

1991—Pub. L. 102-40 renumbered section 4335 of this title as this section.

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

§ 7636. Exemption of educational assistance payments from taxation

Notwithstanding any other law, any payment to, or on behalf of a participant in the Educational Assistance Program, for tuition, education expenses, a stipend, or education debt reduction under this chapter shall be exempt from taxation.

(Added Pub. L. 100-322, title II, § 216(b), May 20, 1988, 102 Stat. 529, § 4336; renumbered § 7636, Pub. L. 102-40, title IV, § 402(b)(1), May 7, 1991, 105 Stat. 238; amended Pub. L. 105-368, title VIII, § 805(6), Nov. 11, 1998, 112 Stat. 3359.)

AMENDMENTS

1998—Pub. L. 105-368 substituted “a stipend, or education debt reduction” for “or a stipend”.

1991—Pub. L. 102-40 renumbered section 4336 of this title as this section.

SUBCHAPTER V—STIPEND PROGRAM FOR MEMBERS OF THE SELECTED RESERVE

§ 7651. Authority for program

(a) As part of the Educational Assistance Program, the Secretary of Veterans Affairs may select qualified individuals to receive assistance under this subchapter.

(b) To be eligible to receive assistance under this subchapter, an individual must be accepted for enrollment or be enrolled as a full-time student at a qualifying educational institution in a course of education or training that is approved by the Secretary and that leads toward completion of a degree in a health profession involving direct patient care or care incident to direct patient care.

(Added Pub. L. 101-366, title II, § 205(a)(1), Aug. 15, 1990, 104 Stat. 440, § 4351; renumbered § 7651, Pub. L. 102-40, title IV, § 402(b)(1), May 7, 1991, 105 Stat. 238.)

AMENDMENTS

1991—Pub. L. 102-40 renumbered section 4351 of this title as this section.

§ 7652. Eligibility: individuals entitled to benefits under the GI Bill program for members of the Selected Reserve

The Secretary of Veterans Affairs may not approve an application under section 7603 of this title of an individual applying to receive assistance under this subchapter unless—

- (1) the individual is entitled to benefits under chapter 106 of title 10; and
- (2) the score of the individual on the Armed Forces Qualification Test was above the 50th percentile.

(Added Pub. L. 101-366, title II, § 205(a)(1), Aug. 15, 1990, 104 Stat. 440, § 4352; renumbered § 7652 and amended Pub. L. 102-40, title IV, § 402(b)(1), (d)(1), May 7, 1991, 105 Stat. 238, 239.)

AMENDMENTS

1991—Pub. L. 102-40 renumbered section 4352 of this title as this section and substituted “7603” for “4303” in introductory provisions.

§ 7653. Amount of assistance

The Secretary may pay to a person selected to receive assistance under this subchapter the amount of \$400 (adjusted in accordance with section 7631 of this title) for each month of the person's enrollment in a program of education or training covered by the agreement of the person entered into under section 7603 of this title. Payment of such benefits for any period shall be coordinated with any payment of benefits for the same period under chapter 106 of title 10.

(Added Pub. L. 101-366, title II, § 205(a)(1), Aug. 15, 1990, 104 Stat. 440, § 4353; renumbered § 7653 and amended Pub. L. 102-40, title IV, § 402(b)(1), (d)(1), May 7, 1991, 105 Stat. 238, 239.)

AMENDMENTS

1991—Pub. L. 102-40 renumbered section 4353 of this title as this section and substituted “7631” for “4331” and “7603” for “4303”.

§ 7654. Obligated service

A person receiving assistance under this subchapter shall provide service in the full-time clinical practice of the person's profession as a full-time employee of the Department for the period of obligated service provided in the agreement of such person entered into under section 7603 of this title.

(Added Pub. L. 101-366, title II, § 205(a)(1), Aug. 15, 1990, 104 Stat. 440, § 4354; renumbered § 7654 and amended Pub. L. 102-40, title IV, § 402(b)(1), (d)(1), May 7, 1991, 105 Stat. 238, 239.)

AMENDMENTS

1991—Pub. L. 102-40 renumbered section 4354 of this title as this section and substituted “7603” for “4303”.

§ 7655. Breach of agreement; liability

(a)(1) Subject to paragraph (2), an individual who is receiving or has received a reserve member stipend under this subchapter and who fails to perform the service for which the individual is obligated under section 7654 of this title shall be liable to the United States in an amount determined in accordance with section 7617(c)(1) of this title.

(2) An individual who, as a result of performing active duty (including active duty for training), is unable to perform the service for which the individual is obligated under section 7654 of this title shall be permitted to perform that service upon completion of the active duty service (or active duty for training). The Secretary may, by regulation, waive the requirement for the performance of the service for which the individual is obligated under section 7654 of this title in any case in which the Secretary determines that the individual is unable to perform the service for reasons beyond the control of the individual or in any case in which the waiver would be in the best interest of the individual and the United States.

(b) Any amount owed the United States under subsection (a) of this section shall be paid to the United States during the one-year period beginning on the date of the breach of the agreement.

(Added Pub. L. 101-366, title II, § 205(a)(1), Aug. 15, 1990, 104 Stat. 440, § 4355; renumbered § 7655