of an eligible person in [any course of institutional on-farm training,] any course to be pursued by correspondence (except as provided in section 1786 of this title), open circuit television (except as herein provided), or a radio, or any course to be pursued at an educational institution not located in a State or in the Republic of the Philippines (except as herein provided). 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 the medium of open circuit televised instruction, if the major portion of the course requires conventional classroom or laboratory attendance. The Administrator may approve the enrollment at an educational institution which is not located in a State or in the Republic of the Philippines if such program is pursued at an approved educational institution of higher learning. The Administrator in his discretion may deny or discontinue the educational assistance under this chapter of any eligible person in a foreign educational institution if he finds that such enrollment is not in the best interest of the eligible person or the Government.

(d) The Administrator shall not approve the enrollment of an eligible person in any course which is to be pursued as a part of his regular secondary school education (except as provided in section 1733 of this title), but this subsection shall not prevent the enrollment of an eligible person in a course [to be pursued below the college level] not leading to a standard college degree if the Administrator finds that such person has ended his secondary school education (by completion or otherwise) and that such course is a specialized vocational course pursued for the purpose of qualifying in a bona fide vocational objective.

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Subchapter IV—Payments to Eligible Persons

§ 1731. Educational assistance allowance

(a) The Administrator shall, in accordance with the provisions of section 1780 of this title, pay to the parent or guardian of each eligible person who is pursuing a program of education under this chapter, and who applies therefor on behalf of such eligible person, an educational assistance allowance to meet, in part, the expenses of the eligible person's subsistence, tuition, fees, supplies, books, equipment, and other educational costs.

(b) No educational assistance allowance shall be paid on behalf of an eligible person enrolled in a course in an educational institution which does not lead to a standard college degree for any period until the Administrator shall have received—

(1) from the eligible person a certification as to his actual attendance during such period; and

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

§ 1732. Computation of educational assistance allowance

(a)(1) The educational assistance allowance on behalf of an eligible person who is pursuing a program of education consisting of institutional courses shall be computed at the rate [of (A) \$220 per month if pursued on a full-time basis, (B) \$165 per month if pursued on a three-quarter-time basis, and (C) \$110 per month if pursued on a half-time basis.] prescribed in section 1682(a)(1) of this title for full-time, three-quarter-time, or half-time pursuit, as appropriate, of an institutional program by an eligible veteran with no dependents.

(2) The educational assistance allowance on behalf of an eligible person pursuing a program of education on less than a half-time basis shall be computed at the rate [of (A) the established charges for tuition and fees which the institution requires other individuals enrolled in the same program to pay, or (B) \$220 per month for a full-time course, whichever is the lesser.] prescribed in section 1682(b)(2) of this title for less-than-half-time pursuit of an institutional program by an eligible veteran.

(b) The educational assistance allowance to be paid on behalf of an eligible person who is pursuing a full-time program of education which consists of institutional courses and alternate phases of training in a business or industrial establishment with the training in the business or industrial establishment being strictly supplemental to the institutional portion, shall be computed at the rate of [§177] \$217 per month.

(c)(1) An eligible person who is enrolled in an educational institution for a "farm cooperative" program consisting of institutional agricultural courses prescheduled to fall within forty-four weeks of any period of twelve consecutive months and who pursues such program on—

(A) a full-time basis (a minimum of ten clock hours per week or four hundred and forty clock hours in such year prescheduled to provide not less than eighty clock hours in any three-month period),

(B) a three-quarter-time basis (a minimum of seven clock hours per week), or

(C) a half-time basis (a minimum of five clock hours per week), shall be eligible to receive an educational assistance allowance at the appropriate rate provided in paragraph (2) of this subsection, if such eligible person is concurrently engaged in agricultural employment which is relevant to such institutional agricultural courses as determined under standards prescribed by the Administrator. In computing the foregoing clock hour requirements there shall be included the time involved in field trips and individual and group instruction sponsored and conducted by the educational institution through a duly authorized instructor of such institution in which the person is enrolled.

(2) The monthly educational assistance allowance to be paid on behalf of an eligible person pursuing a farm cooperative program under this

chapter shall be computed at the rate prescribed in section 1682(c)(2) of this title for full-time, three-quarter-time, or half-time pursuit, as appropriate, of a farm cooperative program by an eligible veteran with no dependents.

[(c)] (d) If a program of education is pursued by an eligible person at an institution located in the Republic of the Philippines, the educational assistance allowance computed for such person under this section shall be paid at a rate in Philippine pesos equivalent to \$0.50 for each dollar.

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§ 1737. Education loans

Any eligible person shall be entitled to an education loan (if the program of education is pursued in a State) in such amount and on such terms and conditions as provided in sections 1798 and 1799 of this title.

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Subchapter V—Special Restorative Training

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§ 1742. Special training allowance

(a) While the eligible person is enrolled in and pursuing a full time course of special restorative training, the parent or guardian shall be entitled to receive on [his] behalf of such person a special training allowance computed at the basic rate of [\$220] \$270 per month. If the charges for tuition and fees applicable to any such course are more than [\$69] \$85 per calendar month, the basic monthly allowance may be increased by the amount that such charges exceed [\$69] \$85 a month, upon election by the [parents] parent or guardian of the eligible person to have such person's period of entitlement reduced by one day for each [\$7.35] \$9.02 that the special training allowance paid exceeds the basic monthly allowance.

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

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

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CHAPTER 36—ADMINISTRATION OF EDUCATIONAL BENEFITS

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SUBCHAPTER II—MISCELLANEOUS PROVISIONS

Sec.

- 1780. Payment of educational or subsistence assistance allowances.
- 1781. Limitations on educational assistance.
- 1782. Control by agencies of the United States.
- 1783. Conflicting interests.
- 1784. Reports by institutions; reporting fee.

Sec.

- 1785. Overpayments to eligible person or veterans.
- 1786. Correspondence courses.
- 1787. Apprenticeship or other on-job training.
- 1788. Measurement of courses.
- 1789. Period of operation for approval.
- 1790. Overcharges by educational institutions; discontinuance of allowances; examination of records; false or misleading statements.
- 1791. Change of program.
- 1792. Advisory committee.
- 1793. Institutions listed by Attorney General.
- 1794. Use of other Federal agencies.
- 1795. Limitation on period of assistance under two or more programs.
- 1796. Limitation on certain advertising, sales, and enrollment practices.

SUBCHAPTER III—EDUCATION LOANS TO ELIGIBLE VETERANS AND ELIGIBLE PERSONS

- 1798. Eligibility for loans; amount and conditions of loans; interest rate on loans.
- 1799. Source of funds; insurance.

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Subchapter I—State Approving Agencies

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§ 1774. Reimbursement of expenses

(a) The Administrator is authorized to enter into contracts or agreements with State and local agencies to pay such State and local agencies for reasonable and necessary expenses of salary and travel incurred by employees of such agencies and an allowance for administrative expenses in accordance with the formula contained in subsection (b) of this section in (1) rendering necessary services in ascertaining the qualifications of educational institutions for furnishing courses of education to eligible persons or veterans under this chapter and chapters 34 and 35, and in the supervision of such educational institutions, and (2) furnishing, at the request of the Administrator, any other services in connection with chapters 34 and 35. Each such contract or agreement shall be conditioned upon compliance with the standards and provisions of chapters 34 and 35.

(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	[Allowance] Allowable for administrative expense
\$5,000 or less	[\$500.] \$550.
Over \$5,000 but not exceeding \$10,000	[\$900.] \$1,000.
Over \$10,000 but not exceeding \$35,000	[\$900] \$1,000 for the first \$10,000 plus [\$800] \$925 for each additional \$5,000 or fraction thereof.
Over \$35,000 but not exceeding \$40,000	[\$5,250.] \$6,050.
Over \$40,000 but not exceeding \$75,000	[\$5,250] \$6,050 for the first \$40,000 plus [\$700] \$800 for each additional \$5,000 or fraction thereof.
Over \$75,000 but not exceeding \$80,000	[\$10,450.] \$12,000.
Over \$80,000	[\$10,450] \$12,000 for the first \$80,000 plus [\$600] \$700 for each additional \$5,000 or fraction thereof.

Subchapter II—Miscellaneous Provisions

§ 1780. Payment of educational assistance or subsistence allowances

Period for Which Payment May Be Made

(a) Payment of educational assistance or subsistence allowances to eligible veterans or eligible persons pursuing a program of education or training, other than a program by correspondence or a program of flight training, in an educational institution under chapter 31, 34, or 35 of this title shall be paid as provided in this section and, as applicable, in section 1504, 1682, 1691, or 1732 of this title. Such payments shall be paid only for the period of such veterans' or persons' enrollment, but no amount shall be paid—

(1) to any eligible veteran or eligible person enrolled in a course which leads to a standard college degree for any period when such veteran or person is not pursuing his course in accordance with the regularly established policies and regulations of the educational institution and the requirements of this chapter or of chapter 34 or 35 of this title; or

(2) to any eligible veteran or eligible person enrolled in a course which does not lead to a standard college degree (excluding programs of apprenticeship and programs of other on-job training authorized by section 1787 of this title) for any day of absence in excess of thirty days in a twelve-month period, not counting as absences weekends or legal holidays (or customary vacation periods connected therewith) established by Federal or State law (or in the case of the Republic of the Philippines, Philippine law) during which the institution is not regularly in session.

Notwithstanding the foregoing, the Administrator may, subject to such regulations as he shall prescribe, continue to pay allowances to eligible veterans and eligible persons enrolled in courses set forth in clause (1) or (2) of this subsection during periods when the schools are temporarily closed under an established policy based upon an Executive order of the President or due to an emergency situation, and such periods shall not be counted as absences for the purposes of clause (2).

