and to the Secretary of the Senate if the Senate is not in session.

''(b) If new enrollments after December 31, 1981, in the educational assistance program provided for in such chapter 32 are authorized after the application of the provisions of subsection (a), then effective January 1, 1982, section 1622(b) [now 3222(b)] of title 38, United States Code, is amended by striking out 'Veterans' Administration' and inserting in lieu thereof 'Department of Defense'.''

§ 3222. Contributions; matching fund

(a) Except as provided in subsections (c) and (d) of this section, each person electing to participate in the program shall agree to have a monthly deduction made from such person's military pay. Such monthly deduction shall be in any amount not less than $25 nor more than $100 except that the amount must be divisible by 5. Any such amount contributed by the participant or contributed by the Secretary of Defense pursuant to subsection (c) of this section shall be deposited in a deposit fund account entitled the ''Post-Vietnam Era Veterans Education Account'' (hereinafter in this chapter referred to as the ''fund'') to be established in the Treasury of the United States. Contributions made by the participant shall be limited to a maximum of $2,700.

(b) Except as otherwise provided in this chapter, each monthly contribution made by a participant under subsection (a) shall entitle the participant to matching funds from the Department of Defense at the rate of $2 for each $1 contributed by the participant.

(c) The Secretary of Defense is authorized to contribute to the fund of any participant such contributions as the Secretary of Defense deems necessary or appropriate to encourage persons to enter or remain in the Armed Forces, including contributions in lieu of, or to reduce the amount of, monthly deductions under subsection (a) of this section. The Secretary of Defense is authorized to issue such rules and regulations as the Secretary of Defense deems necessary or appropriate to implement the provisions of this subsection.

(d) Subject to the maximum contribution prescribed by subsection (a) of this section, a participant shall be permitted, while serving on active duty, to make a lump-sum contribution to the fund. A lump-sum contribution to the fund by a participant shall be in addition to or in lieu of monthly deductions made from such participant's military pay and shall be considered, for the purposes of paragraph (2) of section 3231(a) of this title, to have been made by monthly deductions from such participant's military pay in the amount of $100 per month or in such lesser amount as may be specified by such participant pursuant to regulations issued jointly by the Secretary of Defense and the Secretary.

(e) Any amount transferred to the Secretary from the Secretary of a military department under an interagency agreement for the administration by the Department of Veterans Affairs of an educational assistance program established by the Secretary of Defense under chapter 107 of title 10 may be deposited into and disbursed from the fund for the purposes of such program.

(Added Pub. L. 94–502, title IV, § 404, Oct. 15, 1976, 90 Stat. 2395, § 1622; amended Pub. L. 94–502, title IV, § 408(b), Oct. 15, 1976, 90 Stat. 2398; Pub. L. 96–466, title IV, § 406, Oct. 17, 1980, 94 Stat. 2202; Pub. L. 97–306, title II, §§ 209, 210, Oct. 14, 1982, 96 Stat. 1436; Pub. L. 98–160, title VII, § 702(6), Nov. 21, 1983, 97 Stat. 1009; Pub. L. 101–237, title IV, § 423(b)(1), (4)(A), (B), (D), Dec. 18, 1989, 103 Stat. 2092; renumbered § 3222 and amended Pub. L. 102–83, § 5(a), (c)(1), Aug. 6, 1991, 105 Stat. 406.)

Amendments

1991—Pub. L. 102–83, § 5(a), renumbered section 1622 of this title as this section.

Subsec. (d). Pub. L. 102–83, § 5(c)(1), substituted ''3231(a)'' for ''1631(a)''.

1989—Subsec. (a). Pub. L. 101–237, § 423(b)(4)(A), inserted ''of Defense'' after ''Secretary''.

Subsec. (c). Pub. L. 101–237, § 423(b)(4)(D), inserted ''of Defense'' after ''Secretary'' wherever appearing.

Subsec. (d). Pub. L. 101–237, § 423(b)(1)(A), (4)(A), substituted ''Secretary'' for ''Administrator'' at end and inserted ''of Defense'' after ''jointly by the Secretary''.

Subsec. (e). Pub. L. 101–237, § 423(b)(1), (4)(B), substituted ''Secretary'' and ''Department of Veterans Affairs'' for ''Administrator'' and ''Veterans' Administration'', respectively, and inserted ''of Defense'' after ''established by the Secretary''.

