

102-40 by inserting an open parenthesis before "adjusted in".

Pub. L. 102-40, §402(d)(1), substituted "7631" for "4331".

Subsec. (e). Pub. L. 102-83, §4(b)(1), (2)(E), substituted "Secretary" for "Administrator" in two places.

Pub. L. 102-83, §4(a)(3), (4), substituted "Department" for "Veterans' Administration".

#### § 7623. Obligated service

(a) Each participant in the Tuition Reimbursement Program shall provide service in the full-time clinical practice of such participant's profession as a full-time employee of the Department for the period of obligated service provided in the agreement of such participant entered into under section 7603 of this title.

(b) A participant who on such participant's course completion date is a full-time employee in the Veterans Health Administration shall be considered to have begun serving such participant's period of obligated service on the course completion date.

(c) Except in the case of a participant whose tuition was paid pursuant to section 7622(e) of this title, if a participant in the Tuition Reimbursement Program fails to successfully complete a course, no reimbursement will be provided and no period of obligated service will be incurred.

(d) In the case of a participant whose tuition was paid pursuant to section 7622(e) of this title and who fails to complete the course involved, the period of obligation shall be of the same duration as it would have been if the participant had successfully completed the course and the course completion date shall be considered to be the date on which the participant's failure becomes an established fact.

(e) For the purposes of this section, the term "course completion date" means the date on which a participant in the Tuition Reimbursement Program completes such participant's course of training under the program.

(Added Pub. L. 100-322, title II, §216(b), May 20, 1988, 102 Stat. 526, §4323; amended Pub. L. 100-687, div. B, title XV, §1503(a)(3), Nov. 18, 1988, 102 Stat. 4134; renumbered §7623 and amended Pub. L. 102-40, title IV, §402(b)(1), (d)(1), May 7, 1991, 105 Stat. 238, 239; Pub. L. 102-83, §4(a)(3), (4), Aug. 6, 1991, 105 Stat. 404; Pub. L. 103-446, title XII, §1201(b)(1), Nov. 2, 1994, 108 Stat. 4682.)

#### AMENDMENTS

1994—Subsec. (b). Pub. L. 103-446 substituted "Veterans Health Administration" for "Department of Medicine and Surgery".

1991—Pub. L. 102-40, §402(b)(1), renumbered section 4323 of this title as this section.

Subsec. (a). Pub. L. 102-83 substituted "Department" for "Veterans' Administration".

Pub. L. 102-40, §402(d)(1), substituted "7603" for "4303".

Subsecs. (c), (d). Pub. L. 102-40, §402(d)(1), substituted "7622(e)" for "4322(e)".

1988—Subsecs. (c), (d). Pub. L. 100-687 substituted "4322(e)" for "4322(f)".

#### § 7624. Breach of agreement: liability

(a) A participant in the Tuition Reimbursement Program who fails to maintain employment as a Department employee permanently assigned to a Department health-care facility—

(1) may not be provided reimbursement for tuition for the course or courses in which the participant is enrolled; and

(2) in lieu of any service obligation arising from participation in the program, shall be liable to the United States for the amount which has been paid or is payable to or on behalf of the participant under the agreement, reduced by the proportion that the number of days served for completion of the service obligation bears to the total number of days in the participant's period of obligated service.

(b) Any amount of damages which the United States is entitled to recover under this section shall be paid to the United States within the one-year period beginning on the date of the breach of the agreement.

(Added Pub. L. 100-322, title II, §216(b), May 20, 1988, 102 Stat. 527, §4324; amended Pub. L. 100-687, div. B, title XV, §1503(a)(4), Nov. 18, 1988, 102 Stat. 4134; renumbered §7624, Pub. L. 102-40, title IV, §402(b)(1), May 7, 1991, 105 Stat. 238; Pub. L. 102-83, §4(a)(3), (4), Aug. 6, 1991, 105 Stat. 404.)