Correspondence Training Certifications

(b) No educational assistance allowance shall be paid to an eligible veteran or wife or widow enrolled in and pursuing a program of education exclusively by correspondence until the Administrator shall have received—

(1) from the eligible veteran or wife or widow a certificate as to the number of lessons actually completed by the veteran or wife or widow and serviced by the educational institution; and

(2) from the training establishment a certification or an endorsement on the veteran's or wife's or widow's certificate, as to the number of lessons completed by the veteran or wife or widow and serviced by the institution.

Apprenticeship and Other On-Job Training

(c) No training assistance allowance shall be paid to an eligible veteran or eligible person enrolled in and pursuing a program of apprenticeship or other on-job training until the Administrator shall have received—

(1) from such veteran or person a certification as to his actual attendance during such period; and

(2) from the training establishment a certification, or an endorsement on the veteran's or person's certificate, that such veteran or person was enrolled in and pursuing a program of apprenticeship or other on-job training during such period.

Advance Payment of Initial Educational Assistance or Subsistence Allowance

(d)(1) The educational assistance or subsistence allowance advance payment provided for in this subsection is based upon a finding by the Congress that eligible veterans and eligible persons need additional funds at the beginning of a school term to meet the expenses of books, travel, deposits, and payment for living quarters, the initial installment of tuition, and the other special expenses which are concentrated at the beginning of a school term.

(2) Subject to the provisions of this subsection, and under regulations which the Administrator shall prescribe, an eligible veteran or eligible person shall be paid an educational assistance allowance or subsistence allowance, as appropriate, advance payment. Such advance payment shall be made in an amount equivalent to the allowance for the month or fraction thereof in which pursuit of the program will commence, plus the allowance for the succeeding month. In the case of a serviceman on active duty, who is pursuing a program of education (other than under subchapter VI of chapter 34), the advance payment shall be in a lump sum based upon the amount payable for the entire quarter, semester, or term, as applicable. In no event shall an advance payment be made under this subsection to a veteran or person intending to pursue a program of education on less than a half-time basis. The application for advance payment, to be made on a form prescribed by the Administrator, shall—

(A) in the case of an initial enrollment of a veteran or person in an educational institution, contain information showing that the veteran or person (i) is eligible for educational benefits, (ii) has been accepted by the institution, and (iii) has notified the institution of his intention to attend that institution; and

(B) in the case of a re-enrollment of a veteran or person, contain information showing that the veteran or person (i) is eligible to continue his program of education or training and (ii) intends to re-enroll in the same institution,

and, in either case, shall also state the number of semester or clock-hours to be pursued by such veteran or person.

(3) Subject to the provisions of this subsection, and under regulations which the Administrator shall prescribe, a person eligible for education or training under the provisions of subchapter VI of

chapter 34 of this title shall be entitled to a lump-sum educational assistance allowance advance payment. Such advance payment shall in no event be made earlier than thirty days prior to the date on which pursuit of the person's program of education or training is to commence. The application for the advance payment, to be made on a form prescribed by the Administrator, shall, in addition to the information prescribed in paragraph (2)(A), specify—

- (A) that the program to be pursued has been approved;
- (B) the anticipated cost and the number of Carnegie, clock, or semester hours to be pursued; and
- (C) where the program to be pursued is other than a high school credit course, the need of the person to pursue the course or courses to be taken.

(4) For purposes of the Administrator's determination whether any veteran or person is eligible for an advance payment under this section, the information submitted by the institution, the veteran or person, shall establish his eligibility unless there is evidence in his file in the processing office establishing that he is not eligible for such advance payment.

(5) The advance payment authorized by paragraphs (2) and (3) of this subsection shall, in the case of an eligible veteran or eligible person, be (A) drawn in favor of the veteran or person; (B) mailed to the educational institution listed on the application form for temporary care and delivery to the veteran or person by such institution; and (C) delivered to the veteran or person upon his registration at such institution, but in no event shall such delivery be made earlier than thirty days before the program of education is to commence.

(6) Upon delivery of the advance payment pursuant to paragraph (5) of this subsection, the institution shall submit to the Administrator a certification of such delivery. If such delivery is not affected within thirty days after commencement of the program of education in question, such institution shall return such payment to the Administrator forthwith.

Prepayment of Subsequent Educational Assistance or Subsistence Allowance

(e) Except as provided in subsection (g) of this section, subsequent payments of educational assistance or subsistence allowance to an eligible veteran or eligible person shall be prepaid each month, subject to such reports and proof of enrollment in and satisfactory pursuit of such programs as the Administrator may require. The Administrator may withhold the final payment for a period of enrollment until such proof is received and the amount of the final payment appropriately adjusted.

Recovery of Erroneous Payments

(f) If an eligible veteran or eligible person fails to enroll in or pursue a course for which an educational assistance or subsistence allowance advance payment is made, the amount of such payment and any amount of subsequent payments which, in whole or in part, are due to erroneous information required to be furnished under subsection (d) (2) and (3) of this section, shall become an overpayment and shall

constitute a liability of such veteran or person to the United States and may be recovered, unless waived pursuant to section 3102 of this title, from any benefit otherwise due him under any law administered by the Veterans' Administration or may be recovered in the same manner as any other debt due the United States.

Payments for Less Than Half-Time Training

(g) Payment of educational assistance allowance in the case of any eligible veteran or eligible person pursuing a program of education on less than a half-time basis (except as provided by subsection (d)(3) of this section) shall be made in an amount computed for the entire quarter, semester, or term during the month immediately following the month in which certification is received from the educational institution that such veteran or person has enrolled in and is pursuing a program at such institution. Such lump sum payment shall be computed at the rate provided in section 1682(b) or 1732(a)(2) of this title, as applicable.

Determination of Enrollment, Pursuit, and Attendance

(h) The Administrator may, pursuant to regulations which he shall prescribe, determine enrollment in, pursuit of, and attendance at, any program of education or training or course by an eligible veteran or eligible person for any period for which he receives an educational assistance or subsistence allowance under this chapter for pursuing such program or course.

* * * * *

§ 1784. Reports by institutions; reporting fee

(a) Educational institutions shall, without delay, report to the Administrator in the form prescribed by him, the enrollment, interruption, and termination of the education of each eligible person or veteran enrolled therein under chapter 34, 35, or 36.

(b) The Administrator may pay to any educational institution, or to any joint apprenticeship training committee acting as a training establishment, furnishing education or training under either this chapter or chapter 34 [,] or 35 [,] [or 36] of this title, a reporting fee which will be in lieu of any other compensation or reimbursement for reports or certifications which such educational institution or joint apprenticeship training committee is required to [report] submit to him by law or regulation. Such reporting fee shall be computed for each calendar year by multiplying \$3 by the number of eligible veterans or eligible persons enrolled under [chapters] this chapter or chapter 34 [,] or 35 [, and] of this title, or \$4 in the case of those eligible veterans and eligible persons whose educational assistance checks are directed in care of each institution for temporary custody and delivery and are delivered at the time of registration as provided under section 1780(d)(5) of this title, on October 31 of that year; except that the Administrator may, where it is established by [the] such educational institution or joint apprenticeship training committee that eligible veteran plus eligible person enrollment on such date varies more than 15 per centum from the peak eligible veteran enrollment plus eligible person enrollment in such educational institution or joint

apprenticeship training committee during such calendar year, establish such other date as representative of the peak enrollment as may be justified for [that] such educational institution or joint apprenticeship training committee. The reporting fee shall be paid to [the] such educational institution or joint apprenticeship training committee as soon as feasible after the end of the calendar year for which it is applicable.

* * * * *

§ 1786. Correspondence courses

(a)(1) Each eligible veteran (as defined in section 1652(a)(1) and (2) of this title) and each eligible wife or widow (as defined in section 1701(a)(1) (B), (C), or (D) of this title) who enters into an enrollment agreement to pursue a program of education exclusively by correspondence shall be paid an educational assistance allowance computed at the rate of 90 per centum of the established charge which the institution requires nonveterans to pay for the course or courses pursued by the eligible veteran or wife or widow. The term "established charge" as used herein means the charge for the course or courses determined on the basis of the lowest extended time payment plan offered by the institution and approved by the appropriate State approving agency or the actual cost to the veteran or wife or widow, whichever is the lesser. Such allowance shall be paid quarterly on a prorata basis for the lessons completed by the veteran or wife or widow and serviced by the institution.

(2) The period of entitlement of any veteran or wife or widow who is pursuing any program of education exclusively by correspondence shall be charged with one month for each [\$220] \$270 which is paid to the veteran or wife or widow as an educational assistance allowance for such course.

(b) The enrollment agreement shall fully disclose the obligation of both the institution and the veteran or wife or widow and shall prominently display the provisions for affirmance, termination, refunds, and the conditions under which payment of the allowance is made by the Administrator to the veteran or wife or widow. A copy of the enrollment agreement shall be furnished to each such veteran or wife or widow at the time such veteran or wife or widow signs such agreement.

No such agreement shall be effective unless such veteran or wife or widow shall, after the expiration of ten days after the enrollment agreement is signed, have signed and submitted to the Administrator a written statement, with a signed copy to the institution, specifically affirming the enrollment agreement. In the event the veteran or wife or widow at any time notifies the institution of his intention not to affirm the agreement in accordance with the preceding sentence, the institution, without imposing any penalty or charging any fee shall promptly make a full refund of all amounts paid.