1983—Subsec. (d). Pub. L. 98–160 inserted ''of this title'' after ''section 1631(a)''.

1982—Subsec. (d). Pub. L. 97–306, § 210, substituted ''$100'' for ''$75''.

Subsec. (e). Pub. L. 97–306, § 209, added subsec. (e).

1980—Subsec. (a). Pub. L. 96–466, § 406(a), substituted ''Except as provided in subsections (c) and (d) of this section, each'' for ''Each'', ''$25'' for ''$50'', and ''$100'' for ''$75''.

Subsec. (c). Pub. L. 96–466, § 406(b), inserted '', including contributions in lieu of, or to reduce the amount of, monthly deductions under subsection (a) of this section'' after ''Armed Forces''.

Subsec. (d). Pub. L. 96–466, § 406(c), added subsec. (d).

1976—Subsec. (b). Pub. L. 94–502 substituted ''Department of Defense'' for ''Veterans' Administration''.

Effective Date of 1980 Amendment

Amendment by Pub. L. 96–466 effective Oct. 1, 1980, see section 802(d)(2) of Pub. L. 96–466, set out as a note under section 3224 of this title.

Effective Date of 1976 Amendment

Amendment by Pub. L. 94–502 effective Jan. 1, 1982, because new enrollments after Dec. 31, 1981, in the educational assistance program provided by this chapter, were authorized after application of provisions of section 408(a) of Pub. L. 94–502, see section 408(b) of Pub. L. 94–502, set out as a note under section 3221 of this title.

Refunds for Certain Service Academy Graduates

Pub. L. 101–366, title II, § 207, Aug. 15, 1990, 104 Stat. 442, as amended by Pub. L. 102–83, § 5(c)(2), Aug. 6, 1991, 105 Stat. 406, directed Secretary of Veterans Affairs to refund, on receipt before Jan. 1, 1992, of an application from an individual, not later than 60 days after receiving such application, the amount, if any, of the individual's unused contributions to the VEAP Account; if the individual has received educational assistance under this chapter, to pay to the individual (out of funds appropriated to the readjustment benefits account) a sum equal to the amount by which the amount of the educational assistance that the individual would have received under chapter 34 of this title for the pursuit of such program exceeds the amount of the educational assistance that the individual did receive under this chapter for the pursuit of such program; or if the individual has not received educational assistance under this chapter, to pay to the individual (out of funds appropriated to the Department of Veterans Affairs Readjustment Benefits account) a sum equal to the amount

of educational assistance that the individual would have received under chapter 34 of this title for the pursuit of a program of education if the individual had been entitled to assistance under such program during the period ending on Dec. 31, 1989; and to refund to the Secretary of Defense the unused contributions by such Secretary to the VEAP Account on behalf of such individual.

EDUCATIONAL ASSISTANCE PILOT PROGRAM; PAYMENT OF MONTHLY CONTRIBUTION BY SECRETARY; MANNER, SCOPE, ETC., OF PAYMENTS

Manner, scope, etc., of payments by Secretary in lieu of payments of monthly contributions by persons participating in educational assistance program, see section 903 of Pub. L. 96–342, set out as a note under section 2141 of Title 10, Armed Forces.

MATCHING FUNDS FROM DEPARTMENT OF DEFENSE AFTER JANUARY 1, 1982, IF NEW ENROLLMENTS ARE AUTHORIZED AFTER DECEMBER 31, 1981

For provisions of section 408(b) of Pub. L. 94–502 directing that ''Department of Defense'' be substituted for ''Veterans' Administration'' in subsec. (b) of this section, effective Jan. 1, 1982, if new enrollments after Dec. 31, 1981, in the educational assistance program provided by this chapter are authorized after application of section 408(a) of Pub. L. 94–502, see section 408 of Pub. L. 94–502, set out as a note under section 3221 of this title.

§ 3223. Refunds of contributions upon disenrollment

(a) Contributions made to the program by a participant may be refunded only after the participant has disenrolled from the program or as provided in section 3224 of this title.

