

114TH CONGRESS
2D SESSION

H. R. 5175

To amend title 38, United States Code, to direct the Secretary of Veterans Affairs to disapprove, for purposes of the educational assistance programs of the Department of Veterans Affairs, programs of education determined to have utilized deceptive or misleading practices in violation of section 3696 of such title, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MAY 10, 2016

Mr. TAKANO introduced the following bill; which was referred to the
Committee on Veterans' Affairs

A BILL

To amend title 38, United States Code, to direct the Secretary of Veterans Affairs to disapprove, for purposes of the educational assistance programs of the Department of Veterans Affairs, programs of education determined to have utilized deceptive or misleading practices in violation of section 3696 of such title, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “GI Bill Oversight Act
5 of 2016”.

1 **SEC. 2. DEPARTMENT OF VETERANS AFFAIRS INSPECTOR**
2 **GENERAL HEIGHTENED SCRUTINY OF PRO-**
3 **GRAMS OF EDUCATION.**

4 (a) IN GENERAL.—Subchapter II of chapter 36 of
5 title 38, United States Code, is amended by adding at the
6 end the following new section:

7 **“§ 3699. Inspector General heightened scrutiny of**
8 **programs of education**

9 “(a) HEIGHTENED SCRUTINY REQUIRED.—The In-
10 spector General of the Department shall apply heightened
11 scrutiny to any program of education if any Federal or
12 State agency has made a final determination or settlement
13 that the program of education used deceptive or mis-
14 leading practices that are potentially in violation of section
15 3696 of this title.

16 “(b) NOTICE TO STUDENTS.—(1) Upon commence-
17 ment of heightened scrutiny with respect to a program of
18 education under this section, the Secretary shall provide
19 notice of the heightened scrutiny and the reasons for such
20 heightened scrutiny to any individual who—

21 “(A) is enrolled in a course of education ap-
22 proved under this chapter provided by the program
23 of education; and

24 “(B) is entitled to educational assistance under
25 the laws administered by the Secretary.

1 “(2) The Secretary shall provide to any individual
2 who receives notice under this subsection advice that the
3 individual—

4 “(A) request a copy of the individual’s tran-
5 script; and

6 “(B) seek counseling from an appropriate advi-
7 sor about transferring any credits earned at the pro-
8 gram of education.

9 “(c) MONITORING OF ALLEGATIONS.—The Secretary
10 shall monitor allegations of deceptive and misleading prac-
11 tices made against programs of education offering courses
12 of education approved for purposes of this chapter, includ-
13 ing Federal and State investigations. The Secretary shall
14 include information about any such allegation on the GI
15 Bill Comparison Tool, or any similar Internet website of
16 the Department.”.

17 (b) CLERICAL AMENDMENT.—The table of sections
18 at the beginning of such chapter is amended by adding
19 at the end of the items relating to subchapter II the fol-
20 lowing new item:

“3699. Inspector General heightened scrutiny of programs of education.”.

1 **SEC. 3. DEPARTMENT OF VETERANS AFFAIRS DIS-**
2 **APPROVAL OF COURSES OF EDUCATION OF-**
3 **FERED BY INSTITUTIONS OF HIGHER LEARN-**
4 **ING ACCUSED OF CERTAIN DECEPTIVE OR**
5 **MISLEADING PRACTICES.**

6 Section 3679 of title 38, United States Code, is
7 amended by adding at the end the following new sub-
8 section:

9 “(d)(1) The Secretary shall disapprove a course of
10 education provided by an institution of higher learning if
11 the Secretary determines pursuant to heightened scrutiny
12 applied by the Inspector General under section 3699 of
13 this title that the institution of higher learning has en-
14 gaged in practices that are in violation of section 3696
15 of this title.

16 “(2) The Secretary shall provide counseling services
17 to individuals enrolled in a course of education dis-
18 approved under paragraph (1) to assist such individuals
19 in transferring to another institution of higher learning.”.

20 **SEC. 4. INTERAGENCY WORKING GROUP ON PROGRAMS OF**
21 **EDUCATION EMPLOYING DECEPTIVE OR MIS-**
22 **LEADING PRACTICES.**

23 The Secretary of Veterans Affairs, in collaboration
24 with the Secretary of Education, the Secretary of Defense,
25 the Commissioner of the Federal Trade Commission, the
26 Commissioner of the Securities and Exchange Commis-

1 sion, and the Director of the Bureau of Consumer Finan-
2 cial Protection, shall establish an interagency working
3 group to—

4 (1) share information regarding programs of
5 education that employ deceptive or misleading prac-
6 tices; and

7 (2) enter into memorandum of understanding
8 under which the Inspector Generals of each relevant
9 department or agency agree to share information to
10 determine if funds from other Federal programs are
11 affected when one department or agency takes ac-
12 tion to investigate a program of education for decep-
13 tive or misleading practices.

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