(c) In the event veteran or wife or widow elects to terminate his enrollment under an affirmed enrollment agreement, the institution (other than one subject to the provisions of section 1776 of this title) may charge the veteran or wife or widow a registration or similar fee not in excess of 10 per centum of the tuition for the course, or \$50, whichever is less. Where the veteran or wife or widow elects to terminate the

agreement after completion of one or more but less than 25 per centum of the total number of lessons comprising the course, the institution may retain such registration or similar fee plus 25 per centum of the tuition for the course. Where the veteran or wife or widow elects to terminate the agreement after completion of 25 per centum but less than 50 per centum of the lessons comprising the course, the institution may retain the full registration or similar fee plus 50 per centum of the course tuition. If 50 per centum or more of the lessons are completed, no refund of tuition is required.

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§ 1787. Apprenticeship or other on-job training

(a) An eligible veteran (as defined in section 1652(a)(1) of this title) or an eligible person (as defined in section 1701(a) of this title) shall be paid a training assistance allowance as prescribed by subsection (b) of this section while pursuing a full-time—

(1) program of apprenticeship approved by a State approving agency as meeting the standards of apprenticeship published by the Secretary of Labor pursuant to section 50a of title 29, or

(2) program of other on-job training approved under provisions of section 1777 of this title.

subject to the conditions and limitations of chapters 34 and 35 with respect to educational assistance.

(b)(1) The monthly training assistance allowance of an eligible veteran pursuing a program described under subsection (a) shall be as follows:

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.....	\$160	\$179	\$196	\$28
Second 6 months.....	120	139	156	8
Third 6 months.....	80	99	116	8
Fourth and any succeeding 6-month periods.....	40	59	76	8

The amount in column IV, plus the following for each dependent in excess of two:

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.....	\$196	\$220	\$290	\$10
Second 6 months.....	147	171	191	10
Third 6 months.....	98	122	142	10
Fourth and any succeeding 6-month periods.....	49	73	98	10

The amount in column IV, plus the following for each dependent in excess of two:

(2) The monthly training assistance allowance of an eligible person pursuing a program described under subsection (a) shall be [(A) \$160 during the first six-month period, (B) \$120 during the second six-month period, (C) \$80 during the third six-month period, and (D) \$40 during the fourth and any succeeding six-month period.] *computed at the rate prescribed in paragraph (1) of this subsection for an eligible veteran with no dependents pursuing such a course.*

(3) In any month in which an eligible veteran or person pursuing a program of apprenticeship or a program of other on-job training fails to complete one hundred and twenty hours of training in such month, the monthly training assistance allowance set forth in subsection (b)(1) or (2) of this section, as applicable, shall be reduced proportionately in the proportion that the number of hours worked bears to one hundred and twenty hours rounded off to the nearest eight hours.

(c) For the purpose of this chapter, the terms "program of apprenticeship" and "program of other on-job training" shall have the same meaning as "program of education"; and the term "training assistance allowance" shall have the same meaning as "educational assistance allowance" as set forth in chapters 34 and 35 of this title.

§ 1788. Measurement of courses

(a) For the purposes of this chapter and chapters 34 and 35 of this title—

(1) an institutional trade or technical course offered on a clock-hour basis [below the college level], *not leading to a standard college degree*, involving shop practice as an integral part thereof, shall be considered a full-time course when a minimum of thirty hours per week of attendance is required with no more than two and one-half hours of rest periods per week allowed;

(2) an institutional course offered on a clock-hour basis [below the college level], *not leading to a standard college degree*, in which theoretical or classroom instruction predominates shall be considered a full-time course when a minimum of twenty-five hours per week net of instruction (which may include customary intervals not to exceed ten minutes between hours of instruction) is required;

(3) an academic high school course requiring sixteen units for a full course shall be considered a full-time course when (A) a minimum of four units per year is required or (B) an individual is pursuing a program of education leading to an accredited high school diploma at a rate which, if continued, would result in receipt of such a diploma in four ordinary school years. For the purpose of subclause (A) of this clause, a unit is defined to be not less than one hundred and twenty sixty-minute hours or their equivalent of study in any subject in one academic year;

(4) an institutional undergraduate course offered by a college or university on a quarter- or semester-hour basis shall be considered a full-time course when a minimum of fourteen semester hours or the equivalent thereof (including such hours for which no credit is granted but which are required to be taken to correct an educational deficiency and which the educational institution considers to be quarter or semester hours for other administrative purposes), for which credit is granted toward a standard college

degree, is required, except that where such college or university certifies, upon the request of the Administrator, that (A) full-time tuition is charged to all undergraduate students carrying a minimum of less than fourteen such semester hours or the equivalent thereof, or (B) all undergraduate students carrying a minimum of less than fourteen such semester hours or the equivalent thereof, are considered to be pursuing a full-time course for other administrative purposes, then such an institutional undergraduate course offered by such college or university with such minimum number of such semester hours shall be considered a full-time course, but in the event such minimum number of semester hours is less than twelve semester hours or the equivalent thereof, then twelve semester hours or the equivalent thereof shall be considered a full-time course;

(5) a program of apprenticeship or a program of other on-job training shall be considered a full-time program when the eligible veteran or person is required to work the number of hours constituting the standard workweek of the training establishment, but a workweek of less than thirty hours shall not be considered to constitute full-time training unless a lesser number of hours has been established as the standard workweek for the particular establishment through bona fide collective bargaining; and

(6) an institutional course offered as part of a program of education [below the college level] *not leading to a standard college degree* under section 1691(a)(2) or 1696(a)(2) of this title shall be considered a full-time course on the basis of measurement criteria provided in clause (2), (3), or (4) as determined by the educational institution.

Notwithstanding the provisions of clause (1) or (2) of this subsection, an educational institution offering courses not leading to a standard college degree may measure such courses on a quarter- or semester-hour basis (with full time measured on the same basis as provided by clause (4) of this subsection); but (A) the academic portions of such courses must require outside preparation and be measured on not less than one quarter or one semester hour for each fifty minutes net of instruction per week or quarter or semester; (B) the laboratory portions of such courses must be measured on not less than one quarter or one semester hour for each two hours of attendance per week per quarter or semester; and (C) the shop portions of such courses must be measured on not less than one quarter or one semester hour for each three hours of attendance per week per quarter or semester. In no event shall such course be considered a full-time course when less than twenty-two hours per week of attendance is required.

* * * * *

§ 1796. Limitation on certain advertising, sales, and enrollment practices

(a) *The Administrator shall not approve the enrollment of an eligible veteran or eligible person in any course offered by an institution which utilizes advertising, sales, or enrollment practices of any type which are erroneous, deceptive, or misleading either by actual statement, omission, or intimation.*

(b) The Administrator shall, pursuant to section 1794 of this title, enter into an agreement with the Federal Trade Commission to utilize, where appropriate, its services and facilities, consistent with its available resources, in carrying out investigations and making his determinations under subsection (a) of this section. Such agreement shall provide that cases arising under subsection (a) of this section or any similar matters with respect to any of the requirements of this chapter or chapters 34 and 35 of this title shall be referred to the Federal Trade Commission which in its discretion will conduct an investigation and make preliminary findings. The findings and results of any such investigations shall be referred to the Administrator who shall take appropriate action in such cases within ninety days after such referral.

(c) Not later than sixty days after the end of each fiscal year, the Administrator shall report to Congress on the nature and disposition of all cases arising under this section.

Subchapter III—Education Loans to Eligible Veterans and Eligible Persons

§ 1798. Eligibility for loans; amount and conditions of loans; interest rate on loans

(a) Each eligible veteran and eligible person shall be entitled to a loan under this subchapter in an amount determined under, and subject to the conditions specified in, subsection (b)(1) of this section if the veteran or person satisfies the requirements set forth in subsection (c) of this section.

(b)(1) Subject to paragraph (3) of this subsection, the amount of the loan to which an eligible veteran or eligible person shall be entitled under this subchapter for any academic year shall be equal to the amount needed by such veteran or person to pursue a program of education at the institution at which he is enrolled, as determined under paragraph (2) of this subsection.

(2)(A) The amount needed by a veteran or person to pursue a program of education at an institution for any academic year shall be determined by subtracting (i) the total amount of financial resources (as defined in subparagraph (B) of this paragraph) available to the veteran or person which may be reasonably expected to be expended by such veteran or person for educational purposes in any year from (ii) the actual cost of attendance (as defined in subparagraph (C) of this paragraph) at the institution in which such veteran or person is enrolled.

(B) The term "total amount of financial resources" of any veteran or person for any year means the total of the following:

(i) The annual adjusted effective income of the veteran or person less Federal income tax paid or payable by such veteran or person with respect to such income.

(ii) The amount of cash assets of the veteran or person.

(iii) The amount of financial assistance received by the veteran or person under the provisions of title IV of the Higher Education Act of 1965, as amended.

(iv) Educational assistance received by the veteran or person under this title other than under this subchapter.

(v) Financial assistance received by the veteran or person under any scholarship or grant program other than those specified in clauses (ii) and (iv).

(C) The term "actual cost of attendance" means, subject to such regulations as the Administrator may provide, the actual per-student charges for tuition, fees, room and board (or expenses related to reasonable commuting), books, and an allowance for such other expenses as the Administrator determines by regulation to be reasonably related to attendance at the institution at which the veteran or person is enrolled.

(3) The aggregate of the amounts any veteran or person may borrow under this subchapter may not exceed \$270 multiplied by the number of months such veteran or person is entitled to receive educational assistance under section 1661 or subchapter II of chapter 35, respectively, of this title, but not in excess of \$1,000 in any one regular academic year.

