

## Public Law 550

## CHAPTER 875

## AN ACT

July 16, 1952  
[H. R. 7656]

To provide vocational readjustment and to restore lost educational opportunities to certain persons who served in the Armed Forces on or after June 27, 1950, and prior to such date as shall be fixed by the President or the Congress, and for other purposes.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

Veterans' Re-  
adjustment Assist-  
ance Act of 1952.

## TITLE I—SHORT TITLE AND STATEMENT OF POLICY

## SHORT TITLE

SEC. 101. This Act may be cited as the "Veterans' Readjustment Assistance Act of 1952".

## STATEMENT OF POLICY

SEC. 102. The Congress of the United States hereby declares that the veterans' education and training program created by this Act is for the purpose of providing vocational readjustment and restoring lost educational opportunities to those service men and women whose educational or vocational ambitions have been interrupted or impeded by reason of active service in the Armed Forces during a period of national emergency and for the purpose of aiding such persons in attaining the educational and training status which they might normally have aspired to and obtained had they not served their country; and that the home, farm, and business-loan benefits, the unemployment compensation benefits, the mustering out payments, and the employment assistance provided for by this Act are for the purpose of assisting in the readjustment of such persons from military to civilian life.

## TITLE II—EDUCATIONAL AND VOCATIONAL ASSISTANCE

## PART I—DEFINITIONS

SEC. 201. For the purposes of this title—

(1) the term "basic service period" means the period beginning on June 27, 1950, and ending on such date as shall be determined by Presidential proclamation or concurrent resolution of the Congress;

(2) the term "eligible veteran" means any person who is not in the active service in the Armed Forces and who—

(A) has served in the active service in the Armed Forces at any time during the basic service period,

(B) has been discharged or released from such active service under conditions other than dishonorable, and

(C) has served in the active service in the Armed Forces for ninety days or more (exclusive of any period he was assigned by the Armed Forces to a civilian institution for a course of education or training which was substantially the same as established courses offered to civilians, or as a cadet or midshipman at one of the service academies), or has been discharged or released from active service by reason of an actual service-incurred injury or disability;

(3) the term "program of education or training" means any single unit course or subject, any curriculum, or any combination of unit courses or subjects, which is generally accepted as necessary to fulfill

requirements for the attainment of a predetermined and identified educational, professional, or vocational objective;

(4) the term "course" means an organized unit of subject matter in which instruction is offered within a given period of time or which covers a specific amount of related subject matter for which credit toward graduation or certification is usually given;

(5) the term "dependent" means—

(A) a child (as defined in paragraph VI of Veterans Regulation Numbered 10, as amended) of an eligible veteran,

(B) a parent (as defined in paragraph VII of Veterans Regulation Numbered 10, as amended) of an eligible veteran, if the parent is in fact dependent upon the veteran, and

(C) the wife of an eligible veteran, or, in the case of an eligible veteran who is a woman, her husband if he is in fact dependent upon the veteran;

(6) 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, scientific or technical institution, or other institution furnishing education for adults;

(7) the term "training establishment" means any business or other 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 apprentice committee, or the Bureau of Apprenticeship established in accordance with Public Law 308, Seventy-fifth Congress, or any agency of the Federal Government authorized to supervise such training;

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

(9) the term "State" means the several States, the Territories and possessions of the United States, and the District of Columbia;

(10) the term "Administrator" means the Administrator of Veterans' Affairs;

(11) the term "Commissioner" means the United States Commissioner of Education.

## PART II—ELIGIBILITY

### ENTITLEMENT TO EDUCATION OR TRAINING GENERALLY

SEC. 211. Each eligible veteran shall, subject to the provisions of this title, be entitled to the education or training provided under this title.

### COMMENCEMENT; TIME LIMITATIONS

SEC. 212. (a) No eligible veteran shall be entitled to initiate a program of education or training under this title after August 20, 1954, or after two years after his discharge or release from active service, whichever is later.

(b) The program of education and training of an eligible veteran under this title shall, on and after the delimiting date for the veteran to initiate his program, be pursued continuously until completion except that an eligible veteran may suspend the pursuit of his program for periods of not more than 12 consecutive months, and may suspend the pursuit of such program for longer periods if the Administrator finds that the suspension for each such period was due to conditions beyond the control of the eligible veteran.

38 USC note foll.  
ch. 12.

50 Stat. 664.  
29 USC 50-50b.

(c) In the event an eligible veteran returns to active service in the Armed Forces during the basic service period, his date of discharge or release shall, for the purposes of this section and section 213, be the date of his discharge or release from his last period of active service which began during the basic service period.

#### EXPIRATION OF ALL EDUCATION AND TRAINING

SEC. 213. No education or training shall be afforded an eligible veteran under this title beyond seven years after either his discharge or release from active service or the end of the basic service period, whichever is earlier.

#### DURATION OF VETERAN'S EDUCATION OR TRAINING

SEC. 214. (a) Each eligible veteran shall be entitled to education or training under this title for a period equal to one and a half times the duration of his active service in the Armed Forces during the basic service period (or to the equivalent thereof in part-time training), except that—

(1) in computing the duration of his active service in the Armed Forces, there shall be excluded a period equal to any period he was assigned by the Armed Forces to a civilian institution for a course of education or training which was substantially the same as established courses offered to civilians or as a cadet or midshipman at one of the service academies;

(2) the period of education or training to which an eligible veteran shall be entitled under this title shall not, except as provided in subsection (b), exceed thirty-six months; and

(3) the period of education or training to which an eligible veteran shall be entitled under this title together with education or training received under part VII (Public Law 16, Seventy-eighth Congress, as amended, and Public Law 894, Eighty-first Congress, as amended), or part VIII of Veterans Regulation Numbered 1 (a), as amended, shall not, except as provided in subsection (b), exceed forty-eight months in the aggregate.

(b) Whenever the period of entitlement to education or training under this title 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 and after a major part of such semester or quarter has expired, such period shall be extended to the termination of such unexpired quarter or semester. In all other courses offered by educational institutions, whenever the period of eligibility ends after a major portion of the course is completed such period may be extended to the end of the course or for nine weeks, whichever is the lesser period.

(c) In the case of any eligible veteran who is pursuing any program of education or training exclusively by correspondence, one-fourth of the elapsed time in following such program of education or training shall be charged against the veteran's period of entitlement.

57 Stat. 43.  
64 Stat. 1121.  
38 USC 701a and  
note.

Correspondence  
courses.

### PART III—ENROLLMENT

#### SELECTION OF PROGRAM

SEC. 221. Subject to the provisions of this title, each eligible veteran may select a program of education or training to assist him in attaining an educational, professional, or vocational objective at any educational institution or training establishment selected by him, whether or not located in the State in which he resides, which will

accept and retain him as a student or trainee in any field or branch of knowledge which such institution or establishment finds him qualified to undertake or pursue. Notwithstanding the foregoing provisions of this section, an eligible veteran may not pursue a program of education or training at an educational institution or training establishment which is not located in a State, unless such program is pursued at an approved educational institution of higher learning. The Administrator in his discretion may deny or discontinue the enrollment under this title of any veteran in a foreign educational institution if he finds that such enrollment is not for the best interest of the veteran or the Government.

#### APPLICATIONS; APPROVAL

SEC. 222. Any eligible veteran who desires to initiate a program of education or training under this title shall submit an application to the Administrator which shall be in such form, and contain such information, as the Administrator shall prescribe. The Administrator shall approve such application unless he finds that such veteran is not eligible for or entitled to the education or training applied for or that his program of education or training fails to meet any of the requirements of this title, or that the eligible veteran is already qualified, by reason of previous education and training, for the educational, professional, or vocational objective for which the courses of the program of education or training are offered. The Administrator shall notify the eligible veteran of the approval or disapproval of his application.

#### CHANGE OF PROGRAM

SEC. 223. (a) Subject to the provisions of section 222, each eligible veteran (except an eligible veteran whose program has been interrupted or discontinued due to his own misconduct, his own neglect, or his own lack of application) may, at any time prior to the end of the period during which he is entitled to initiate a program of education or training under this title, make not more than one change of program of education or training.

(b) Each eligible veteran, who has not made a change of program of education or training before the expiration of the period during which he is entitled to initiate a program of education or training under this title, may make not more than one change of program of education or training with the approval of the Administrator. The Administrator shall approve such a change if he finds that—

(1) the eligible veteran is not making satisfactory progress in his present program and that the failure is not due to his own misconduct, his own neglect, or his own lack of application, and if the program to which the eligible veteran desires to change is more in keeping with his aptitude or previous education and training; or

(2) the program to which the eligible veteran desires to change, while not a part of the program currently pursued by him, is a normal progression from such program.