(b) If a participant disenrolls from the program prior to discharge or release from active duty, such participant's contributions will be refunded on the date of the participant's discharge or release from active duty or within 60 days of receipt of notice by the Secretary of the participant's discharge or disenrollment, except that refunds may be made earlier in instances of hardship or other good reason as prescribed in regulations issued jointly by the Secretary and the Secretary of Defense.

(c) If a participant disenrolls from the program after discharge or release from active duty, the participant's contributions shall be refunded within 60 days of receipt of an application for a refund from the participant.

(d) In the event the participant (1) dies while on active duty, (2) dies after discharge or release from active duty, or (3) disenrolls or is disenrolled from the program without having utilized any entitlement, the participant may have accrued under the program, or, in the event the participant utilizes part of such participant's entitlement and disenrolls or is disenrolled from the program, the amount contributed by the Secretary of Defense under the authority of section 3222(c) of this title remaining in the fund shall be refunded to such Secretary.

(Added Pub. L. 94–502, title IV, § 404, Oct. 15, 1976, 90 Stat. 2395, § 1623; amended Pub. L. 98–160, title VII, § 702(7), Nov. 21, 1983, 97 Stat. 1009; Pub. L. 101–237, title IV, § 423(b)(1)(A), (4)(A), (7), Dec. 18, 1989, 103 Stat. 2092, 2093; renumbered § 3223 and amended Pub. L. 102–83, § 5(a), (c)(1), Aug. 6, 1991, 105 Stat. 406.)

AMENDMENTS

1991—Pub. L. 102–83, § 5(a), renumbered section 1623 of this title as this section.

Subsec. (a). Pub. L. 102–83, § 5(c)(1), substituted ''3224'' for ''1624''.

Subsec. (d). Pub. L. 102–83, § 5(c)(1), substituted ''3222(c)'' for ''1622(c)''.

1989—Subsec. (b). Pub. L. 101–237, § 423(b)(1)(A), (4)(A), substituted ''Secretary'' for ''Administrator'' wherever appearing and inserted ''of Defense'' after ''Secretary'' at end.

Subsec. (d). Pub. L. 101–237, § 423(b)(7), inserted ''of Defense'' after first reference to ''Secretary'' and substituted ''such'' for ''the'' before second reference to ''Secretary''.

1983—Subsec. (a). Pub. L. 98–160 inserted ''of this title'' after ''section 1624''.

Subsec. (d). Pub. L. 98–160 inserted ''of this title'' after ''section 1622(c)''.

§ 3224. Death of participant

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

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

(2) The surviving spouse of the participant.

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

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

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

(Added Pub. L. 94–502, title IV, § 404, Oct. 15, 1976, 90 Stat. 2395, § 1624; amended Pub. L. 96–466, title IV, § 402, Oct. 17, 1980, 94 Stat. 2201; renumbered § 3224, Pub. L. 102–83, § 5(a), Aug. 6, 1991, 105 Stat. 406; Pub. L. 104–275, title IV, § 405(c)(2), Oct. 9, 1996, 110 Stat. 3340.)

AMENDMENTS

1996—Par. (1). Pub. L. 104–275 substituted ''Servicemembers' Group'' for ''Servicemen's Group''.

1991—Pub. L. 102–83 renumbered section 1624 of this title as this section.

1980—Pub. L. 96–466 expanded provisions to require payment of a participant's unused contributions to the fund to the surviving spouse, the surviving child or children, or to the surviving parent or parents before payment of such amount to the participant's estate.

EFFECTIVE DATE OF 1980 AMENDMENT

Section 802(d)(2) of Pub. L. 96–466 provided that: ''The amendments made by sections 402 through 406 [amending this section and sections 1622, 1631, and 1641 [now 3222, 3231, and 3241] of this title] shall become effective on October 1, 1980.''

§ 3225. Discharge or release under conditions which would bar the use of benefits

If a participant in the program is discharged or released from active duty under dishonorable conditions, such participant is automatically disenrolled and any contributions made by such participant shall be refunded to such participant on the date of such participant's discharge or release from active duty or within 60 days from receipt of notice by the Secretary of such discharge or release, whichever is later.

(Added Pub. L. 94–502, title IV, § 404, Oct. 15, 1976, 90 Stat. 2396, § 1625; amended Pub. L. 101–237,