(c) An eligible veteran or person shall be entitled to a loan under this subchapter if such veteran or person—

(1) is in attendance at an educational institution on at least a half-time basis and (A) is enrolled in a course leading to a standard college degree, or (B) is enrolled in a course, the completion of which requires six months or longer, leading to an identified and pre-determined professional or vocational objective;

(2) has sought and is unable to obtain a loan, in the full amount needed by such veteran or person, as determined under subsection (b) of this section, under a student loan program insured pursuant to the provisions of part B of title IV of the Higher Education Act of 1965, as amended, or any successor authority; and

(3) enters into an agreement with the Administrator meeting the requirements of subsection (d) of this section.

No loan shall be made under this subchapter to an eligible veteran or person pursuing a program of correspondence, flight, apprentice or other on-job, or PREP training.

(d) Any agreement between the Administrator and a veteran or person under this subchapter—

(1) shall include a note or other written obligation which provides for repayment to the Administrator of the principal amount of, and payment of interest on, the loan in installments over a period beginning nine months after the date on which the borrower ceases to be at least a half-time student and ending ten years and nine months after such date;

(2) shall include provision for acceleration of repayment of all or any part of the loan, without penalty, at the option of the borrower;

(3) shall provide that the loan shall bear interest, on the unpaid balance of the loan, at a rate prescribed by the Administrator, with the concurrence of the Secretary of the Treasury, but at a rate not less than the rate paid by such Secretary on Treasury notes and obligations being purchased by the Fund at the time the loan agreement is made, except that no interest shall accrue prior to the beginning date of repayment; and

(4) shall provide that the loan shall be made without security and without endorsement.

(e)(1) Except as provided in paragraph (2) of this subsection, whenever the Administrator determines that a default has occurred on any loan made under this subchapter, he shall declare an overpayment, and such overpayment shall be recovered from the veteran or person concerned in the same manner as any other debt due the United States.

(2) If a veteran or person who has received a loan under this section dies or becomes permanently and totally disabled, then the Administrator shall discharge the veteran's or person's liability on such loan by repaying the amount owed on such loan.

(3) The Administrator shall submit to the Committees on Veterans' Affairs of the Senate and the House of Representatives, not later than one year after the date of enactment of the Vietnam Era Veterans' Readjustment Assistance Act of 1974 and annually thereafter, a separate report specifying the default experience and rate at each educational institution along with a comparison of the collective default experience and rate at all such institutions.

§ 1799. Sources of funds; insurance

(a) Loans made by the Administrator under this subchapter shall be made from funds available under subsection (b) of this section for such purpose, and repayment shall be guaranteed as provided in subsection (c) of this section.

(b)(1) Any funds in the National Service Life Insurance Fund continued under section 720 (in this subchapter referred to as the "Fund") shall be available to the Administrator for making loans under section 1798 of this title. The Administrator shall set aside out of the Fund such amounts, not in excess of limitations in appropriations Acts, as may be necessary to enable him to make all the loans to which veterans or persons are entitled under section 1798 of this title.

(2) Any funds set aside under paragraph (1) of this subsection shall be considered as investments of the Fund and while so set aside shall bear interest at a rate determined by the Secretary of the Treasury, but at a rate not less than the rate paid by such Secretary on other Treasury notes and obligations being purchased by the Fund at the time such funds are set aside.

(c) The Administrator shall guarantee repayment to the Fund of any amounts set aside under subsection (b) of this section for loans under section 1798 of this title and of any interest accrued thereon. In order to discharge his responsibility under any such guarantee, he is authorized to issue to the Secretary of the Treasury notes or other obligations in such forms and denominations, bearing such maturities, and subject to such terms and conditions as may be prescribed by the Secretary of the Treasury. Such notes or other obligations shall bear interest at a rate determined by the Secretary of the Treasury, but at a rate not less than the rate paid by such Secretary on other Treasury notes and obligations being purchased by the Fund at the time the loan agreement is made. The Secretary of the Treasury is authorized and directed to purchase such notes and other obligations.

(d) There are authorized to be appropriated to the Administrator such sums as may be necessary to enable him to repay to the Fund any amounts set aside under subsection (b) of this section together with any interest accrued thereon. Any funds paid to the Administrator pursuant to an agreement made under section 1798(d) of this title shall be deemed to have been appropriated pursuant to this subsection.

(e) A fee shall be collected from each veteran or person obtaining a loan made under this subchapter for the purpose of insuring against defaults on loans made under this subchapter, and no loan shall be made under this subchapter until the fee payable with respect to such loan has been collected and remitted to the Administrator. The amount of the fee

shall be established from time to time by the Administrator, but shall in no event exceed 3 per centum of the total loan amount. The amount of the fee may be included in the loan to the veteran or person and paid from the proceeds thereof. The Administrator shall deposit all fees collected hereunder in the Fund, and amounts so deposited shall be available to the Administrator to discharge his obligations under subsection (c) of this section.

CHAPTER 41—JOB COUNSELING, TRAINING, AND PLACEMENT SERVICE FOR VETERANS

* * * * *

§ 2001. Definitions

For the purposes of this chapter—

(1) The term "eligible veteran" means a person who served in the active military, naval, or air service and who was discharged or released therefrom with other than a dishonorable discharge.

(2) The term "eligible person" means—

(A) the spouse of any person who died of a service-connected disability,

(B) the spouse of any member of the Armed Forces serving on active duty who, at the time of application for assistance under this chapter, is listed, pursuant to section 556 of title 37 and regulations issued thereunder, by the Secretary concerned in one or more of the following categories and has been so listed for a total of more than ninety days: (i) missing in action, (ii) captured in line of duty by a hostile force, or (iii) forcibly detained or interned in line of duty by a foreign government or power, or

(C) the spouse of any person who has a total disability permanent in nature resulting from a service-connected disability or the spouse of a veteran who died while a disability so evaluated was in existence.

[(2)] (3) The term "State" means each of the several States of the United States, the District of Columbia, and the Commonwealth of Puerto Rico, and may include, to the extent determined necessary and feasible, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

§ 2002. Purpose

The Congress declares as its intent and purpose that there shall be an effective (1) job and job training counseling service program, (2) employment placement service program, and (3) job training placement service program for eligible veterans and eligible persons and that, to this end policies shall be promulgated and administered through a Veterans Employment Service within the Department of Labor, so as to provide such veterans and persons the maximum of employment and training opportunities through existing programs, coordination and merger of programs and implementation of new programs.

§ 2003. Assignment of veterans' employment representative

The Secretary of Labor shall assign to each State a representative of the Veterans' Employment Service to serve as the veterans' employment representative, and shall further assign to each State one assistant veterans' employment representative per each 250,000 eligible vet-

erans *and eligible persons* of the State veterans population, and such additional assistant veterans' employment representatives as he shall determine, based on the data collected pursuant to section 2007 of this title, to be necessary to assist the veterans' employment representative to carry out effectively in that State the purposes of this chapter. Each veterans' employment representative and assistant veterans' employment representative shall be an eligible veteran who at the time of appointment shall have been a bona fide resident of the State for at least two years and who shall be appointed in accordance with the provisions of title 5, United States Code, governing appointments in the competitive service, and shall be paid in accordance with the provisions of chapter 51 of subchapter III of chapter 53 of such title, relating to classification and general schedule pay rates. Each such veterans' employment representative and assistant veterans' employment representative shall be attached to the staff of the public employment service in the State to which they have been assigned. They shall be administratively responsible to the Secretary of Labor for the execution of the Secretary's veterans' *and eligible persons'* counseling and placement policies through the public employment service and in cooperation with manpower and training programs administered by the Secretary in the State. In cooperation with the public employment service staff and the staffs of each such other program in the State, the veterans' employment representative and his assistants shall—

(1) be functionally responsible for the supervision of the registration of eligible veterans *and eligible persons* in local employment offices for suitable types of employment and training and for counseling and placement of eligible veterans *and eligible persons* in employment and job training programs;

(2) engage in job development and job advancement activities for eligible veterans *and eligible persons*, including maximum coordination with appropriate officials of the Veterans' Administration in that agency's carrying out of its responsibilities under subchapter IV of chapter 3 of this title and in the conduct of job fairs, job marts, and other special programs to match eligible veterans *and eligible persons* with appropriate job and job training opportunities;

(3) assist in securing and maintaining current information as to the various types of available employment and training opportunities, including maximum use of electronic data processing and telecommunications systems and the matching of an eligible veteran's *or an eligible person's* particular qualifications with an available job or on-job training or apprenticeship opportunity which is commensurate with those qualifications;

(4) promote the interest of employers and labor unions in employing eligible veterans *and eligible persons* and in conducting on-job training and apprenticeship programs for such veterans *and persons*;

(5) maintain regular contact with employers, labor unions, training programs and veterans' organizations with a view to keeping them advised of eligible veterans *and eligible persons* available for employment and training and to keeping eligible veterans *and eligible persons* advised of opportunities for employment and training; and

(6) assist in every possible way in improving working conditions and the advancement of employment of eligible veterans *and eligible persons*.

* * * * *

§ 2005. Cooperation of Federal agencies

All Federal agencies shall furnish the Secretary of Labor such records, statistics, or information as he may deem necessary or appropriate in administering the provisions of this chapter, and shall otherwise cooperate with the Secretary in providing continuous employment and training opportunities for eligible veterans *and eligible persons*.