#### AVOCATIONAL AND RECREATIONAL COURSES

SEC. 224. (a) The Administrator shall not approve the enrollment of an eligible veteran in any bartending course, dancing course, or personality development course.

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

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

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

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

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

#### DISCONTINUANCE FOR UNSATISFACTORY PROGRESS

SEC. 225. The Administrator shall discontinue the education and training allowance of an eligible veteran if, at any time, he finds that, according to the regularly prescribed standards and practices of the educational institution or training establishment, the conduct or progress of such veteran is unsatisfactory.

#### MINIMUM NUMBER OF NONVETERAN STUDENTS REQUIRED

SEC. 226. 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 eighty-five per centum of the students enrolled in the course are having all or any part of their tuition, fees, or other charges paid to or for them by the educational institution or the Veterans' Administration under part VII or part VIII of Veterans Regulation Numbered 1 (a) or this title.

38 USC note foll.  
ch. 12.

#### PERIOD OF OPERATION FOR APPROVAL

SEC. 227. (a) The Administrator shall not approve the enrollment of an eligible veteran in any course offered by an educational institution when such course has been in operation for less than two years.

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

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

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

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

#### INSTITUTIONS LISTED BY ATTORNEY GENERAL

SEC. 228. The Administrator shall not approve the enrollment of, or payment of an education and training allowance to, any eligible veteran in any course in an educational institution or training establishment while it is listed by the Attorney General under section 3 of part III of Executive Order 9835, as amended.

5 USC 631 note.

PART IV—PAYMENTS TO VETERANS  
EDUCATION AND TRAINING ALLOWANCE

SEC. 231. (a) The Administrator shall pay to each eligible veteran who is pursuing a program of education or training under this title, and who applies therefor, an education and training allowance to meet in part the expenses of his subsistence, tuition, fees, supplies, books, and equipment.

(b) The education and training allowance for an eligible veteran shall be paid, as provided in section 232, only for the period of the veteran's enrollment as approved by the Administrator, but no allowance shall be paid—

(1) to any veteran enrolled in a course approved under section 253 or a course of institutional on-farm training for any period when the veteran is not pursuing his course in accordance with the regularly established policies and regulations of the institution and the requirements of this title,

(2) to any veteran enrolled in a course approved under section 254 or in a course of apprentice or other training on the job for any day of absence in excess of thirty days in a twelve-month period, not counting as absences weekends or legal holidays established by Federal or State law during which the institution or establishment is not regularly in session or operation, or

(3) to any veteran pursuing his program of education exclusively by correspondence for any period during which no lessons were serviced by the institution.

**Requirements.**

(c) No education and training allowance shall be paid to an eligible veteran for any period until the Administrator shall have received—

(1) from the eligible veteran (A) in the case of an eligible veteran enrolled in a course approved under section 253 or a course of institutional on-farm training, a certification that he was actually enrolled in and pursuing the course as approved by the Administrator, or (B) in the case of an eligible veteran enrolled in a course approved under section 254 or a course of apprentice or other training on the job, a certification as to actual attendance during such period, or (C) in the case of an eligible veteran enrolled in a program of education or training by correspondence, a certification as to the number of lessons actually completed by the veteran and serviced by the institution, and

(2) from the educational institution or training establishment, a certification, or an endorsement on the veteran's certificate, that such veteran was enrolled in and pursuing a course of education or training during such period, and, in the case of an institution furnishing education or training to a veteran exclusively by correspondence, a certification, or an endorsement on the veteran's certificate, as to the number of lessons completed by the veteran and serviced by the institution.

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

COMPUTATION OF EDUCATION AND TRAINING ALLOWANCES

SEC. 232. (a) The education and training allowance of an eligible veteran who is pursuing a program of education or training in an educational institution and is not entitled to receive an education and training allowance under subsection (b), (c), (d), (e), or (f) shall be computed as follows:

**Allowances.**

(1) If such program is pursued on a full-time basis, such allowance shall be computed at the rate of \$110 per month, if the veteran has no dependent, or at the rate of \$135 per month, if he has

one dependent, or at the rate of \$160 per month, if he has more than one dependent.

(2) If such program is pursued on a three-quarters time basis, such allowance shall be computed at the rate of \$80 per month, if the veteran has no dependent, or at the rate of \$100 per month, if he has one dependent, or at the rate of \$120 per month, if he has more than one dependent.

(3) If such program is pursued on a half-time basis, such allowance shall be computed at the rate of \$50 per month, if the veteran has no dependent, or at the rate of \$60 per month, if he has one dependent, or at the rate of \$80 per month, if he has more than one dependent.

(b) The education and training allowance of an eligible veteran who is pursuing a full-time program of education and training which consists of institutional courses and on-the-job training, with the on-the-job training portion of the program being strictly supplemental to the institutional portion, shall be computed at the rate of (1) \$90 per month, if he has no dependent, or (2) \$110 per month, if he has one dependent, or (3) \$130 per month, if he has more than one dependent.

Education and training.

(c) The education and training allowance of an eligible veteran pursuing apprentice or other training on the job shall be computed at the rate of (1) \$70 per month, if he has no dependent, or (2) \$85 per month, if he has one dependent, or (3) \$105 per month, if he has more than one dependent; except that his education and training allowance shall be reduced at the end of each four-month period as his program progresses by an amount which bears the same ratio to the basic education and training allowance as four months bears to the total duration of his apprentice or other training on the job; but in no case shall the Administrator pay an education and training allowance under this subsection in an amount which, when added to the compensation to be paid to the veteran, in accordance with his approved training program, for productive labor performed as a part of his course, would exceed the rate of \$310 per month. For the purpose of computing allowances under this subsection, the duration of the training of an eligible veteran shall be the period specified in the approved application as the period during which he may receive an education and training allowance for such training, plus such additional period, if any, as is necessary to make the number of months of such training a multiple of four.

Apprentice training.

(d) The education and training allowance of an eligible veteran pursuing institutional on-farm training shall be computed at the rate of (1) \$95 per month, if he has no dependent, or (2) \$110 per month, if he has one dependent, or (3) \$130 per month, if he has more than one dependent; except that his education and training allowance shall be reduced at the end of each four-month period as his program progresses by an amount which bears the same ratio to \$65 per month, if the veteran has no dependent, or \$80 per month, if he has one dependent, or \$100 per month, if he has more than one dependent, as four months bears to the total duration of such veteran's institutional on-farm training. For the purpose of computing allowances under this subsection, the duration of the training of an eligible veteran shall be the period specified in the approved application as the period during which he may receive an education and training allowance for such training, plus such additional period, if any, as is necessary to make the number of such months of such training a multiple of four.

Institutional on-farm training.

(e) The education and training allowance of an eligible veteran pursuing a program of education or training exclusively by correspond-

Correspondence courses.

ence shall be computed on the basis of the established charge which the institution requires nonveterans to pay for the course or courses pursued by the eligible veteran. Such allowance shall be paid quarterly on a pro rata basis for the lessons completed by the veteran and serviced by the institution, as certified by the institution.

Less-than-half-time basis.

(f) The education and training allowance of an eligible veteran who is pursuing a program of education or training under this title in an educational institution on a less-than-half-time basis shall be computed at the rate of (1) the established charges for tuition and fees which the institution requires similarly circumstanced nonveterans enrolled in the same course to pay, or (2) \$110 per month for a full-time course, whichever is the lesser.

Flight training.

(g) Each eligible veteran who is pursuing an approved course of flight training shall be paid an education and training allowance to be computed at the rate of 75 per centum of the established charge which similarly circumstanced nonveterans enrolled in the same flight course are required to pay for tuition for the course. If such veteran's program of education or training consists exclusively of flight training, he shall not be paid an education and training allowance under one of the preceding subsections of this section; if his program of education or training consists of flight training and other education or training, the allowance payable under this subsection shall be in addition to any education and training allowance payable to him under one of the preceding subsections of this section for education or training other than flight training. Such allowance shall be paid monthly upon receipt of certification from the eligible veteran and the institution as to the actual flight training received by the veteran. In each such case the eligible veteran's period of entitlement shall be charged (in addition to any charge made against his entitlement by reason of education or training other than flight training) with one day for each \$1.25 which is paid to the veteran as an education and training allowance for such course.

Prohibitions.

(h) No eligible veteran shall be paid an education and training allowance under this title for any period during which (1) he is enrolled in and pursuing a course of education or training paid for by the United States under any provision of law other than this title, where the payment of such allowance would constitute a duplication of benefits paid to the veteran from the Federal Treasury, or (2) he is pursuing a course of apprentice or other training on the job, a course of institutional on-farm training, or a course of education and training described in subsection (b), on a less than full-time basis.

