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(Original Signature of Member)

114<sup>TH</sup> CONGRESS  
2<sup>D</sup> 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.

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## IN THE HOUSE OF REPRESENTATIVES

Mr. TAKANO introduced the following bill; which was referred to the Committee on \_\_\_\_\_

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## 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,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “GI Bill Oversight Act  
3 of 2016”.

4 **SEC. 2. DEPARTMENT OF VETERANS AFFAIRS INSPECTOR**  
5 **GENERAL HEIGHTENED SCRUTINY OF PRO-**  
6 **GRAMS OF EDUCATION.**

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

10 **“§ 3699. Inspector General heightened scrutiny of**  
11 **programs of education**

12 “(a) HEIGHTENED SCRUTINY REQUIRED.—The In-  
13 spector General of the Department shall apply heightened  
14 scrutiny to any program of education if any Federal or  
15 State agency has made a final determination or settlement  
16 that the program of education used deceptive or mis-  
17 leading practices that are potentially in violation of section  
18 3696 of this title.

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

24 “(A) is enrolled in a course of education ap-  
25 proved under this chapter provided by the program  
26 of education; and

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

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

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

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

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

19          (b) CLERICAL AMENDMENT.—The table of sections  
20 at the beginning of such chapter is amended by adding  
21 at the end of the items relating to subchapter II the fol-  
22 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.