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(Original Signature of Member)

116TH CONGRESS
1ST SESSION

H. R. _____

To amend title 38, United States Code, to require proprietary for-profit educational institutions to comply with Federal revenue limits to participate in educational assistance programs of the Department of Veterans Affairs.

IN THE HOUSE OF REPRESENTATIVES

M____ introduced the following bill; which was referred to the
Committee on _____

A BILL

To amend title 38, United States Code, to require proprietary for-profit educational institutions to comply with Federal revenue limits to participate in educational assistance programs of the Department of Veterans Affairs.

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. LIMITATIONS ON FEDERAL REVENUE FOR PRO-**
2 **PRIETARY FOR-PROFIT EDUCATIONAL INSTI-**
3 **TUTIONS TO PARTICIPATE IN EDUCATIONAL**
4 **ASSISTANCE PROGRAMS OF DEPARTMENT OF**
5 **VETERANS AFFAIRS.**

6 (a) IN GENERAL.—Subchapter II of chapter 36 of
7 title 38, United States Code, is amended by inserting after
8 section 3681 the following new section:

9 **“§ 3681A. Limitations on Federal revenue for propri-**
10 **etary for-profit educational institutions**

11 “(a) IN GENERAL.—Beginning 180 days after the
12 date of the enactment of this section, the Secretary or a
13 State approving agency may not approve a course of edu-
14 cation offered by a proprietary for-profit educational insti-
15 tution unless the institution derives not less than ten per-
16 cent of such institution’s revenues from sources other than
17 Federal funds.

18 “(b) FEDERAL FUNDS DEFINED.—In this section,
19 the term ‘Federal Funds’ means any Federal financial as-
20 sistance provided under this title, the Higher Education
21 Act of 1965 (20 U.S.C. 1001 et seq.), or any other Fed-
22 eral law, through a grant, contract, subsidy, loan, guar-
23 antee, insurance, or other means to a proprietary institu-
24 tion, including Federal financial assistance that is dis-
25 bursed or delivered to an institution or on behalf of a stu-
26 dent or to a student to be used to attend the institution.

1 Such term does not include any monthly housing stipend
2 provided under chapter 33 of this title.”.

3 (b) CLERICAL AMENDMENT.—The table of sections
4 at the beginning of chapter 36 of such title is amended
5 by inserting after the item relating to section 3681 the
6 following new item:

“3681A. Limitations on Federal revenue for proprietary for-profit educational
institutions.”.