§ 2006. Estimate of funds for administration; authorization of appropriations

(a) The Secretary of Labor shall estimate the funds necessary for the proper and efficient administration of this chapter. Such estimated sums shall include the annual amounts necessary for salaries, rents, printing and binding, travel, and communications. Sums thus estimated shall be included as a special item in the annual budget for the Department of Labor. Estimated funds necessary for proper counseling, placement, and training services to *eligible veterans and eligible persons* provided by the various State public employment service agencies shall be separately identified in the budgets of those agencies as approved by the Department of Labor.

(b) There are authorized to be appropriated such sums as may be necessary for the proper and efficient administration of this chapter.

(c) In the event that the regular appropriations Act making appropriations for administrative expenses for the Department of Labor with respect to any fiscal year does not specify an amount for the purposes specified in subsection (b) of this section for that fiscal year, then of the amounts appropriated in such Act there shall be available only for the purposes specified in subsection (b) of this section such amount as was set forth in the budget estimate submitted pursuant to subsection (a) of this section.

(d) Any funds made available pursuant to subsections (b) and (c) of this section shall not be available for any purpose other than those specified in such subsections, except with the approval of the Secretary of Labor based on a demonstrated lack of need for such funds for such purposes.

§ 2007. Administrative controls; annual report

(a) The Secretary of Labor shall establish administrative controls for the following purposes:

(1) To insure that each eligible veteran, especially those veterans who have been recently discharged or released from active duty, *and each eligible person* who requests assistance under this chapter shall promptly be placed in a satisfactory job or job training opportunity or receive some other specific form of assistance designed to enhance his employment prospects substantially, such as individual job development or employment counseling services.

(2) To determine whether or not the employment service agencies in each State have committed the necessary staff to insure that the provisions of this chapter are carried out; and to arrange for necessary corrective action where staff resources have been determined by the Secretary of Labor to be inadequate.

(b) *The Secretary of Labor shall establish definitive performance standards for determining compliance by the State public employment service agencies with the provisions of this chapter and chapter 42 of this*

title. A full report as to the extent and reasons for any noncompliance by any such State agency during any fiscal year, together with the agency's plan for corrective action during the succeeding year, shall be included in the annual report of the Secretary of Labor required by subsection (c) of this section.

[(b)] (c) The Secretary of Labor shall report annually to the Congress on the success of the Department of Labor and its affiliated State employment service agencies in carrying out the provisions of this chapter. The report shall include, by State, the number of recently discharged or released eligible veterans, veterans with service-connected disabilities, [and] other eligible [veterans] veterans, and eligible persons who requested assistance through the public employment service and, of these, the number placed in suitable employment or job training opportunities or who were otherwise assisted, with separate reference to occupational training under appropriate Federal law. The report shall also include any determination by the Secretary under section 2001 or 2006 of this title and a statement of the reasons for such determination.

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CHAPTER 42—EMPLOYMENT AND TRAINING OF DISABLED AND VIETNAM ERA VETERANS

Sec.

2011. Definitions.

2012. Veterans' employment emphasis under Federal contracts.

2013. Eligibility requirements for veterans under certain Federal manpower training programs.

2014. *Employment within the Federal Government.*

* * * * *

§ 2012. Veterans' employment emphasis under Federal contracts

(a) Any contract in the amount of \$10,000 or more entered into by any department or agency for the procurement of personal property and non-personal services (including construction) for the United States, shall contain a provision requiring that [, in employing persons to carry out such contract,] the party contracting with the United States shall [give special emphasis to the employment of] *take affirmative action to employ and advance in employment* qualified disabled veterans and veterans of the Vietnam era. The provisions of this section shall apply to any subcontract entered into by a prime contractor in carrying out any contract for the procurement of personal property and non-personal services (including construction) for the United States. [The] *In addition to requiring affirmative action to employ such veterans under such contracts and subcontracts and in order to promote the implementation of such requirement, the President shall implement the provisions of this section by promulgating regulations within 60 days after the date of enactment of this section, which regulations shall require that (1) each such contractor undertake in such contract to list immediately with the appropriate local employment service office all of its suitable employment openings, and (2) each such local office shall give such veterans priority in referral to such employment openings.*

(b) If any disabled veteran or veteran of the Vietnam era believes any contractor has failed or refuses to comply with the provisions of

his contract with the United States, relating to [giving special emphasis in] the employment [to] of veterans, such veteran may file a complaint with the Veterans' Employment Service of the Department of Labor. Such complaint shall be promptly referred to the Secretary who shall promptly investigate such complaint and shall take such action thereon as the facts and circumstances warrant consistent with the terms of such contract and the laws and regulations applicable thereto.

* * * * *

§ 2014. *Employment within the Federal Government*

(a) *It is the policy of the United States and the purpose of this section to promote the maximum of employment and job advancement opportunities within the Federal Government for qualified disabled veterans and veterans of the Vietnam era.*

(b) *To further this policy, veterans of the Vietnam era shall be eligible, in accordance with regulations which the Civil Service Commission shall prescribe, for veterans readjustment appointments up to and including the level GS-5, as specified in subchapter II of chapter 51 of title 5, and subsequent career-conditional appointments, under the terms and conditions specified in Executive Order Numbered 11521 (March 26, 1970), except that in applying the one-year period of eligibility specified in section 2(a) of such order to a veteran or disabled veteran who enrolls, within one year following separation from the Armed Forces or following release from hospitalization or treatment immediately following separation from the Armed Forces, in a program of education (as defined in section 1652 of this title) on more than a half-time basis (as defined in section 1788 of this title), the time spent in such program of education (including customary periods of vacation and permissible absences) shall not be counted. The eligibility of such a veteran for a readjustment appointment shall continue for not less than six months after such veteran first ceases to be enrolled therein on more than a half-time basis. No veterans readjustment appointment may be made under authority of this subsection after June 30, 1978.*

(c) *Each department, agency, and instrumentality in the executive branch shall include in its affirmative action plan for the hiring, placement, and advancement of handicapped individuals in such department, agency, or instrumentality as required by section 501(b) of Public Law 93-112 (87 Stat. 391), a separate specification of plans (in accordance with regulations which the Civil Service Commission shall prescribe in consultation with the Administrator, the Secretary of Labor, and the Secretary of Health, Education, and Welfare, consistent with the purposes, provisions and priorities of such Act) to promote and carry out such affirmative action with respect to disabled veterans in order to achieve the purpose of this section.*

(d) *The Civil Service Commission shall be responsible for the review and evaluation of the implementation of this section and the activities of each such department, agency, and instrumentality to carry out the purpose and provisions of this section. The Commission shall periodically obtain and publish (on at least a semiannual basis) reports on such implementation and activities from each such department, agency, and instrumentality, including specification of the use and extent of appointments made under subsection (b) of this section and the results of the plans required under subsection (c) thereof.*

(e) *The Civil Service Commission shall submit to the Congress annually a report on activities carried out under this section, except that, with respect to subsection (c) of this section, the Commission may include a report of such activities separately in the report required to be submitted by section 501(d) of such Public Law 93-112, regarding the employment of handicapped individuals by each department, agency, and instrumentality.*

(f) *Notwithstanding section 2011 of this title, the terms "veteran" and "disabled veteran" as used in this section shall have the meaning provided for under generally applicable civil service law and regulations.*

Chapter 43—VETERANS' REEMPLOYMENT RIGHTS

Sec.

2021. *Right to reemployment of inducted persons; benefits protected.*
 2022. *Enforcement procedures.*
 2023. *Reemployment by the United States, territory, possession, or the District of Columbia.*
 2024. *Rights of persons who enlist or are called to active duty; Reserves.*
 2025. *Assistance in obtaining reemployment.*
 2026. *Prior rights for reemployment.*

§ 2021. *Right to reemployment of inducted persons; benefits protected*

(a) *In any case in which any person is inducted into the Armed Forces of the United States under the Military Selective Service Act (or under any prior or subsequent corresponding law) for training and service and who leaves a position (other than a temporary position) in the employ of any employer in order to perform such training and service, and (1) receives a certificate described in section 9(a) of the Military Selective Service Act (relating to the satisfactory completion of military service) and (2) makes application for reemployment within ninety days after such person is relieved from such training and service from hospitalization continuing after discharge for a period of not more than one year—*

(A) *if such position was in the employ of the United States Government, its territories, or possessions, or political subdivisions thereof, or the District of Columbia, such person shall—*

(i) *if still qualified to perform the duties of such position, be restored to such position or to a position of like seniority, status, and pay; or*

(ii) *if not qualified to perform the duties of such position, by reason of disability sustained during such service, but qualified to perform the duties of any other position in the employ of the employer, be offered employment and, if such person so requests, be employed in such other position the duties of which such person is qualified to perform as will provide such person like seniority, status, and pay, or the nearest approximation thereof consistent with the circumstances in such person's case;*

(B) *if such position was in the employ of a State or political subdivision thereof or a private employer, such person shall—*

(i) *if still qualified to perform the duties of such position, be restored by such employer or his successor in interest to such position or to a position of like seniority, status, and pay; or*

(ii) *if not qualified to perform the duties of such position by reason of disability sustained during such service, but qualified to*

perform the duties of any other position in the employ of such employer or his successor in interest, be offered employment and, if such person so requests, be employed by such employer or his successor in interest in such other position the duties of which such person is qualified to perform as will provide such person like seniority, status, and pay, or the nearest approximation thereof consistent with the circumstances in such person's case,

unless the employer's circumstances have so changed as to make it impossible or unreasonable to do so. Nothing in this chapter shall excuse noncompliance with any statute or ordinance of a State or political subdivision thereof establishing greater or additional rights or protections than the rights and protections established pursuant to this chapter.

