

118TH CONGRESS
2D SESSION

H. R. 7895

To amend title 38, United States Code, to provide for the restoration of entitlement of individuals entitled to educational assistance under the laws administered by the Secretary of Veterans Affairs who use such entitlement to pursue a course or program of education at an educational institution found to have violated certain prohibitions on advertising, sales, and enrollment practices, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

APRIL 9, 2024

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

A BILL

To amend title 38, United States Code, to provide for the restoration of entitlement of individuals entitled to educational assistance under the laws administered by the Secretary of Veterans Affairs who use such entitlement to pursue a course or program of education at an educational institution found to have violated certain prohibitions on advertising, sales, and enrollment practices, 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,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Recoupment of Ex-
3 penditures for Student Tuition Outlays and Restoration
4 of Entitlement Act” or the “RESTORE Act”.

5 **SEC. 2. TREATMENT BY DEPARTMENT OF VETERANS AF-
6 FAIRS OF EDUCATIONAL INSTITUTIONS THAT
7 VIOLATE CERTAIN PROHIBITIONS ON ADVER-
8 TISING, SALES, AND ENROLLMENT PRAC-
9 TICES.**

10 (a) RESTORATION OF ENTITLEMENT.—Section 3696
11 of title 38, United States Code, is amended—

12 (1) by redesignating subsections (i) through (l)
13 as subsections (j) through (m), respectively; and

14 (2) by inserting after subsection (h) the fol-
15 lowing new subsection (i):

16 “(i) RESTORATION OF ENTITLEMENT.—Upon a final
17 determination by the Under Secretary for Benefits under
18 subsection (g), including the results of any appeal under
19 subsection (i), that an educational institution or the owner
20 of an educational institution violated subsection (a), (c),
21 or (d), the Secretary may determine that any payment of
22 educational assistance to an individual who used entitle-
23 ment to educational assistance under chapter 30, 31, 32,
24 33, or 35 of this title, or chapter 1606 or 1607 of title
25 10, to pursue a course or program of education at such
26 educational institution during the time period when the

1 violation occurred, and who was unable to continue such
2 course or program at such educational institution by rea-
3 son of such violation, is not—

4 “(1) charged against any entitlement to edu-
5 cational assistance of the individual; or

6 “(2) counted against the aggregate period for
7 which section 3695 of this title limits the receipt of
8 educational assistance by such individual.”.

9 (b) REPAYMENT OF FUNDS.—

10 (1) IN GENERAL.—Subsection (h) of such sec-
11 tion is amended—

12 (A) in paragraph (4), by striking “sub-
13 section (i)” and inserting “subsection (j)”; and

14 (B) by adding at the end the following new
15 paragraph:

16 “(5)(A) In addition to any other enforcement action
17 taken under this subsection, upon a final determination
18 by the Under Secretary for Benefits under subsection (g)
19 that an educational institution or the owner of an edu-
20 cational institution violated subsection (a), (c), or (d), the
21 Secretary shall require the educational institution to repay
22 to the Secretary all amounts of educational assistance
23 under chapter 30, 31, 32, 33, or 35 of this title, or chapter
24 1606 or 1607 of title 10, paid to the educational institu-
25 tion by or on behalf of an individual who pursued a course

1 or program of education at the educational institution dur-
2 ing the time period when the violation occurred.

3 “(B) As a condition of the approval of a course or
4 program of education under this chapter, the educational
5 institution offering the course or program shall agree that
6 if Under Secretary of Benefits makes a final determina-
7 tion under subsection (g) that the educational institution
8 or the owner of the educational institution violated sub-
9 section (a), (c), or (d), the educational institution shall
10 make the repayment required under subparagraph (A).

11 “(C) The Under Secretary shall establish a process
12 for making a determination regarding the amount an edu-
13 cational institution or an owner of an educational institu-
14 tion is required to repay under subparagraph (A) in the
15 case of a violation of subsection (a), (c), or (d). Such proc-
16 ess shall include—

17 “(i) clearly defined factors to be used to deter-
18 mine the amount attributable to the violation, in-
19 cluding the degree to which individuals enrolled in a
20 program of education offered by the educational in-
21 stitution using entitlement to educational assistance
22 under chapter 30, 31, 32, 33, or 35 of this title or
23 chapter 1606 or 1607 of title 10 suffered a loss due
24 to the violation;

1 “(ii) a requirement that the Under Secretary
2 provide notice to the educational institution or the
3 owner of the educational institution that the Under
4 Secretary is in the process of making such a deter-
5 mination with respect to the educational institution
6 or owner; and

7 “(iii) a procedure under which the educational
8 institution or owner may provide such information to
9 the Under Secretary as the educational institution or
10 owner determines appropriate within a specified pe-
11 riod of time outlined by the Secretary for purposes
12 of informing such determination.

13 “(D) A determination made pursuant to subpara-
14 graph (C) shall be—

15 “(i) made by the Under Secretary and may not
16 be delegated; and

17 “(ii) subject to review under section 7104(a) of
18 this title.”.

19 (2) DISAPPROVAL.—Section 3679 of title 38,
20 United States Code, is amended by adding at the
21 end the following new subsection:

22 “(g) Notwithstanding any other provision of this
23 chapter, in the case of an educational institution that the
24 Secretary determines is required to repay to the Secretary
25 an amount under section 3696(h)(5) of this title and does

1 not repay such amount, the Secretary shall disapprove a
2 course or program of education offered by the educational
3 institution until the educational institution repays to the
4 Secretary such amount.”.

5 (3) REINSTATEMENT.—Paragraph (2) of sub-
6 section (k) of section 3696, as redesignated by sub-
7 section (a)(1), is amended—

8 (A) in subparagraph (E)—

9 (i) by striking “that”; and

10 (ii) by striking “and” at the end;

11 (B) by redesignating subparagraph (F) as
12 subparagraph (G); and

13 (C) by inserting after subparagraph (E)
14 the following new subparagraph (F):

15 “(F) the educational institution repays any
16 amount required to be repaid under subsection
17 (h)(5); and”.

18 (c) APPLICABILITY.—The amendments made by this
19 section shall apply with respect to a violation that occurs
20 on or after the date that is 180 days after the date of
21 the enactment of this Act.

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