#### AMENDMENTS

1991—Pub. L. 102-40 renumbered section 4324 of this title as this section.

Subsec. (a). Pub. L. 102-83 substituted "Department" for "Veterans' Administration" in two places in introductory provisions.

1988—Subsec. (a)(2). Pub. L. 100-687, §1503(a)(4)(A), substituted "participation in the program" for "completion of a course or courses in a previous semester or quarter", inserted "or is payable" after "has been paid", and inserted before period at end " , reduced by the proportion that the number of days served for completion of the service obligation bears to the total number of days in the participant's period of obligated service".

Subsec. (b). Pub. L. 100-687, §1503(a)(4)(B), struck out par. (1) which related to formula to apply to recover amount from participant who breaches agreement by failing to complete period of obligated service, and struck out par. (2) designation before "Any amount".

#### § 7625. Allocation and distribution of funding

In determining the amount of funding to allocate to Department health-care facilities for any fiscal year in connection with the Tuition Reimbursement Program, the Secretary shall take into account (1) the personnel ceiling for that fiscal year for nursing personnel, and (2) the recruitment and retention needs of such facilities, as determined by the Secretary.

(Added Pub. L. 100-322, title II, §216(b), May 20, 1988, 102 Stat. 527, §4325; renumbered §7625, Pub. L. 102-40, title IV, §402(b)(1), May 7, 1991, 105 Stat. 238; amended Pub. L. 102-83, §4(a)(3), (4), (b)(1), (2)(E), Aug. 6, 1991, 105 Stat. 404, 405.)

#### AMENDMENTS

1991—Pub. L. 102-40 renumbered section 4325 of this title as this section.

Pub. L. 102-83 substituted "Secretary" for "Administrator" in two places and substituted "Department" for "Veterans' Administration".

SUBCHAPTER IV—ADMINISTRATIVE  
MATTERS

**§ 7631. Periodic adjustments in amount of assistance**

(a)(1) Whenever there is a general Federal pay increase, the Secretary shall increase the maximum monthly stipend amount, the maximum tuition reimbursement amount, the maximum Selected Reserve member stipend amount, the maximum employee incentive scholarship amount, and the maximum education debt reduction payments amount. Any such increase shall take effect with respect to any school year that ends in the fiscal year in which the pay increase takes effect.

(2) The amount of any increase under paragraph (1) of this subsection is the previous maximum amount under that paragraph multiplied by the overall percentage of the adjustment in the rates of pay under the General Schedule made under the general Federal pay increase. Such amount shall be rounded to the next lower multiple of \$1.

(b) For purposes of this section:

(1) The term “maximum monthly stipend amount” means the maximum monthly stipend that may be paid to a participant in the Scholarship Program specified in section 7613(b) of this title and as previously adjusted (if at all) in accordance with this section.

(2) The term “maximum tuition reimbursement amount” means the maximum amount of tuition reimbursement provided to a participant in the Tuition Reimbursement Program specified in section 7622(e) of this title and as previously adjusted (if at all) in accordance with this section.

(3) The term “maximum Selected Reserve member stipend amount” means the maximum amount of assistance provided to a person receiving assistance under subchapter V of this chapter, as specified in section 7653 of this title and as previously adjusted (if at all) in accordance with this section.

(4) The term “maximum employee incentive scholarship amount” means the maximum amount of the scholarship payable to a participant in the Department of Veterans Affairs Employee Incentive Scholarship Program under subchapter VI of this chapter, as specified in section 7673(b)(1) of this title and as previously adjusted (if at all) in accordance with this section.

(5) The term “maximum education debt reduction payments amount” means the maximum amount of education debt reduction payments payable to a participant in the Department of Veterans Affairs Education Debt Reduction Program under subchapter VII of this chapter, as specified in section 7683(d)(1) of this title and as previously adjusted (if at all) in accordance with this section.