#### FULL-TIME COURSES

SEC. 233. (a) For the purposes 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 not 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 class room instruction predominates shall be considered a full-time course when a minimum of twenty-five hours per week net of instruction is required, and (3) an institutional undergraduate course offered by a college or university on a quarter or semester-hour basis for which credit is granted toward a standard college degree shall be considered a full-time course when a minimum of fourteen semester hours or its equivalent is required.

(b) The Administrator shall define full-time training in the case of all types of courses of education or training other than institutional

on-farm training and the types of courses referred to in subsection (a): *Provided*, That the Administrator shall not define full-time apprentice training for a particular establishment other than that established as the standard work-week through bona-fide collective bargaining between employers and employees.

#### OVERCHARGES BY EDUCATIONAL INSTITUTIONS

SEC. 234. The Administrator may, if he finds that an institution has charged or received from any eligible veteran any amount in excess of the established charges for tuition and fees which the institution requires similarly circumstanced nonveterans enrolled in the same course to pay, disapprove such educational institution for the enrollment of any veteran not already enrolled therein, except that, in the case of a tax-supported public educational institution which does not have established charges for tuition and fees which it requires non-veteran residents to pay, such institution may charge and receive from each eligible veteran who is a resident an amount equal to the estimated cost of teaching personnel and supplies for instruction attributable to such veteran, but in no event to exceed the rate of \$10 per month for a full-time course.

#### PART V—STATE APPROVING AGENCIES

##### DESIGNATION

SEC. 241. (a) Unless otherwise established by the law of the State concerned, the chief executive of each State is requested to create or designate a State department or agency as the "State approving agency" for his State for the purposes of this title.

(b) (1) In the event any State fails or declines to create or designate a State approving agency, the provisions of this title which refer to the State approving agency shall, with respect to such State, be deemed to refer to the Administrator.

(2) In the case of courses subject to approval by the Administrator under section 242, the provisions of this title which refer to a State approving agency shall be deemed to refer to the Administrator.

##### APPROVAL OF COURSES

SEC. 242. (a) An eligible veteran shall receive the benefits of this title while enrolled in a course of education or training offered by an educational institution or training establishment only if such course is approved by the State approving agency for the State where such educational institution or training establishment is situated or by the Administrator. Approval of courses by State approving agencies shall be in accordance with the provisions of this title and such other regulations and policies as the State approving agency may adopt. Each State approving agency shall furnish the Administrator with a current list of educational institutions and training establishments, specifying courses which it has approved, and, in addition to such list, it shall furnish such other information to the Administrator as it and the Administrator may determine to be necessary to carry out the purposes of this title. Each State approving agency shall notify the Administrator of the disapproval of any course previously approved and shall set forth the reasons for such disapproval.

(b) The Administrator shall be responsible for the approval of courses of education or training offered by any agency of the Federal Government authorized under other laws to supervise such education or training. The Administrator may approve any course in any other

educational institution or training establishment in accordance with the provisions of this title.

#### COOPERATION

SEC. 243. (a) The Administrator and each State approving agency shall take cognizance of the fact that definite duties, functions, and responsibilities are conferred upon the Administrator and each State approving agency under the veterans' educational programs. To assure that such programs are effectively and efficiently administered, the cooperation of the Administrator and the State approving agencies is essential. It is necessary to establish an exchange of information pertaining to activities of educational institutions and training establishments, and particular attention should be given to the enforcement of approval standards, enforcement of wage and income limitations, enforcement of enrollment restrictions, and fraudulent and other criminal activities on the part of persons connected with educational institutions and training establishments in which veterans are enrolled under this title.

(b) The Administrator will furnish the State approving agencies with copies of such Veterans' Administration informational material as may aid them in carrying out this title.

#### USE OF OFFICE OF EDUCATION AND OTHER FEDERAL AGENCIES

SEC. 244. (a) In carrying out his functions under this title, the Administrator may utilize the facilities and services of any other Federal department or agency. The Administrator shall utilize the services of the Office of Education in developing cooperative agreements between the Administrator and State and local agencies relating to the approval of courses of education or training as provided for in section 245, in reviewing the plan of operations of State approving agencies under such agreements, and in rendering technical assistance to such State and local agencies in developing and improving policies, standards, and legislation in connection with their duties under this title.

(b) Any such utilization shall be pursuant to proper agreement with the Federal department or agency concerned; and payment to cover the cost thereof shall (except in the case of the Office of Education) be made either in advance or by way of reimbursement, as may be provided in such agreement. Funds necessary to enable the Office of Education to carry out its functions under this title are authorized to be appropriated directly to such Office.

Funds.

#### REIMBURSEMENT OF EXPENSES

SEC. 245. 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 in (1) rendering necessary services in ascertaining the qualifications of educational institutions and training establishments for furnishing courses of education or training to eligible veterans under this title, and in the supervision of such educational institutions and training establishments, and (2) furnishing, at the request of the Administrator, any other services in connection with this title. Each such contract or agreement shall be conditioned upon compliance with the standards and provisions of this title.

## PART VI—APPROVAL OF COURSES OF EDUCATION AND TRAINING

## APPRENTICE OR OTHER TRAINING ON THE JOB

SEC. 251. (a) Apprentice or other training on the job shall consist of courses offered by training establishments whenever such courses of training are furnished in accordance with the provisions of this section. Any training establishment desiring to furnish a course of apprentice or other training on the job shall submit to the appropriate State approving agency a written application setting forth the course of training for each job for which an eligible veteran is to be trained. The written application covering the course of training shall include the following:

Application.

(1) Title and description of the specific job objective for which the eligible veteran is to be trained;

(2) The length of the training period;

(3) A schedule listing various operations for major kinds of work or tasks to be learned and showing for each, job operations or work, tasks to be performed, and the approximate length of time to be spent on each operation or task;

(4) The wage or salary to be paid at the beginning of the course of training, at each successive step in the course, and at the completion of training;

(5) The entrance wage or salary paid by the establishment to employees already trained in the kind of work for which the veteran is to be trained; and

(6) The number of hours of supplemental related instruction required.

(b) The appropriate State approving agency may approve a course of apprentice or other training on the job specified in an application submitted by a training establishment in accordance with subsection (a) if such training establishment is found upon investigation to have met the following criteria:

Criteria.

(1) The training content of the course is adequate to qualify the eligible veteran for appointment to the job for which he is to be trained.

(2) There is reasonable certainty that the job for which the eligible veteran is to be trained will be available to him at the end of the training period.

(3) The job is one in which progression and appointment to the next higher classification are based upon skills learned through organized training on the job and not on such factors as length of service and normal turn-over.

(4) The wages to be paid the eligible veteran for each successive period of training are not less than those customarily paid in the training establishment and in the community to a learner in the same job who is not a veteran.

(5) The job customarily requires a period of training of not less than three months and not more than two years of full-time training, except that this provision shall not apply to apprentice training.

(6) The length of the training period is no longer than that customarily required by the training establishment and other training establishments in the community to provide an eligible veteran with the required skills, arrange for the acquiring of job knowledge, technical information, and other facts which the eligible veteran will need to learn in order to become competent on the job for which he is being trained.

(7) Provision is made for related instruction for the individual eligible veteran who may need it.

(8) There is in the training establishment adequate space, equipment, instructional material, and instructor personnel to provide satisfactory training on the job.

(9) Adequate records are kept to show the progress made by each eligible veteran toward his job objective.

(10) Appropriate credit is given the eligible veteran for previous training and job experience, whether in the military service or elsewhere, his beginning wage adjusted to the level to which such credit advances him and his training period shortened accordingly and provision is made for certification by the training establishment that such credit has been granted and the beginning wage adjusted accordingly. No course of training will be considered bona fide if given to an eligible veteran who is already qualified by training and experience for the job objective.

(11) A signed copy of the training agreement for each eligible veteran, including the training program and wage scale as approved by the State approving agency, is provided to the veteran and to the Administrator and the State approving agency by the employer.

(12) Upon completion of the course of training furnished by the training establishment the eligible veteran is given a certificate by the employer indicating the length and type of training provided and that the eligible veteran has completed the course of training on the job satisfactorily.

(13) That the course meets such other criteria as may be established by the State approving agency.

#### INSTITUTIONAL ON-FARM TRAINING

SEC. 252. (a) An eligible veteran shall be entitled to the benefits of this title while enrolled in a course of full-time institutional on-farm training which has been approved by the appropriate State approving agency in accordance with the provisions of this section.

