

AMENDMENTS

1991—Pub. L. 102-83 renumbered section 1782 of this title as this section and substituted “3674A” for “1774A”.

1988—Pub. L. 100-323 substituted “Except as provided in section 1774A of this title, no” for “No”.

1972—Pub. L. 92-540 inserted “this chapter or” before “chapter 34 or 35”.

§ 3683. Conflicting interests

(a) DEPARTMENT OFFICERS AND EMPLOYEES.—(1) An officer or employee of the Department shall receive corrective action or disciplinary action if such officer or employee—

(A) has, while serving as such an officer or employee, owned any interest in, or received any wage, salary, dividend, profit, or gift from, any educational institution operated for profit; or

(B) has, while serving as a covered officer or employee of the Department, received any service from any educational institution operated for profit.

(2) In this subsection, the term “covered officer or employee of the Department” means an officer or employee of the Department who—

(A) works on the administration of benefits under chapter 30, 31, 32, 33, 34, 35, or 36 of this title; or

(B) has a potential conflict of interest involving an educational institution operated for profit, as determined by the Secretary.

(b) STATE APPROVING AGENCY EMPLOYEES.—If the Secretary finds that any person who is an officer or employee of a State approving agency has, while such person was such an officer or employee, owned any interest in, or received any wage, salary, dividend, profit, or gift from, an educational institution operated for profit, the Secretary shall discontinue making payments under section 3674 of this title to such State approving agency unless such agency shall, without delay, take such steps as may be necessary to provide corrective action or disciplinary action with respect to such person and such payments shall not be resumed until the completion of such corrective action or disciplinary action.

(c) DISAPPROVAL OF COURSES.—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 Department or the State approving agency owns an interest in, or receives any wage, salary, dividend, profit, or gift from, such institution.

(d) WAIVER AUTHORITY.—(1) The Secretary may waive in writing the application of this section in the case of any officer or employee of the Department or of a State approving agency, if the Secretary finds that no detriment will result to the United States or to eligible persons or veterans by reasons of such interest or connection of such officer or employee.

(2) The Secretary shall provide public notice of any waiver granted under this subsection by not later than 30 days after the date on which such waiver is granted.

(Added Pub. L. 89-358, §3(b), Mar. 3, 1966, 80 Stat. 22, §1783; amended Pub. L. 92-540, title IV,

§403(10), Oct. 24, 1972, 86 Stat. 1090; Pub. L. 94-502, title V, §513(a)(14)-(16), Oct. 15, 1976, 90 Stat. 2403; Pub. L. 97-295, §4(54), Oct. 12, 1982, 96 Stat. 1309; Pub. L. 101-237, title IV, §423(b)(1), Dec. 18, 1989, 103 Stat. 2092; renumbered §3683 and amended Pub. L. 102-83, §5(a), (c)(1), Aug. 6, 1991, 105 Stat. 406; Pub. L. 115-251, title III, §302(a), Sept. 29, 2018, 132 Stat. 3178; Pub. L. 116-61, §6(5), Sept. 30, 2019, 133 Stat. 1117.)

Editorial Notes

PRIOR PROVISIONS

Provisions similar to those comprising this section were contained in Pub. L. 85-857, Sept. 2, 1958, 72 Stat. 1190, 1201, which was classified to former sections 1664 and 1764 of this title, prior to repeal by sections 4(a) and 3(a)(3) of Pub. L. 89-358, respectively.

AMENDMENTS

2019—Subsecs. (b) to (d). Pub. L. 116-61 substituted “(b)” for “(b) (b)”, “(c)” for “(c) (c)”, and “(d)” for “(d) (d)” in subsec. designations.

2018—Subsec. (a). Pub. L. 115-251, §302(a)(1), added subsec. (a) and struck out former subsec. (a) which read as follows: “Every officer or employee of the Department of Veterans Affairs 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 person or veteran was pursuing a program of education or course under this chapter or chapter 34 or 35 of this title shall be immediately dismissed from such officer’s or employee’s office or employment.”

Subsec. (b). Pub. L. 115-251, §302(a)(2), inserted second subsec. (b) designation and heading, substituted “wage, salary, dividend, profit, or gift” for “wages, salary, dividends, profits, gratuities, or services”, “provide corrective action or disciplinary action with respect to” for “terminate the employment of”, and “until the completion of such corrective action or disciplinary action” for “while such person is an officer or employee of the State approving agency, or State department of veterans’ affairs or State department of education”, and struck out “in which an eligible person or veteran was pursuing a program of education or course under this chapter or chapter 34 or 35 of this title” after “operated for profit”.

Subsec. (c). Pub. L. 115-251, §302(a)(3), inserted second subsec. (c) designation and heading, struck out “of Veterans Affairs” after “of the Department”, and substituted “wage, salary, dividend, profit, or gift” for “wages, salary, dividends, profits, gratuities, or services”.

Subsec. (d). Pub. L. 115-251, §302(a)(4), inserted second subsec. (d) designation and heading, designated existing provisions as par. (1), struck out “, after reasonable notice and public hearings,” after “The Secretary may” and “of Veterans Affairs” after “of the Department”, and added par. (2).

1991—Pub. L. 102-83, §5(a), renumbered section 1783 of this title as this section.

Subsec. (b). Pub. L. 102-83, §5(c)(1), substituted “3674” for “1774”.

1989—Pub. L. 101-237 substituted “Secretary” and “Department of Veterans Affairs” for “Administrator” and “Veterans’ Administration”, respectively, wherever appearing.