(b)(1) *Any person who is restored to or employed in a position in accordance with the provisions of clause (A) or (B) of subsection (a) of this section shall be considered as having been on furlough or leave of absence during such person's period of training and service in the Armed Forces, shall be so restored or reemployed without loss of seniority, shall be entitled to participate in insurance or other benefits offered by the employer pursuant to established rules and practices relating to employees on furlough or leave of absence in effect with the employer at the time such person was inducted into such forces, and shall not be discharged from such position without cause within one year after such restoration or reemployment.*

(2) *It is hereby declared to be the sense of the Congress that any person who is restored to or employed in a position in accordance with the provisions of clause (A) or (B) of subsection (a) of this section should be so restored or reemployed in such manner as to give such person such status in his employment as he would have enjoyed if such person had continued in such employment continuously from the time of such person's entering the Armed Forces until the time of such person's restoration to such employment or reemployment.*

(3) *Any person who holds a position described in clause (A) or (B) of subsection (a) of this section shall not be denied retention in employment or any promotion or other incident or advantage of employment because of any obligation as a member of a Reserve component of the Armed Forces.*

(c) *The rights granted by subsections (a) and (b) of this section to persons who left the employ of a State or political subdivision thereof and were inducted into the Armed Forces shall not diminish any rights such persons may have pursuant to any statute or ordinance of such State or political subdivision establishing greater or additional rights or protections.*

§ 2022. *Enforcement procedures*

If any employer, who is a private employer or a State or political subdivision thereof, fails or refuses to comply with the provisions of section 2021(a), or (b)(1), (b)(3), or section 2024, the district court of the United States for any district in which such private employer maintains a place of business, or in which such State or political subdivision thereof exercises authority or carries out its functions, shall have the power, upon the filing of a motion, petition, or other appropriate pleading by the person entitled to the benefits of such provisions, specifically to require such employer to comply with such provisions and to compensate such person for any loss of wages or benefits suffered by reason of such employer's unlawful action. Any such compensation shall be in addition

to and shall not be deemed to diminish any of the benefits provided for in such provisions. The court shall order speedy hearing in any such case and shall advance it on the calendar. Upon application to the United States attorney or comparable official for any district in which such private employer maintains a place of business, or in which such State or political subdivision thereof exercises authority or carries out its functions, by any person claiming to be entitled to the benefits provided for in such provisions, such United States attorney or official, if reasonably satisfied that the person so applying is entitled to such benefits, shall appear and act as attorney for such person in the amicable adjustment of the claim or in the filing of any motion, petition, or other appropriate pleading and the prosecution thereof specifically to require such employer to comply with such provisions. No fees or court costs shall be taxed against any person who may apply for such benefits. In any such action only the employer shall be deemed a necessary party respondent. No State statute of limitations shall apply to any proceedings under this chapter.

§ 2023. Reemployment by the United States, territory, possession, or the District of Columbia

(a) Any person who is entitled to be restored to or employed in a position in accordance with the provisions of clause (A) of section 2021(a) and who was employed, immediately before entering the Armed Forces, by any agency in the executive branch of the Government or by any territory or possession, or political subdivision thereof, or by the District of Columbia, shall be so restored or reemployed by any such agency or the successor to its functions, or by such territory, possession, political subdivision, or the District of Columbia. In any case in which, upon appeal of any person who was employed, immediately before entering the Armed Forces, by any agency in the executive branch of the Government or by the District of Columbia, the United States Civil Service Commission finds that—

(1) such agency is no longer in existence and its functions have not been transferred to any other agency; or

(2) for any reason it is not feasible for such person to be restored to employment by such agency or by the District of Columbia,

the Commission shall determine whether or not there is a position in any other agency in the executive branch of the Government or in the government of the District of Columbia for which such person is qualified and which is either vacant or held by a person having a temporary appointment thereto. In any case in which the Commission determines that there is such a position, such person shall be offered employment and, if such person so requests, be employed in such position by the agency in which such position exists or by the government of the District of Columbia, as the case may be. The Commission is authorized and directed to issue regulations giving full force and effect to the provisions of this section insofar as they relate to persons entitled to be restored to or employed in positions in the executive branch of the Government or in the government of the District of Columbia, including persons entitled to be reemployed under the last sentence of subsection (b) of this section. The agencies in the executive branch of the Government and the government of the District of Columbia shall comply with such rules, regulations, and orders issued by the Commission pursuant to this subsection. The Commission is authorized and directed whenever it finds, upon appeal of the person concerned, that any agency in the executive branch of the Government or the government of the District of Columbia has failed or refuses to comply

with the provisions of this section, to issue an order specifically requiring such agency or the government of the District of Columbia to comply with such provisions and to compensate such person for any loss of salary or wages suffered by reason of failure to comply with such provisions, less any amounts received by such person through other employment, unemployment compensation, or readjustment allowances. Any such compensation ordered to be paid by the Commission shall be in addition to and shall not be deemed to diminish any of the benefits provided for in such provisions, and shall be paid by the head of the agency concerned or by the government of the District of Columbia out of appropriations currently available for salary and expenses of such agency or government, and such appropriations shall be available for such purpose. As used in this chapter, the term "agency in the executive branch of the Government" means any department, independent establishment, agency, or corporation in the executive branch of the United States Government (including the States Postal Service and the Postal Rate Commission).

(b) Any person who is entitled to be restored to or employed in a position in accordance with the provisions of clause (A) of section 2021(a), and who was employed, immediately before entering the Armed Forces, in the legislative branch of the Government, shall be so restored or employed by the officer who appointed such person to the position which such person held immediately before entering the Armed Forces. In any case in which it is not possible for any such person to be restored to or employed in a position in the legislative branch of the Government and such person is otherwise eligible to acquire a status for transfer to a position in the competitive service in accordance with section 3304(c) of title 5, the United States Civil Service Commission shall, upon appeal of such person, determine whether or not there is a position in the executive branch of the Government for which such person is qualified and which is either vacant or held by a person having a temporary appointment thereto. In any case in which the Commission determines that there is such a position, such person shall be offered employment and, if such person so requests, be employed in such position by the agency in which such position exists.

(c) Any person who is entitled to be restored to or employed in a position in accordance with the provisions of clause (A) of section 2021(a) and who was employed, immediately before entering the Armed Forces, in the judicial branch of the Government, shall be so restored or reemployed by the officer who appointed such person to the position which such person held immediately before entering the Armed Forces.

§ 2024. Rights of persons who enlist or are called to active duty; Reserves

(a) Any person who, after entering the employment on the basis of which such person claims restoration or reemployment, enlists in the Armed Forces of the United States (other than in a Reserve component) shall be entitled upon release from service under honorable conditions to all the reemployment rights and other benefits provided for by this section in the case of persons inducted under the provisions of the Military Selective Service Act (or prior or subsequent legislation providing for the involuntary induction of persons into the Armed Forces), if the total of such person's service performed between June 24, 1948, and August 1, 1961, did not exceed four years, and the total of any service, additional or otherwise performed by such person after August 1, 1961, does not exceed five years,

and if the service in excess of four years after August 1, 1961, is at the request and for the convenience of the Federal Government (plus in each case any period of additional service imposed pursuant to law).

(b)(1) Any person who, after entering the employment on the basis of which such person claims restoration or reemployment enters upon active duty (other than for the purpose of determining physical fitness and other than for training), whether or not voluntarily, in the Armed Forces of the United States or the Public Health Service in response to an order or call to active duty shall, upon such person's relief from active duty under honorable conditions be entitled to all of the reemployment rights and benefits provided by this chapter in the case of persons inducted under the provisions of the Military Selective Service Act (or prior or subsequent legislation providing for the involuntary induction of persons into the Armed Forces), if the total of such active duty performed between June 24, 1948, and August 1, 1961, did not exceed four years, and the total of any such active duty, additional or otherwise, performed after August 1, 1961, does not exceed four years (plus in each case any additional period in which such person was unable to obtain orders relieving such person from active duty).

(2) Any member of a Reserve component of the Armed Forces of the United States who voluntarily or involuntarily enters upon active duty (other than for the purpose of determining physical fitness and other than for training) or whose active duty is voluntary or involuntarily extended during a period when the President is authorized to order units of the Ready Reserve or members of a Reserve component to active duty shall have the service limitation governing eligibility for reemployment rights under subsection (b)(1) of this section extended by such member's period of such active duty, but not to exceed that period of active duty to which the President is authorized to order units of the Ready Reserve or members of a Reserve component. With respect to a member who voluntarily enters upon active duty or whose active duty is voluntarily extended, the provisions of this subsection shall apply only when such additional active duty is at the request and for the convenience of the Federal Government.

(c) Any member of a Reserve component of the Armed Forces of the United States who is ordered to an initial period of active duty for training of not less than three consecutive months shall, upon application for reemployment within thirty-one days after (1) such member's release from such active duty for training after satisfactory service, or (2) such member's discharge from hospitalization incident to such active duty for training, or one year after such member's scheduled release from such training, whichever is earlier, be entitled to all reemployment rights and benefits provided by this chapter for persons inducted under the provisions of the Military Selective Service Act (or prior or subsequent legislation providing for the involuntary induction of persons into the Armed Forces), except that (A) any person restored to or employed in a position in accordance with the provisions of this subsection shall not be discharged from such position without cause within six months after that restoration, and (B) no reemployment rights granted by this subsection shall entitle any person to retention, preference, or displacement rights over any veteran with a superior claim under those provisions of title 5 relating to veterans and other preference eligibles.