Approval requirements.

(b) The State approving agency may approve a course of institutional on-farm training when it satisfies the following requirements:

(1) The course combines organized group instruction in agricultural and related subjects of at least two hundred hours per year (and of at least eight hours each month) at an educational institution, with supervised work experience on a farm or other agricultural establishment.

(2) The eligible veteran will perform a part of such course on a farm or other agricultural establishment under his control.

(3) The course is developed with due consideration to the size and character of the farm or other agricultural establishment on which the eligible veteran will receive his supervised work experience and to the need of such eligible veteran, in the type of farming for which he is training, for proficiency in planning, producing, marketing, farm mechanics, conservation of resources, food conservation, farm financing, farming management, and the keeping of farm and home accounts.

(4) The eligible veteran will receive not less than one hundred hours of individual instruction per year, not less than fifty hours of which shall be on such farm or other agricultural establishment (with at least two visits by the instructor to such farm each month). Such individual instruction shall be given by the instructor responsible for the veteran's institutional instruction and shall include instruction and home-study assignments in the

preparation of budgets, inventories, and statements showing the production, use on the farm, and sale of crops, livestock, and livestock products.

(5) The eligible veteran will be assured of control of such farm or other agricultural establishment (whether by ownership, lease, management agreement, or other tenure arrangement) until the completion of his course.

(6) Such farm or other agricultural establishment shall be of a size and character which (A) will, together with the group-instruction part of the course, occupy the full time of the eligible veteran, (B) will permit instruction in all aspects of the management of the farm or other agricultural establishment of the type for which the eligible veteran is being trained, and will provide the eligible veteran an opportunity to apply to the operation of his farm or other agricultural establishment the major portion of the farm practices taught in the group instruction part of the course, and (C) will assure him a satisfactory income for a reasonable living under normal conditions at least by the end of his course.

(7) Provision shall be made for certification by the institution and the veteran that the training offered does not repeat or duplicate training previously received by the veteran.

(8) The institutional on-farm training meets such other fair and reasonable standards as may be established by the State approving agency.

#### APPROVAL OF ACCREDITED COURSES

SEC. 253. (a) A State approving agency may approve the courses offered by an educational institution when—

(1) such courses have been accredited and approved by a nationally recognized accrediting agency or association;

(2) credit for such course is approved by the State department of education for credit toward a high school diploma;

(3) such courses are conducted under the Act of February 23, 1917, as amended (39 Stat. 927), or the Vocational Education Act of 1946; or

(4) such courses are accepted by the State department of education for credit for a teacher's certificate or a teacher's degree.

For the purposes of this title the Commissioner shall publish a list of nationally recognized accrediting agencies and associations which he determines to be reliable authority as to the quality of training offered by an educational institution and the State approving agencies may, upon concurrence, utilize the accreditation of such accrediting associations or agencies for approval of the courses specifically accredited and approved by such accrediting association or agency. In making application for approval, the institution shall transmit to the State approving agency copies of its catalog or bulletin.

(b) As a condition to approval under this section, the State approving agency must find that adequate records are kept by the educational institution to show the progress of each eligible veteran. The State approving agency must also find that the educational institution maintains a written record of the previous education and training of the veteran and clearly indicates that appropriate credit has been given by the institution for previous education and training, with the training period shortened proportionately and the veteran and the Administrator so notified.

60 Stat. 775.  
20 USC 15i note.

Publication of  
list.

Records.

## APPROVAL OF NONACCREDITED COURSES

## Application.

SEC. 254. (a) No course of education or training (other than a course of institutional on-farm training) which has not been approved by a State approving agency pursuant to section 253, which is offered by a public or private, profit or nonprofit, educational institution shall be approved for the purposes of this title unless the educational institution offering such course submits to the appropriate State approving agency a written application for approval of such course in accordance with the provisions of this title.

## Catalog.

(b) Such application shall be accompanied by not less than two copies of the current catalog or bulletin which is certified as true and correct in content and policy by an authorized owner or official and includes the following:

(1) Identifying data, such as volume number and date of publication;

(2) Names of the institution and its governing body, officials and faculty;

(3) A calendar of the institution showing legal holidays, beginning and ending date of each quarter, term, or semester, and other important dates;

(4) Institution policy and regulations on enrollment with respect to enrollment dates and specific entrance requirements for each course;

(5) Institution policy and regulations relative to leave, absences, class cuts, make-up work, tardiness and interruptions for unsatisfactory attendance;

(6) Institution policy and regulations relative to standards of progress required of the student by the institution (this policy will define the grading system of the institution, the minimum grades considered satisfactory, conditions for interruption for unsatisfactory grades or progress and a description of the probationary period, if any, allowed by the institution, and conditions of reenrollment for those students dismissed for unsatisfactory progress. A statement will be made regarding progress records kept by the institution and furnished the student);

(7) Institution policy and regulations relating to student conduct and conditions for dismissal for unsatisfactory conduct;

(8) Detailed schedule of fees, charges for tuition, books, supplies, tools, student activities, laboratory fees, service charges, rentals, deposits, and all other charges;

(9) Policy and regulations of the institution relative to the refund of the unused portion of tuition, fees, and other charges in the event the student does not enter the course or withdraws or is discontinued therefrom;

(10) A description of the available space, facilities, and equipment;

(11) A course outline for each course for which approval is requested, showing subjects or units in the course, type of work or skill to be learned, and approximate time and clock hours to be spent on each subject or unit; and

(12) Policy and regulations of the institution relative to granting credit for previous educational training.

## Criteria.

(c) The appropriate State approving agency may approve the application of such institution when the institution and its non-accredited courses are found upon investigation to have met the following criteria:

(1) The courses, curriculum, and instruction are consistent in quality, content, and length with similar courses in public schools

and other private schools in the State, with recognized accepted standards.

(2) There is in the institution adequate space, equipment, instructional material, and instructor personnel to provide training of good quality.

(3) Educational and experience qualifications of directors, administrators, and instructors are adequate.

(4) The institution maintains a written record of the previous education and training of the veteran and clearly indicates that appropriate credit has been given by the institution for previous education and training, with the training period shortened proportionately and the veteran and the Administrator so notified.

(5) A copy of the course outline, schedule of tuition, fees, and other charges, regulations pertaining to absences, grading policy, and rules of operation and conduct will be furnished the veteran upon enrollment.

(6) Upon completion of training, the veteran is given a certificate by the institution indicating the approved course and indicating that training was satisfactorily completed.

(7) Adequate records as prescribed by the State approving agency are kept to show attendance and progress or grades, and satisfactory standards relating to attendance, progress, and conduct are enforced.

(8) The institution complies with all local, city, county, municipal, State, and Federal regulations, such as fire codes, building and sanitation codes. The State approving agency may require such evidence of compliance as is deemed necessary.

(9) The institution is financially sound and capable of fulfilling its commitments for training.

(10) The institution does not utilize advertising of any type which is erroneous or misleading, either by actual statement, omission, or intimation. The institution shall not be deemed to have met this requirement until the State approving agency (1) has ascertained from the Federal Trade Commission whether the Commission has issued an order to the institution to cease and desist from any act or practice, and (2) has, if such an order has been issued, given due weight to that fact.

(11) The institution does not exceed its enrollment limitations as established by the State approving agency.

(12) The institution's administrators, directors, owners, and instructors are of good reputation and character.

(13) The institution has and maintains a policy for the refund of the unused portion of tuition, fees, and other charges in the event the veteran fails to enter the course or withdraws or is discontinued therefrom at any time prior to completion and such policy must provide that the amount charged to the veteran for tuition, fees, and other charges for a portion of the course shall not exceed the approximate pro rata portion of the total charges for tuition, fees, and other charges that the length of the completed portion of the course bears to its total length.

(14) Such additional criteria as may be deemed necessary by the State approving agency.

#### NOTICE OF APPROVAL OF COURSES

SEC. 255. The State approving agency, upon determining that an educational institution has complied with all the requirements of this title, will issue a letter to such institution setting forth the courses which have been approved for the purposes of this title, and will fur-

nish an official copy of such letter and any subsequent amendments to the Administrator. The letter of approval shall be accompanied by a copy of the catalog or bulletin of the institution, as approved by the State approving agency, and shall contain the following information:

- (1) date of letter and effective date of approval of courses;
- (2) proper address and name of each educational institution or training establishment;
- (3) authority for approval and conditions of approval, referring specifically to the approved catalog or bulletin published by the educational institution;
- (4) name of each course approved;
- (5) where applicable, enrollment limitations such as maximum numbers authorized and student-teacher ratio;
- (6) signature of responsible official of State approving agency; and
- (7) such other fair and reasonable provisions as are considered necessary by the appropriate State approving agency.