(6) The term “general Federal pay increase” means an adjustment (if an increase) in the rates of pay under the General Schedule under subchapter III of chapter 53 of title 5.

(Added Pub. L. 100-322, title II, §216(b), May 20, 1988, 102 Stat. 528, §4331; amended Pub. L. 101-366, title II, §205(b), Aug. 15, 1990, 104 Stat.

441; renumbered §7631 and amended Pub. L. 102-40, title IV, §402(b)(1), (d)(1), May 7, 1991, 105 Stat. 238, 239; Pub. L. 102-54, §14(e)(10), June 13, 1991, 105 Stat. 287; Pub. L. 102-83, §4(b)(1), (2)(E), Aug. 6, 1991, 105 Stat. 404, 405; Pub. L. 107-135, title I, §§101(f), (g), 102(d)(1), Jan. 23, 2002, 115 Stat. 2448, 2449.)

AMENDMENTS

2002—Subsec. (a)(1). Pub. L. 107-135, §§101(f)(1), 102(d)(1)(A), substituted “the maximum Selected Reserve member stipend amount, the maximum employee incentive scholarship amount, and the maximum education debt reduction payments amount” for “and the maximum Selected Reserve member stipend amount”.

Subsec. (b)(1) to (3). Pub. L. 107-135, §101(g), substituted “this section” for “this subsection” in pars. (1) to (3).

Subsec. (b)(4). Pub. L. 107-135, §101(f)(2)(B), added par. (4). Former par. (4) redesignated (6).

Subsec. (b)(5). Pub. L. 107-135, §102(d)(1)(B), added par. (5).

Subsec. (b)(6). Pub. L. 107-135, §101(f)(2)(A), redesignated par. (4) as (6).

1991—Pub. L. 102-40, §402(b)(1), renumbered section 4331 of this title as this section.

Subsec. (a)(1). Pub. L. 102-83 substituted “Secretary” for “Administrator”.

Subsec. (b)(1). Pub. L. 102-40, §402(d)(1), substituted “7613(b)” for “4313(b)”.

Subsec. (b)(2). Pub. L. 102-40, §402(d)(1), substituted “7622(e)” for “4322(e)”.

Subsec. (b)(3). Pub. L. 102-40, §402(d)(1), substituted “7653” for “4353”.

Subsec. (b)(4). Pub. L. 102-54 amended subsec. (b)(4) as in effect immediately before the enactment of Pub. L. 102-40 by substituting “chapter 53” for “chapter 51”.

1990—Subsec. (a)(1). Pub. L. 101-366, §205(b)(1), substituted “stipend amount,” for “stipend amount and” and “reimbursement amount, and the maximum Selected Reserve member stipend amount” for “reimbursement amount”.

Subsec. (b)(3), (4). Pub. L. 101-366, §205(b)(2), added par. (3) and redesignated former par. (3) as (4).

ADJUSTMENT OF MAXIMUM EDUCATION DEBT REDUCTION  
PAYMENTS AMOUNT

Pub. L. 107-135, title I, §102(d)(2), Jan. 23, 2002, 115 Stat. 2449, prohibited an increase of the maximum education debt reduction payments amount in calendar year 2002.

TRANSITION

Pub. L. 100-322, title II, §216(d), May 20, 1988, 102 Stat. 530, provided that: “Section 4331 [now 7631] of title 38, United States Code, as added by subsection (b), shall not apply with respect to a school year ending during fiscal year 1988.”

**§ 7632. Annual report**

Not later than March 1 of each year, the Secretary shall submit to Congress a report on the Educational Assistance Program. Each such report shall include the following information:

(1) The number of students receiving educational assistance under the Educational Assistance Program, showing the numbers of students receiving assistance under the Scholarship Program, the Tuition Reimbursement Program, the Employee Incentive Scholarship Program, and the Education Debt Reduction Program separately, and the number of students (if any) enrolled in each type of health profession training under each program.

(2) The education institutions (if any) providing such training to students in each program.