(d) Any employee not covered by subsection (c) of this section who holds a position described in clause (A) or (B) of section 2021(a) shall upon request be granted a leave of absence by such person's employer

for the period required to perform active duty for training or inactive duty training in the Armed Forces of the United States. Upon such employee's release from a period of such active duty for training or inactive duty training, or upon such employee's discharge from hospitalization incident to that training, such employee shall be permitted to return to such employee's position with such seniority, status, pay, and vacation as such employee would have had if such employee had not been absent for such purposes. Such employee shall report for work at the beginning of the next regularly scheduled working period after expiration of the last calendar day necessary to travel from the place of training to the place of employment following such employee's release, or within a reasonable time thereafter if delayed return is due to factors beyond the employee's control. Failure to report for work at such next regularly scheduled working period shall make the employee subject to the conduct rules of the employer pertaining to explanations and discipline with respect to absence from scheduled work. If such an employee is hospitalized incident to active duty for training or inactive duty training, such employee shall be required to report for work at the beginning of the next regularly scheduled work period after expiration of the time necessary to travel from the place of discharge from hospitalization to the place of employment, or within a reasonable time thereafter if delayed return is due to factors beyond the employee's control, or within one year after such employee's release from active duty for training or inactive duty training, whichever is earlier. If an employee covered by this subsection is not qualified to perform the duties of such employee's position by reason of disability sustained during active duty for training or inactive duty training, but is qualified to perform the duties of any other position in the employ of the employer or his successor in interest, such employee shall be offered employment and, if such person so requests, be employed by that employer or his successor in interest in such other position the duties of which such employee is qualified to perform as will provide such employee like seniority, status, and pay, or the nearest approximation thereof consistent with the circumstances in such employee's case.

(e) Any employee not covered by subsection (c) of this section who holds a position described in clause (A) or (B) of section 2021(a) shall be considered as having been on leave of absence during the period required to report for the purpose of being inducted into, entering, or determining, by a preinduction or other examination, physical fitness to enter the Armed Forces. Upon such employee's rejection, upon completion of such employee's preinduction or other examination, or upon such employee's discharge from hospitalization incident to such rejection or examination, such employee shall be permitted return to such employee's position in accordance with the provisions of subsection (d) of this section.

(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, 503, 504, or 505 of title 32, is considered active duty for training; and for the purpose 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.

§ 2025. Assistance in obtaining reemployment

The Secretary of Labor, through the Office of Veterans' Reemployment Rights, shall render aid in the replacement in their former positions or

reemployment of persons who have satisfactorily completed any period of active duty in the Armed Forces or the Public Health Service. In rendering such aid, the Secretary shall use existing Federal and State agencies engaged in similar or related activities and shall utilize the assistance of volunteers.

§ 2026. Prior rights for reemployment

In any case in which two or more persons who are entitled to be restored to or employed in a position under the provisions of this chapter or of any other law relating to similar reemployment benefits left the same position in order to enter the Armed Forces, the person who left such position first shall have the prior right to be restored thereto or reemployed on the basis thereof, without prejudice to the reemployment rights of the other person or persons to be restored or reemployed.

MILITARY SELECTIVE SERVICE ACT

(PUBLIC LAW 92-129)

* * * * *

Sec. 9. Reemployment.—(a) Any person inducted into the armed forces under this title for training and service, who, in the judgment of those in authority over him, satisfactorily completes his period of training and service under section 4(b) shall be entitled to a certificate to that effect upon the completion of such period of training and service, which shall include a record of any special proficiency or merit attained. In addition, each such person who is inducted into the armed forces under this title for training and service shall be given a physical examination at the beginning of such training and service, and upon the completion of his period of training and service under this title, each such person shall be given another physical examination and, upon his written request, shall be given a statement of physical condition by the Secretary concerned: *Provided*, That such statement shall not contain any reference to mental or other conditions which in the judgment of the Secretary concerned would prove injurious to the physical or mental health of the person to whom it pertains: *Provided further*, That, if upon completion of training and service under this title, such person continues on active duty without an interruption of more than seventy-two hours as a member of the Armed Forces of the United States, a physical examination upon completion of such training and service shall not be required unless it is requested by such person, or the medical authorities of the Armed Force concerned determine that the physical examination is warranted.

[(b) In the case of any such person who, in order to perform such training and service, has left or leaves a position (other than a temporary position) in the employ of any employer and who (1) receives such certificate, and (2) makes application for reemployment within ninety days after he is relieved from such training and service or from hospitalization continuing after discharge for a period of not more than one year—

[(A) if such position was in the employ of the United States Government, its Territories, or possessions, or political subdivisions thereof, or the District of Columbia, such person shall—

[(i) if still qualified to perform the duties of such position,

be restored to such position or to a position of like seniority, status, and pay; or

[(ii) if not qualified to perform the duties of such position by reason of disability sustained during such service but qualified to perform the duties of any other position in the employ of the employer, be restored to such other position the duties of which he is qualified to perform as will provide him like seniority, status, and pay, or the nearest approximation thereof consistent with the circumstances in his case;

[(B) if such position was in the employ of a private employer, such person shall—

[(i) if still qualified to perform the duties of such position, be restored by such employer or his successor in interest to such position or to a position of like seniority, status, and pay; or

[(ii) if not qualified to perform the duties of such position, by reason of disability sustained during such service but qualified to perform the duties of any other position in the employ of such employer or his successor in interest, be restored by such employer or his successor in interest to such other position the duties of which he is qualified to perform as will provide him like seniority, status, and pay, or the nearest approximation thereof consistent with the circumstances in his case,

unless the employer's circumstances have so changed as to make it impossible or unreasonable to do so;

[(C) if such position was in the employ of any State or political subdivision thereof, it is hereby declared to be the sense of the Congress that such person should—

[(i) if still qualified to perform the duties of such position, be restored to such position or to a position of like seniority, status, and pay or;

[(ii) if not qualified to perform the duties of such position by reason of disability sustained during such service but qualified to perform the duties of any other position in the employ of the employer, be restored to such other position the duties of which he is qualified to perform as will provide him like seniority, status, and pay, or the nearest approximation thereof consistent with the circumstances in his case.

[(c)(1) Any person who is restored to a position in accordance with the provisions of paragraph (A) or (B) of subsection (b) shall be considered as having been on furlough or leave of absence during his period of training and service in the armed forces, shall be so restored without loss of seniority, shall be entitled to participate in insurance or other benefits offered by the employer pursuant to established rules and practices relating to employees on furlough or leave of absence in effect with the employer at the time such person was inducted into such forces, and shall not be discharged from such position without cause within one year after such restoration.

[(2) It is hereby declared to be the sense of the Congress that any person who is restored to a position in accordance with the provisions of paragraph (A) or (B) of subsection (b) should be so restored in such manner as to give him such status in his employment as he would have enjoyed if he had continued in such employment continuously from the time of his entering the armed forces until the time of his restoration to such employment.

[(3) Any person who holds a position described in paragraph (A) or (B) of subsection (b) shall not be denied retention in employment or any promotion or other incident or advantage of employment because of any obligation as a member of a reserve component of the Armed Forces of the United States.

[(d) In case any private employer fails or refuses to comply with the provisions of subsection (b), subsection (c)(1), subsection (c)(3), or subsection (g) the district court of the United States for the district in which such private employer maintains a place of business shall have power, upon the filing of a motion, petition, or other appropriate pleading by the person entitled to the benefits of such provisions, specifically to require such employer to comply with such provisions and to compensate such person for any loss of wages or benefits suffered by reason of such employer's unlawful action: *Provided*, That any such compensation shall be in addition to and shall not be deemed to diminish any of the benefits of such provisions. The court shall order speedy hearing in any such case and shall advance it on the calendar. Upon application to the United States Attorney or comparable official for the district in which such private employer maintains a place of business, by any person claiming to be entitled to the benefits of such provisions, such United States Attorney or official, if reasonably satisfied that the person so applying is entitled to such benefits, shall appear and act as attorney for such person in the amicable adjustment of the claim or in the filing of any motion, petition or other appropriate pleading and the prosecution thereof specifically to require such employer to comply with such provisions: *Provided*, That no fees or court costs shall be taxed against any person who may apply for such benefits: *Provided further*, That only the employer shall be deemed a necessary party respondent to any such action.

[(e)(1) Any person who is entitled to be restored to a position in accordance with the provisions of paragraph (A) of subsection (b) and who was employed, immediately before entering the armed forces, by any agency in the executive branch of the Government or by any Territory or possession, or political subdivision thereof, or by the District of Columbia, shall be so restored by such agency or the successor to its functions, or by such Territory, possession, political subdivision, or the District of Columbia. In any case in which, upon appeal of any person who was employed immediately before entering the armed forces by any agency in the executive branch of the Government or by the District of Columbia, the United States Civil Service Commission finds that—

[(A) such agency is no longer in existence and its functions have not been transferred to any other agency; or

[(B) for any reason it is not feasible for such person to be restored to employment by such agency or by the District of Columbia,

the Commission shall determine whether or not there is a position in any other agency in the executive branch of the Government or in the government of the District of Columbia for which such person is qualified and which is either vacant or held by a person having a temporary appointment thereto. In any case in which the Commission determines that there is such a position, such person shall be restored to such position by the agency in which such position exists or by the government of the District of Columbia, as the case may be. The Com-

mission is authorized and directed to issue regulations giving full force and effect to the provisions of this section insofar as they relate to persons entitled to be restored to positions in the executive branch of the Government or in the government of the District of Columbia, including persons entitled to be restored under the last sentence of paragraph (2) of this subsection. The agencies in the executive branch of the Government and the government of the District of Columbia shall comply with such rules and regulations and orders issued by the Commission pursuant to this subsection. The Commission is authorized and directed whenever it finds, upon appeal of the person concerned, that any agency in the executive branch of the Government or the government of the District of Columbia has failed or refuses to comply with the provisions of this section, to issue an order specifically requiring such agency or the government of the District of Columbia to comply with such provisions and to compensate such person for any loss of salary or wages suffered by reason of failure to comply with such provisions, less any amounts received by him through other employment, unemployment compensation, or readjustment allowances: *Provided*, That any such compensation ordered to be paid by the Commission shall be in addition to and shall not be deemed to diminish any of the benefits of such provisions, and shall be paid by the head of the agency concerned or by the government of the District of Columbia out of appropriations currently available for salary and expenses of such agency or government, and such appropriations shall be available for such purpose. As used in this paragraph, the term "agency in the executive branch of the Government" means any department, independent establishment, agency, or corporation in the executive branch of the United States Government.