#### DISAPPROVAL OF COURSES AND DISCONTINUANCE OF ALLOWANCES

Notification.

SEC. 256. (a) Any course approved for the purposes of this title which fails to meet any of the requirements of this title shall be immediately disapproved by the appropriate State approving agency. An educational institution or training establishment which has its courses disapproved by a State approving agency will be notified of such disapproval by a registered letter of notification and a return receipt secured.

(b) The Administrator may discontinue the education and training allowance of any eligible veteran if he finds that the course of education or training in which such veteran is enrolled fails to meet any of the requirements of this title or if he finds that the educational institution or training establishment offering such course has violated any provision of this title or fails to meet any of its requirements.

(c) Each State approving agency shall notify the Administrator of each course which it has disapproved under this section. The Administrator shall notify the State approving agency of his disapproval of any educational institution or training establishment under part VII of Veterans Regulation Numbered 1 (a), as amended.

38 USC note foll.  
ch. 12.

### PART VII—MISCELLANEOUS PROVISIONS

#### AUTHORITY AND DUTIES OF ADMINISTRATOR

38 USC 11a-2.

42 Stat. 20.

64 Stat. 832.

31 USC 1, 2 note.

SEC. 261. (a) The Administrator is authorized to prescribe, promulgate, and publish such rules and regulations as are consistent with the provisions of this title and necessary to carry out its purposes. Notwithstanding the provisions of section 11 of the Act of October 17, 1940, as amended (54 Stat. 1193), payments under this title shall be subject to audit and review by the General Accounting Office as provided by the Budget and Accounting Act of 1921, as amended, and the Budget and Accounting Procedures Act of 1950.

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

Guidance.

(c) The Administrator may arrange for educational and vocational guidance to persons eligible for education and training under this title and, if the Administrator requires such educational and voca-

tional guidance, he is authorized, in his discretion, to defray, or reimburse the veteran for his traveling expenses to and from the place of advisement. At such intervals as he deems necessary, he shall make available information respecting the need for general education and for trained personnel in the various crafts, trades, and professions: *Provided*, That facilities of other Federal agencies collecting such information shall be utilized to the extent he deems practicable.

#### ADVISORY COMMITTEE

SEC. 262. The Administrator shall form an advisory committee which shall be composed of persons who are eminent in their respective fields of education, labor, and management, and of representatives of the various types of institutions and establishments furnishing education and training to veterans enrolled under this title. The Commissioner and the Director, Bureau of Apprenticeship, Department of Labor shall be ex-officio members of the advisory committee. The Administrator shall advise and consult with the committee from time to time with respect to the administration of this title and the committee may make such reports and recommendations as it deems desirable to the Administrator and to the Congress.

#### CONTROL BY AGENCIES OF UNITED STATES

SEC. 263. No department, agency, or officer of the United States, in carrying out this title, shall exercise any supervision or control, whatsoever, over any State approving agency, State educational agency, or State apprenticeship agency, or any educational institution or training establishment: *Provided*, That nothing in this section shall be deemed to prevent any department, agency, or officer of the United States from exercising any supervision or control which such department, agency, or officer is authorized, by existing provisions of law, to exercise over any Federal educational institution or training establishment, or to prevent the furnishing of education or training under this title in any institution or establishment over which supervision or control is exercised by such other department, agency, or officer under authority of existing provisions of law.

#### CONFLICTING INTERESTS

SEC. 264. (a) Every officer or employee of the Veterans' Administration, or of the Office of Education, who has, while such an officer or employee, owned any interest in, or received any wages, salary, dividends, profits, gratuities, or services from, any educational institution operated for profit in which an eligible veteran was pursuing a course of education or training under this title shall be immediately dismissed from his office or employment.

(b) If the Administrator finds that any person who is an officer or employee of a State approving agency has, while he was such an officer or employee, owned any interest in, or received any wages, salary, dividends, profits, gratuities, or services from, an educational institution operated for profit in which an eligible veteran was pursuing a course of education or training under this title, he shall discontinue making payments under section 245 to such State approving agency unless such agency shall, without delay, take such steps as may be necessary to terminate the employment of such person and such payments shall not be resumed while such person is an officer or employee of the State approving agency, or State Department of Veterans Affairs or State Department of Education.

(c) A State approving agency shall not approve any course offered by an educational institution operated for profit and, if any such course has been approved, shall disapprove each such course, if it finds that any officer or employee of the Veterans' Administration, the Office of Education, or the State approving agency owns an interest in, or receives any wages, salary, dividends, profits, gratuities, or services from, such institution.

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

#### REPORTS BY INSTITUTIONS

SEC. 265. (a) Educational institutions and training establishments shall, without delay, report to the Administrator in the form prescribed by him, the enrollment, interruption, and termination of the education or training of each eligible veteran enrolled therein under this title.

(b) The Administrator shall pay to each educational institution which is required to submit reports and certifications to the Administrator under this title, an allowance at the rate of \$1.50 per month for each eligible veteran enrolled in and attending such institution under the provisions of this title to assist the educational institution in defraying the expense of preparing and submitting such reports and certifications. Such allowances shall be paid in such manner and at such times as may be prescribed by the Administrator, except that in the event any institution fails to submit reports or certifications to the Administrator as required by this title, no allowance shall be paid to such institution for the month or months during which such reports or certifications were not submitted as required by the Administrator.

#### OVERPAYMENTS TO VETERANS

SEC. 266. In any case where it is found by the Administrator that an overpayment has been made to a veteran as the result of (1) the willful or negligent failure of the educational institution or training establishment to report, as required by this title and applicable regulations, to the Veterans' Administration excessive absences from a course, or discontinuance or interruption of a course by the veteran or (2) false certification by the educational institution or training establishment, the amount of such overpayment shall constitute a liability of such institution or establishment, and may be recovered in the same manner as any other debt due the United States: *Provided*, That any amount so collected shall be reimbursed if the overpayment is recovered from the veteran. This provision shall not preclude the imposition of any civil or criminal action under this or any other statute.

#### EXAMINATION OF RECORDS

SEC. 267. The records and accounts of educational institutions and training establishments pertaining to eligible veterans who received education or training under this title shall be available for examination by duly authorized representatives of the Government.

## FALSE OR MISLEADING STATEMENTS

SEC. 268. The Administrator shall not make any payments under this title to any person found by him to have willfully submitted any false or misleading claims. In each case where the Administrator finds that an educational institution or training establishment has willfully submitted a false or misleading claim, or where a veteran, with the complicity of an educational institution or training establishment, has submitted such a claim, he shall make a complete report of the facts of the case to the appropriate State approving agency and where deemed advisable to the Attorney General of the United States for appropriate action.

## CRIMINAL PENALTIES

SEC. 269. Whoever knowingly and willfully—

(1) makes or presents any false, fictitious, or fraudulent affidavit, declaration, certificate, voucher, endorsement, or paper or writing purporting to be such, concerning any claim for payment under this title, or pertaining to any matter arising under this title,

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

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

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

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

## APPLICATION OF OTHER LAWS

SEC. 270. The provisions of Public Law Numbered 262, Seventy-fourth Congress, approved August 12, 1935 (49 Stat. 607), as amended, the provisions of section 15 of Public Law Numbered 2, Seventy-third Congress, as amended, the provisions of section 12 of Public Law Numbered 144, Seventy-eighth Congress, approved July 13, 1943 (57 Stat. 557), as amended, and the provisions of titles II and III of Public Law Numbered 844, Seventy-fourth Congress, approved June 29, 1936, as amended, shall be for application under this title.

38 USC 450,  
454 a, 556 a and  
note.

48 Stat. 11.  
38 USC 715.

38 USC note foll.  
ch. 12.

49 Stat. 2031.  
38 USC 101-104,  
131-133, 619 note.

## WAIVER OF RECOVERY OF OVERPAYMENTS

SEC. 271. There shall be no recovery of payments of education and training allowance made under this title from any person who, in the judgment of the Administrator, is without fault on his part and where, in the judgment of the Administrator, such recovery would defeat the purpose of benefits otherwise authorized or would be against equity and good conscience. No disbursing officer or certifying officer shall be held liable for any amount paid to any person where the recovery of such amount is waived under this section.

## INFORMATION FURNISHED BY FEDERAL TRADE COMMISSION

SEC. 272. The Federal Trade Commission shall keep all State approving agencies advised of any information coming to its attention which would be of assistance to such agencies in carrying out their duties under this title.