1982—Subsec. (a). Pub. L. 97-295 inserted “of this title” after “34 or 35”.

1976—Subsec. (a). Pub. L. 94-502, §513(a)(14), substituted “such officer’s or employee’s” for “his”.

Subsec. (b). Pub. L. 94-502, §513(a)(15), substituted “while such person was” for “while he was” and “the Administrator shall discontinue” for “he shall discontinue”.

Subsec. (d). Pub. L. 94-502, §513(a)(16), substituted “if the Administrator finds” for “if he finds”.

1972—Subsecs. (a), (b). Pub. L. 92-540 inserted “this chapter or” before “chapter 34 or 35” wherever appearing.

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE OF 2018 AMENDMENT

Pub. L. 115-251, title III, §302(b), Sept. 29, 2018, 132 Stat. 3179, provided that: “The amendments made by subsection (a) [amending this section] shall take effect on the date of the enactment of this Act [Sept. 29, 2018] and shall apply with respect to conflicts of interest that occur on or after that date.”

EFFECTIVE DATE OF 1976 AMENDMENT

Amendment by Pub. L. 94-502 effective Oct. 15, 1976, see section 703(b) of Pub. L. 94-502, set out as an Effective Date note under section 3693 of this title.

§ 3684. Reports by veterans, eligible persons, and institutions; reporting fee

(a)(1) Except as provided in paragraph (2) of this subsection, the veteran or eligible person and the educational institution offering a course in which such veteran or eligible person is enrolled under chapter 31, 32, 33, 34, 35, or 36 of this title shall, without delay, report to the Secretary, in the form prescribed by the Secretary, such enrollment and any interruption or termination of the education of each such veteran or eligible person. The date of such interruption or termination will be the last date of pursuit, or, in the case of correspondence training, the last date a lesson was serviced by a school.

(2)(A) In the case of a program of independent study pursued on less than a half-time basis in an educational institution, the Secretary may approve a delay by the educational institution in reporting the enrollment or reenrollment of an eligible veteran or eligible person until the end of the term, quarter, or semester if the educational institution requests the delay and the Secretary determines that it is not feasible for the educational institution to monitor interruption or termination of the veteran's or eligible person's pursuit of such program.

(B) An educational institution which, pursuant to subparagraph (A) of this paragraph, is delaying the reporting of the enrollment or reenrollment of a veteran shall provide the veteran with notice of the delay at the time that the veteran enrolls or reenrolls.

(3)(A) Subject to subparagraph (B) of this paragraph, an educational institution offering courses on a term, quarter, or semester basis may certify the enrollment of a veteran who is not on active duty, or of an eligible person, in such courses for more than one term, quarter, or semester at a time, but not for a period extending beyond the end of a school year (including the summer enrollment period).

(B) Subparagraph (A) of this paragraph shall not apply with respect to any term, quarter, or semester for which the veteran or eligible person is enrolled on a less than half-time basis and shall not be construed as restricting the Secretary from requiring that an educational institution, in reporting an enrollment for more than one term, quarter, or semester, specify the dates of any intervals within or between any such terms, quarters, or semesters.

(4) A course offered by an educational institution that does not begin on the first day of an

academic term, but does begin seven or fewer days after such day, shall be treated as beginning on such day for purposes of this section.

(5) For purposes of this subsection, the term “educational institution” may include a group, district, or consortium of separately accredited educational institutions located in the same State that are organized in a manner that facilitates the centralized reporting of the enrollments in such group, district, or consortium of institutions.

(b) The Secretary, prior to making payment of a reporting fee to an educational institution, as provided for in subsection (c) of this section, shall require such institution to certify that it has exercised reasonable diligence in determining whether such institution or any course offered by such institution approved for the enrollment of veterans or eligible persons meets all of the applicable requirements of chapters 31, 34, 35, and 36 of this title and that it will, without delay, report any failure to meet any such requirement to the Secretary.

(c)(1) The Secretary may pay to any educational institution, or to the sponsor of a program of apprenticeship, furnishing education or training under either this chapter or chapter 31, 34, or 35 of this title, a reporting fee which will be in lieu of any other compensation or reimbursement for reports or certifications which such educational institution or sponsor of a program of apprenticeship is required to submit to the Secretary by law or regulation.

(2) Such reporting fee shall be computed for each calendar year by multiplying \$16¹ by the number of eligible veterans or eligible persons enrolled under this chapter or chapter 31, 34, or 35 of this title. The reporting fee shall be paid to such educational institution or sponsor of a program of apprenticeship as soon as feasible after the end of the calendar year for which it is applicable.

(3) No reporting fee payable to an educational institution under this subsection shall be subject to offset by the Secretary against any liability of such institution for any overpayment for which such institution may be administratively determined to be liable under section 3685 of this title unless such liability is not contested by such institution or has been upheld by a final decree of a court of appropriate jurisdiction.

(4) Any reporting fee paid to an educational institution or sponsor of a program of apprenticeship after the date of the enactment of the Post-9/11 Veterans Educational Assistance Improvements Act of 2011 (Public Law 111-377)—

(A) shall be utilized by such institution or sponsor solely for the making of certifications required under this chapter or chapter 31, 34, or 35 of this title or for otherwise supporting programs for veterans; and

(B) with respect to an institution that has 100 or more enrollees described in paragraph (2) may not be used for or merged with amounts available for the general fund of the educational institution or sponsor of a program of apprenticeship.

¹ See Modifications of Reporting Fee Multipliers During Certain Periods notes below.