[(2) Any person who is entitled to be restored to a position in accordance with the provisions of paragraph (A) of subsection (b), and who was employed, immediately before entering the armed forces, in the legislative branch of the Government, shall be so restored by the officer who appointed him to the position which he held immediately before entering the armed forces. In any case in which it is not possible for any such person to be restored to a position in the legislative branch of the Government and he is otherwise eligible to acquire a status for transfer to a position in the classified (competitive) civil service in accordance with section 2(b) of the Act of November 26, 1940 (54 Stat. 1212), the United States Civil Service Commission shall, upon appeal of such person, determine whether or not there is a position in the executive branch of the Government for which he is qualified and which is either vacant or held by a person having a temporary appointment thereto. In any case in which the Commission determines that there is such a position, such person shall be restored to such position by the agency in which such position exists.

[(3) Any person who is entitled to be restored to a position in accordance with the provisions of paragraph (A) of subsection (b) and who was employed, immediately before entering the armed forces, in the judicial branch of the Government, shall be so restored by the officer who appointed him to the position which he held immediately before entering the armed forces.

[(f) In any case in which two or more persons who are entitled to be restored to a position under the provisions of this section or of any other law relating to similar reemployment benefits left the same position in order to enter the armed forces, the person who left such

position first shall have the prior right to be restored thereto, without prejudice to the reemployment rights of the other person or persons to be restored.

[(g) (1) Any person who, after entering the employment to which he claims restoration, enlists in the Armed Forces of the United States (other than in a reserve component) shall be entitled upon release from service under honorable conditions to all the reemployment rights and other benefits provided for by this section in the case of persons inducted under the provisions of this title, if the total of his service performed between June 24, 1948, and August 1, 1961, did not exceed four years, and the total of any service, additional or otherwise performed by him after August 1, 1961, does not exceed five years, provided that the service in excess of four years after August 1, 1961, is at the request and for the convenience of the Federal Government (plus in each case any period of additional service imposed pursuant to law).

[(2)(A) Any person who, after entering the employment to which he claims restoration enters upon active duty (other than for the purpose of determining his physical fitness and other than for training), whether or not voluntarily, in the Armed Forces of the United States or the Public Health Service in response to an order or call to active duty shall, upon his relief from active duty under honorable conditions, be entitled to all of the reemployment rights and benefits provided by this section in the case of persons inducted under the provisions of this title, if the total of such active duty performed between June 24, 1948, and August 1, 1961, did not exceed four years, and the total of any such active duty, additional or otherwise, performed after August 1, 1961, does not exceed four years (plus in each case any additional period in which he was unable to obtain orders relieving him from active duty).

[(B) Any member of a Reserve component of the Armed Forces of the United States who voluntarily or involuntarily enters upon active duty (other than for the purpose of determining his physical fitness and other than for training) or whose active duty is voluntarily or involuntarily extended during a period when the President is authorized to order units of the Ready Reserve or members of a Reserve component to active duty shall have the service limitation governing eligibility for reemployment rights under paragraph (2)(A) of this subsection extended by his period of such active duty, but not to exceed that period of active duty to which the President is authorized to order units of the Ready Reserve or members of a Reserve component: *Provided*, That with respect to a member who voluntarily enters upon active duty or whose active duty is voluntarily extended the provisions of this paragraph shall apply only when such additional active duty is at the request and for the convenience of the Federal Government.

[(3) Any member of a reserve component of the Armed Forces of the United States who is ordered to an initial period of active duty for training of not less than three consecutive months shall, upon application for reemployment within thirty-one days after (A) his release from that active duty for training after satisfactory service, or (B) his discharge from hospitalization incident to that active duty for training, or one year after his scheduled release from the training, whichever is earlier, be entitled to all reemployment rights and benefits provided by this section for persons inducted under the provisions of this title, except that (A) any person restored to a posi-

tion in accordance with the provisions of this paragraph shall not be discharged from such position without cause within six months after that restoration, and (B) no reemployment rights granted by this paragraph shall entitle any person to retention, preference, or displacement rights over any veteran with a superior claim under the Veterans' Preference Act of 1944, as amended (5 U.S.C. 851 and the following).

[(4) Any employee not covered by paragraph (3) of this subsection who holds a position described in paragraph (A) or (B) of subsection (b) of this section shall upon request be granted a leave of absence by his employer for the period required to perform active duty for training or inactive duty training in the Armed Forces of the United States. Upon his release from a period of such active duty for training or inactive duty training, or upon his discharge from hospitalization incident to that training, such employee shall be permitted to return to his position with such seniority, status, pay, and vacation as he would have had if he had not been absent for such purposes. He shall report for work at the beginning of his next regularly scheduled working period after expiration of the last calendar day necessary to travel from the place of training to the place of employment following his release, or within a reasonable time thereafter if delayed return is due to factors beyond the employee's control. Failure to report for work at such next regularly scheduled working period shall make the employee subject to the conduct rules of the employer pertaining to explanations and discipline with respect to absence from scheduled work. If that employee is hospitalized incident to active duty for training or inactive duty training, he shall be required to report for work at the beginning of his next regularly scheduled work period after expiration of the time necessary to travel from the place of discharge from hospitalization to the place of employment, or within a reasonable time thereafter if delayed return is due to factors beyond the employee's control, or within one year after his release from active duty for training or inactive duty training, whichever is earlier. If an employee covered by this paragraph is not qualified to perform the duties of his position by reason of disability sustained during active duty for training or inactive duty training, but is qualified to perform the duties of any other position in the employ of the employer or his successor in interest, he shall be restored by that employer or his successor in interest to such other position the duties of which he is qualified to perform as will provide him like seniority, status, and pay, or the nearest approximation thereof consistent with the circumstances in his case.

[(5) Any employee not covered by paragraph (3) of this subsection who holds a position described in paragraph (A) or (B) of subsection (b) of this section shall be considered as having been on leave of absence during the period required to report for the purpose of being inducted into, entering or determining by a preinduction or other examination his physical fitness, to enter the Armed Forces of the United States. Upon his rejection, upon completion of his preinduction or other examination, or upon his discharge from hospitalization incident to that rejection or examination, such employee shall be permitted to return to his position in accordance with the provisions of paragraph (4) of this subsection.

[(6) For the purposes of paragraphs (3) and (4), full-time training or other full-time duty performed by a member of the National Guard

under section 316, 503, 504, or 505 of title 32, United States Code, is considered active duty for training; and for the purpose of paragraph (4), inactive duty training performed by that member under section 502 of title 32, or section 301 of title 37, United States Code, is considered inactive duty training.

[(h)] The Secretary of Labor, through the Bureau of Veterans' Reemployment Rights, shall render aid in the replacement in their former positions of persons who have satisfactorily completed any period of active duty in the armed forces of the United States or the Public Health Service. In rendering such aid, the Secretary shall use the then existing Federal and State agencies engaged in similar or related activities and shall utilize the assistance of volunteers.]

[(i)] (b) Right to vote; Poll Tax.—Any person inducted into the armed forces for training and service under this title shall, during the period of such service, be permitted to vote in person or by absentee ballot in any general, special, or primary election occurring in the State of which he is a resident, whether he is within or outside such State at the time of such election, if under the laws of such State he is otherwise entitled to vote in such election; but nothing in this subsection shall be construed to require granting to any such person a leave of absence or furlough for longer than one day in order to permit him to vote in person in any such election. No person inducted into, or enlisted in, the armed forces for training and service under this title shall, during the period of such service, as a condition of voting in any election for President, Vice President, electors for President or Vice President, or for Senator or Member of the House of Representatives, be required to pay any poll tax or other tax or make any other payment to any State or political subdivision thereof.

[(j)] (c) Reports of separation.—The Secretaries of Army, Navy, Air Force, or Transportation shall furnish to the Selective Service System hereafter established a report of separation for each person separated from active duty.

VANCE HARTKE,
H. E. TALMADGE,
JENNINGS RANDOLPH,
HAROLD E. HUGHES,
ALAN CRANSTON,
CLIFFORD P. HANSEN,
STROM THURMOND,
ROBERT T. STAFFORD,
JAMES A. McCLURE,
Managers on the Part of the Senate.
WM. J. BRYAN DORN,
OLIN E. TEAGUE,
JAMES A. HALEY,
THADDEUS J. DULSKI,
HENRY HELSTOSKI,
JOHN PAUL HAMMERSCHMIDT,
MARGARET M. HECKLER,
JOHN M. ZWACH,
CHALMERS WYLIE,
Managers on the Part of the House.