## EFFECTIVE DATE

SEC. 273. This title shall take effect on the date of its enactment, except that no education and training allowance shall be paid for any period prior to August 20, 1952.

## APPROPRIATIONS

SEC. 274. The appropriations for the Veterans' Administration under the headings "Administration, medical, hospital and domiciliary services" and "Readjustment benefits" are hereby made available for expenditures necessary to carry out the provisions of this title, and there is hereby authorized to be appropriated such additional amounts as may be necessary to accomplish the purposes of this title.

## TITLE III—LOANS

## PERSONS ELIGIBLE FOR LOANS

SEC. 301. Subsection (a) of section 500 of the Servicemen's Readjustment Act of 1944, as amended, is amended—

58 Stat. 291.  
38 USC 694.

(1) by inserting after "war" in the first sentence the following: ", or at any time on or after June 27, 1950, and prior to such date as shall be determined by Presidential proclamation or concurrent resolution of the Congress,";

(2) by inserting after the first sentence the following: "Entitlement derived from service on or after June 27, 1950, shall (1) cancel any unused entitlement derived from service prior to June 27, 1950, and (2) be reduced by the amount entitlement from such prior service shall have been used to obtain a direct, guaranteed, or insured loan (a) on real property which the veteran owns at the time of application or (b) as to which the Administrator shall have incurred actual liability or loss, unless in the event of loss or the incurrence and payment of such liability by the Administrator, the resultant indebtedness of the veteran to the Government shall have been paid in full."; and

(3) by inserting after "war" in the fourth sentence of such subsection, as amended by this section, the following: ", and any loan to a veteran eligible by virtue of active service on or after June 27, 1950, if made within ten years after such date as shall be determined by Presidential proclamation or concurrent resolution of the Congress,".

## POWER OF ADMINISTRATOR TO EXAMINE LOANS

38 USC 694.

SEC. 302. Section 500 of the Servicemen's Readjustment Act of 1944, as amended, is amended by adding at the end thereof the following new subsection:

"(f) Notwithstanding the provisions in this title respecting automatically guaranteed loans, the Administrator may at any time upon thirty days' notice require loans to be made by any lender or class of lenders to be submitted for prior approval, and no guaranty or insurance liability shall exist in respect to such loans unless evidence of guaranty or insurance is issued by the Administrator."

## ADDITIONAL REQUIREMENT FOR GUARANTEED LOANS

SEC. 303. Section 501 (a) (2) of the Servicemen's Readjustment Act of 1944, as amended, is amended by inserting after "expenses" the following: ", and the veteran is a satisfactory credit risk".

38 USC 694a.

## STANDARDS OF PLANNING AND CONSTRUCTION; SUBSTANTIAL DEFICIENCIES IN HOUSING

SEC. 304. Section 504 of the Servicemen's Readjustment Act of 1944, as amended, is amended by striking out subsection (b) and inserting in lieu thereof the following new subsections:

38 USC 694d.

"(b) No loan for the purchase or construction of residential property on which construction is begun subsequent to sixty days from the date the Veterans' Readjustment Assistance Act of 1952 becomes effective shall be financed through the assistance of the provisions of this title unless the property meets or exceeds minimum requirements for planning, construction, and general acceptability prescribed by the Administrator: *Provided*, That subsection 504 (b) as originally enacted shall continue to be applicable to construction begun prior to the end of such sixty-day period: *Provided further*, That this subsection shall not apply to a loan for the purchase of residential property the construction of which was completed more than one year prior to the making of such loan.

"(c) The Administrator shall have the right to refuse to appraise any dwelling or housing project owned, sponsored, or to be constructed by any person identified with housing previously sold to veterans under this title as to which substantial deficiencies have been discovered, or as to which there has been a failure or indicated inability to discharge contractual liabilities to veterans, or as to which it is ascertained that the type of contract of sale or the methods or practices pursued in relation to the marketing of such properties were unfair or unduly prejudicial to veteran purchasers."

## ELIGIBILITY FOR LOANS TO REFINANCE EXISTING LIABILITY

SEC. 305. Section 507 (1) of the Servicemen's Readjustment Act of 1944, as amended, is amended by inserting before the semicolon at the end thereof the following: "or, in the case of a veteran eligible by virtue of active service on or after June 27, 1950, not later than ten years after such date as shall be determined by Presidential proclamation or concurrent resolution of the Congress".

38 USC 694h.

## EXPIRATION OF AUTHORITY TO MAKE DIRECT LOANS

SEC. 306. Section 512 (b) of the Servicemen's Readjustment Act of 1944, as amended, is amended by striking out "(D)" and inserting in lieu thereof "(C)" and by inserting before the period at the end thereof the following: ", except that if a commitment to make such a loan was issued by the Administrator prior to that date the loan may be completed subsequent to such date".

38 USC 694i.

## REFUSAL TO GUARANTEE OR INSURE LOANS IN CERTAIN CASES

SEC. 307. Title III of the Servicemen's Readjustment Act of 1944, as amended, is amended by adding at the end thereof the following new section:

38 USC 694-694m.

"SEC. 514. Whenever the Administrator finds with respect to loans guaranteed or insured under this title that any lender or holder has failed to maintain adequate loan accounting records, or to demonstrate

proper ability to service loans adequately or to exercise proper credit judgment or has willfully or negligently engaged in practices otherwise detrimental to the interest of veterans or of the Government, he may refuse either temporarily or permanently to guarantee or insure any loans made by such lender or holder or bar such lender or holder from acquiring loans guaranteed or insured under this title: *Provided*, That the Administrator shall not refuse to pay a guarantee on loans theretofore entered into in good faith between the veteran and the lending institution."

#### TITLE IV—UNEMPLOYMENT COMPENSATION FOR VETERANS OF SERVICE ON OR AFTER JUNE 27, 1950

##### COMPENSATION FOR VETERANS UNDER STATE AGREEMENTS

SEC. 401. (a) The Secretary is authorized on behalf of the United States to enter into an agreement with any State, or with the agency administering the unemployment compensation law of such State, under which such State agency (1) will make, as agent of the United States, payments of compensation to veterans, in accordance with the provisions of this title, and (2) will otherwise cooperate with the Secretary, and with other State agencies, in making payments of compensation under this title.

Rate of compensation.

(b) Any such agreement shall, except as provided in section 408, provide that compensation at the rate of \$26 per week will be paid by the State to any veteran in such State with respect to weeks of unemployment (not in excess of a total of 26 weeks) which occur after the ninetieth day after the date of the enactment of this Act: *Provided, however*, That if a veteran is eligible to receive mustering-out payment under section 502 of this Act, he shall not be eligible to receive compensation under this title with respect to weeks of unemployment completed within thirty days after his discharge or ninety days after the date of the enactment of this Act, whichever date is the later, if he receives \$100 in such mustering-out payment; within sixty days after his discharge or ninety days after the date of the enactment of this Act, whichever date is the later, if he receives \$200 in such mustering-out payment; or within ninety days after his discharge or ninety days after the date of the enactment of this Act, whichever date is the later, if he receives \$300 in such mustering-out payment.

Date of eligibility.

(c) Any such agreement shall provide that any determination by a State agency with respect to entitlement to compensation pursuant to an agreement under this section shall be made in accordance with the State unemployment compensation law, insofar as such law is applicable, and shall be subject to review in the same manner and to the same extent as determinations under the State unemployment compensation law, and only in such manner and to such extent.

(d) Each agreement shall provide the terms and conditions upon which it may be amended or terminated.

##### COMPENSATION FOR VETERANS IN ABSENCE OF STATE AGREEMENTS

SEC. 402. (a) In the case of a veteran who is in a State which has no agreement under this title with the Secretary, the Secretary, in accordance with regulations prescribed by him, shall, upon the filing by such veteran of a claim for compensation under this subsection, make payments of compensation to him in the same amounts and for the same periods as provided in section 401 (b). Any determination by the Secretary with respect to entitlement to compensation under this subsection shall be made in accordance with the State unemployment

compensation law of the State in which the veteran is insofar as such law is applicable.

(b) In the case of a veteran who is in Puerto Rico or in the Virgin Islands, the Secretary, in accordance with regulations prescribed by him, shall, upon the filing by such veteran of a claim for compensation under this subsection, make payments of compensation to him in the same amounts and for the same periods as provided in section 401 (b). Any determination by the Secretary with respect to entitlement to compensation under this subsection shall be made in accordance with the unemployment compensation law of the District of Columbia, insofar as such law is applicable.

Puerto Rico;  
Virgin Islands.

(c) Any veteran whose claim for compensation under subsection (a) or (b) of this section has been denied shall be entitled to a fair hearing in accordance with regulations prescribed by the Secretary. Any final determination by the Secretary with respect to entitlement to compensation under this section shall be subject to review by the courts in the same manner and to the same extent as is provided in section 205 (g) of title II of the Social Security Act, as amended, with respect to final decisions of the Administrator under such title.

Denial of com-  
pensation.

53 Stat. 1368.  
42 USC 405.

(d) The Secretary may utilize for the purposes of this section the personnel and facilities of the agencies in Puerto Rico and the Virgin Islands cooperating with the United States Employment Service under the Act of June 6, 1933 (48 Stat. 113), as amended. For the purpose of payments made to such agencies under such Act, the furnishing of such personnel and facilities shall be deemed to be a part of the administration of the public employment offices of such agencies.

5 USC 616; 29  
USC 49-49k; 39  
USC 338.

#### PAYMENTS TO STATES

SEC. 403. (a) Each State shall be entitled to be paid by the United States an amount equal to the payments of compensation made by such State under and in accordance with an agreement under this title.

(b) In making payments pursuant to subsection (a) of this section there shall be paid to the State, either in advance or by way of reimbursement, as may be determined by the Secretary, such sum as the Secretary estimates the State will be entitled to receive under this title for each calendar month, reduced or increased, as the case may be, by any sum by which the Secretary finds that his estimates for any prior calendar month were greater or less than the amounts which should have been paid to the State. Such estimates may be made upon the basis of such statistical, sampling, or other method as may be agreed upon by the Secretary and the State agency.

(c) The Secretary shall from time to time certify to the Secretary of the Treasury for payment to each State sums payable to such State under this section. The Secretary of the Treasury, prior to audit or settlement by the General Accounting Office, shall make payment to the State in accordance with such certification, from the funds for carrying out the purposes of this title.

Certification.

(d) All money paid to a State under this title shall be used solely for the purposes for which it is paid; and any money so paid which is not used for such purposes shall be returned, at the time specified in the agreement under this title, to the Treasury and credited to current applicable appropriations, funds, or accounts from which payments to States under this title may be made.

(e) An agreement under this title may require any officer or employee of the State certifying payments or disbursing funds pursuant to the agreement, or otherwise participating in its performance, to give a surety bond to the United States in such amount as the

Bond.

Secretary may deem necessary, and may provide for the payment of the cost of such bond from funds for carrying out the purposes of this title.

Certifying officer.

(f) No person designated by the Secretary, or designated pursuant to an agreement under this title, as a certifying officer, shall, in the absence of gross negligence or intent to defraud the United States, be liable with respect to the payment of any compensation certified by him under this title.

Disbursing officer.

(g) No disbursing officer shall, in the absence of gross negligence or intent to defraud the United States, be liable with respect to any payment by him under this title if it was based upon a voucher signed by a certifying officer designated as provided in subsection (f) of this section.

49 Stat. 626.  
42 USC 501-503.

(h) For the purpose of payments made to a State under title III of the Social Security Act, administration by the State agency of such State pursuant to an agreement under this title shall be deemed to be a part of the administration of the State unemployment compensation law.

Availability of funds.

(i) Until such time as funds are appropriated to carry out the provisions of this title, any funds available to the Department of Labor for "Grants to States for unemployment compensation and employment service administration" are hereby made available for expenditures necessary to carry out the provisions of this title: *Provided*, That any such expenditures made or obligations incurred shall be adjusted and charged to any applicable appropriation, fund, or authorization whenever a law is enacted which contains such applicable appropriation, fund, or authorization.

#### INFORMATION

SEC. 404. (a) All Federal departments and agencies are directed to make available to State agencies which have agreements under this title or to the Secretary, as the case may be, such information with respect to military service of any veteran as the Secretary may find practicable and necessary for the determination of such veteran's entitlement to compensation under this title.

Reports.

(b) The agency administering the unemployment compensation law of any State shall furnish to the Secretary such information as the Secretary may find necessary or appropriate in carrying out the provisions of this title, and such information shall be deemed reports required by the Secretary for the purposes of paragraph (6) of subsection (a) of section 303 of the Social Security Act, as amended.

42 USC 503.

#### PENALTIES

SEC. 405. (a) Whoever makes a false statement or representation of a material fact knowing it to be false, or knowingly fails to disclose a material fact, to obtain or increase for himself or for any other individual any payment authorized to be paid under this title or under an agreement thereunder shall be fined not more than \$1,000 or imprisoned for not more than one year, or both.

(b) Any person who makes, or causes to be made by another, a false statement or representation of a material fact knowing it to be false or knowingly fails, or causes another to fail, to disclose a material fact, and, as a result thereof, has received any amount as compensation under this title to which he was not entitled, shall be liable to repay such amount to the State agency or the Secretary, as the case may be, for the fund from which the amount was paid or, in the discretion of the State agency or the Secretary, as the case may be, to have such amount deducted from any future compensation payable to

him under this title within the two-year period following the finding, if the existence of such nondisclosure or misrepresentation has been found by a court of competent jurisdiction or in connection with a reconsideration or appeal.

#### REGULATIONS

SEC. 406. The Secretary is hereby authorized to make such rules and regulations as may be necessary to carry out the provisions of this title. The Secretary shall insofar as practicable consult with representatives of the State unemployment compensation agencies before prescribing any rules or regulations which may affect the performance by such agencies of functions pursuant to agreements under this title.

#### DEFINITIONS

SEC. 407. When used in this title—

(a) The term "veteran" means any person who has served in the active service in the Armed Forces at any time on or after June 27, 1950, and prior to such date as shall be determined by Presidential proclamation or concurrent resolution of the Congress, and who has been discharged or released from such active service under conditions other than dishonorable after continuous service of ninety days or more, or by reason of an actual service-incurred injury or disability.

(b) The term "compensation" means the money payments to individuals with respect to their unemployment.

(c) The term "Secretary" means the Secretary of Labor.

(d) The term "State" includes Hawaii, Alaska, Puerto Rico, the Virgin Islands, and the District of Columbia.

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

#### NONDUPLICATION OF BENEFITS

SEC. 408. (a) Notwithstanding any other provision of this title, no payment shall be made under any agreement under this title, or, in the absence of such an agreement, by the Secretary under this title, to a veteran for—

(1) any week or any part of a week he is eligible (or would be eligible except for the provisions of this title or except for any action taken by such veteran under this title) to receive unemployment benefits at a rate equal to or in excess of \$26 per week under any Federal or State unemployment compensation law,

(2) any period with respect to which he receives an education and training allowance under subsection (a), (b), (c), or (d) of section 232 of this Act or a subsistence allowance under part VII or part VIII of Veterans Regulation Numbered 1 (a), as amended, or

(3) any period he receives additional compensation necessary for his maintenance under section 6 (b) (2) of the Federal Employees Compensation Act, as amended.

(b) In any case in which, for any week or any part of a week, a veteran is eligible for payment of compensation under this title and is also eligible (or would be eligible except for the provisions of this title or except for any action taken by such veteran under this title) to receive for such week or such part of a week unemployment benefits at a rate less than \$26 per week under any Federal or State unemployment compensation law, such veteran may elect to receive payment of compensation under this title; but if the veteran so elects, the amount of compensation payable under this title shall be reduced by the amount of such compensation benefits for which such

<sup>38</sup> USC note foll. ch. 12.

63 Stat. 858.  
5 USC 756.

veteran is eligible (or would be eligible except for the provisions of this title or except for any action taken by such veteran under this title) under such Federal or State unemployment compensation law.

(c) If the veteran elects under subsection (b) to receive payment of compensation under this title, he shall be entitled to compensation at the rate of \$26 per week after the exhaustion of State unemployment benefits until the total compensation received under this title equals \$676.

(d) Under no circumstances shall any veteran receive compensation under this title from more than one State at one time or in a total amount in excess of \$676.

#### TERMINATION

SEC. 409. No compensation shall be paid under this title for any week commencing more than five years after the date determined by Presidential proclamation or concurrent resolution of the Congress prescribed in section 407 (a).

### TITLE V—MUSTERING-OUT PAYMENTS

#### ELIGIBILITY FOR PAYMENTS

SEC. 501. (a) Except as provided in subsection (b) of this section, each member of the Armed Forces who shall have been engaged in active service on or after June 27, 1950, and prior to such date as shall be determined by Presidential proclamation or concurrent resolution of the Congress, and who is discharged or relieved from active service under honorable conditions, shall be eligible to receive mustering-out payment.

Prohibitions.

(b) No mustering-out payment shall be made to—

(1) any member of the Armed Forces who, at the time of discharge or relief from active service, is in a pay grade higher than O-3;

(2) any member of the Armed Forces who, at the time of discharge or release from active service, is entitled to severance pay or is transferred or returned to the retired list with retired pay, retirement pay, retainer pay, or equivalent pay, or to a status in which he receives such pay: *Provided*, That this paragraph shall not apply upon retirement or separation pursuant to title IV of the Career Compensation Act of 1949;

(3) any member of the Armed Forces for any active service performed prior to the date of his discharge or relief from active service on his own initiative to accept employment or, in the case of any member so relieved from active service, for any active service performed prior to the date of his discharge while in such inactive status, unless he has served outside the continental limits of the United States or in Alaska;

(4) any member of the Armed Forces whose total period of service has been as a student assigned by the Armed Forces to a civilian institution for a course of education or training which was substantially the same as established courses offered to civilians;

(5) any member of the Armed Forces for any active service performed prior to the date of his discharge from such forces for the purpose of entering the United States Military Academy, the United States Naval Academy, or the United States Coast Guard Academy;

63 Stat. 816.  
37 USC 271-285.

(6) any member of the Armed Forces whose sole service has been as a cadet at the United States Military Academy or the United States Coast Guard Academy, or as a midshipman at the United States Naval Academy, or in a preparatory school after nomination as a principal, alternate, or candidate for admission to any of said Academies;

(7) any commissioned officer unless he is discharged or relieved from active service within three years after such date as shall be determined by Presidential proclamation or concurrent resolution of the Congress; and

(8) any member of the Armed Forces who is ordered to active service for the sole purpose of training duty or a physical examination, or for a period of less than sixty days.

(c) A member of the Armed Forces who is eligible to receive mustering-out payments under this title and under the Mustering-Out Payment Act of 1944 for the same period of active service shall elect to receive such payment either under this title or such Act, but shall not be entitled to payment under both provisions of law.

58 Stat. 8.  
38 USC 691.

#### DETERMINATION OF PAYMENTS

SEC. 502. (a) Mustering-out payment for persons eligible under section 501 shall be in sums as follows:

(1) \$300 for persons who, having performed active service for sixty days or more, have served outside the continental limits of the United States or in Alaska.

(2) \$200 for persons who, having performed active service for sixty days or more, have served no part thereof outside the continental limits of the United States or in Alaska.

(3) \$100 for persons who have performed active service for less than sixty days.

(b) Each person eligible to receive mustering-out payment under subsection (a) (1) shall receive one-third of the stipulated amount at the time of final discharge or ultimate relief from active service, or at the option of the person so eligible, at the time of discharge or release for the purpose of enlistment, reenlistment, or appointment in a regular component of the Armed Forces; and the remaining amount of such payment shall be paid in two equal installments—one month and two months, respectively, from the date of the original payment. Each person eligible to receive mustering-out payment under subsection (a) (2) shall receive one-half of the stipulated amount at the time of final discharge or ultimate relief from active service or, at the option of the person so eligible, at the time of discharge or release for the purpose of enlistment, reenlistment, or appointment in a regular component of the Armed Forces; and the remaining amount of such payment shall be paid one month from the date of the original payment. Each person eligible to receive mustering-out payment under subsection (a) (3) shall receive the stipulated amount at the time of such discharge or relief from active service or, at the option of the person so eligible, at the time of discharge or release for the purpose of enlistment, reenlistment, or appointment in a regular component of the Armed Forces. A person entitled to receive the first installment of the mustering-out payment at the time of discharge or release for the purpose of enlistment, reenlistment, or appointment in a regular component of the Armed Forces shall, at his election, receive the whole of such payment in one lump sum, rather than in installments.

Method of payment.

## TIME LIMITATIONS

SEC. 503. Any member of the Armed Forces entitled to mustering-out payment who shall have been discharged or relieved from active service under honorable conditions before the effective date of this title shall, if application therefor is made within two years after the date of enactment of this title, be paid such mustering-out payment by the Department of the Army, Navy, or Air Force, or the Treasury Department, as the case may be, beginning within one month after application has been received and approved by such department. No member of the Armed Forces shall receive mustering-out payment under this title more than once, and such payment shall accrue and the amount thereof shall be computed as of the time of discharge for the purpose of effecting a permanent separation from the service or of ultimate relief from active service or, at the option of such member, for the purpose of enlistment, reenlistment, or appointment in a regular component of the Armed Forces.

## DECEASED MEMBERS

SEC. 504. If any member of the Armed Forces, after his discharge or relief from active service, shall die before receiving any portion of or the full amount of his mustering-out payment, the balance of the amount due him shall be payable, on appropriate application therefor, to his surviving spouse, if any; and if he shall leave no surviving spouse, then in equal shares to his child or children, if any; and if he shall leave no surviving spouse or child or children, then in equal shares to his surviving parents, if any. No payments under this title shall be made to any other person.

## ADMINISTRATION OF TITLE

Mustering-out  
payments.

SEC. 505. (a) Mustering-out payments due or to become due under this title shall not be assignable and any payments made to or on account of a veteran hereunder shall be exempt from taxation, shall be exempt from the claims of creditors, including any claim of the United States, and shall not be subject to attachment, levy, or seizure by or under any legal or equitable process whatever either before or after receipt by the payee.

Regulations.

(b) The Secretaries of the Army, Navy, Air Force, and Treasury shall make such regulations not inconsistent with this title as may be necessary effectively to carry out the provisions thereof, and their decisions shall be final and not subject to review by any court or other Government official.

Payments to  
survivors.

(c) The Secretaries of the Army, Navy, Air Force, and Treasury, or such subordinate officers as they may designate, are authorized to make direct payment to survivors over seventeen years of age, and to select a proper person or persons to whom mustering-out payments may be made for the use and benefit of former active members of the Armed Forces, or survivors thereof, as defined by section 504 hereof, without the necessity of appointment by judicial proceedings of a legal representative of any such former member or such survivors when, in the opinion of the respective Secretaries or their designees, the interests of persons under seventeen years of age so justify, or where the former active member or his survivors is suffering from a mental disability sufficient to make direct payment not in the best interests of such person or persons. Payments made under the provisions of this subsection shall constitute a complete discharge of the obligation of the United States as provided in this title; and the selection of a proper person or persons, as provided herein, and the

correctness of the amount due and paid to such person or persons shall have the same finality as that accorded decisions made pursuant to subsection (b). The provisions of this subsection shall not apply where a legal guardian or committee has been judicially appointed, except as to any payments made hereunder prior to the receipt of notice of appointment.

#### DEFINITIONS

SEC. 506. As used in this title—

- (a) The term "spouse" means a lawful wife or husband.
- (b) The term "child" includes (1) a legitimate child; (2) a child legally adopted; and (3) a stepchild, if, at the time of death of the member of the Armed Forces, such stepchild was a member of the deceased's household.
- (c) The term "parent" includes father and mother, stepfather and stepmother, and father and mother through adoption.
- (d) The term "Armed Forces" means the Army, the Navy, the Air Force, the Marine Corps, and the Coast Guard of the United States.

### TITLE VI—MISCELLANEOUS

#### JOB COUNSELING AND EMPLOYMENT PLACEMENT

SEC. 601. Section 607 of title IV, Servicemen's Readjustment Act of 1944, as amended (38 U. S. C. 695f), is hereby amended to read as follows:

58 Stat. 295.

"SEC. 607. The term 'veteran' as used in this title shall mean a person who served in the active service of the Armed Forces during a period of war in which the United States has been, or is, engaged, or during the period on or after June 27, 1950, and prior to such date as may be thereafter determined by Presidential proclamation or concurrent resolution of the Congress, and who has been discharged or released therefrom under conditions other than dishonorable."

#### AUTHORIZATION OF APPROPRIATIONS

SEC. 602. There are hereby authorized to be appropriated such sums as may be necessary to carry out this Act.

Approved July 16, 1952.

Public Law 551

CHAPTER 876

#### AN ACT

For improvement of Gowanus Creek Channel, New York.

July 16, 1952  
[H. R. 7855]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the following improvement is hereby adopted and authorized in the interest of national security, to be prosecuted under the direction of the Secretary of the Army and supervision of the Chief of Engineers, in accordance with the plans recommended in the report hereinafter designated:

Gowanus Creek Channel, New York, in accordance with the report submitted in House Document Numbered 318, Eighty-second Congress, and subject to the conditions set forth in said document.

Approved July 16, 1952.

Gowanus Creek  
Channel, N. Y.