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THE AMENDED GI BILL OF RIGHTS

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AND HOW IT WORKS

- An Explanation of Its Provisions
- Questions and Answers
- Complete Amended Text

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THE AMENDED SERVICEMEN'S READJUSTMENT ACT OF 1944. (THE GI BILL OF RIGHTS)

AS AMENDED DECEMBER 28, 1945.

No legislative act is of more importance to prospective veterans than "The GI Bill of Rights," but still, no single law has been so misunderstood. Its provisions can be valuable to the future of the GI who realizes what they can do for him.

"The GI Bill" offers four major kinds of help:

1. Education and job training.
2. Guaranty of loans.
3. Unemployment allowances, including aid for self-employed.
4. Job-finding assistance.

EDUCATION

This is an opportunity for you to study anywhere in the United States at any approved school which you consider best in the field you want to enter. You can even go to a school in a foreign country, if the institution is approved by the Veterans Administration. If you were in active service for 90 days or more, part of which was after 16 September 1940* (or discharged for service-incurred disability, if less than 90 days' service); and were discharged under conditions other than dishonorable, you are eligible.

You must apply for this educational help within 4 years after your discharge or the official end of the war, whichever is later, and this education cannot extend beyond 9 years after the end of the war.

The Government will pay to the school you have chosen up to \$500 for an ordinary school year to cover tuition, laboratory, library, health, infirmary, and other similar fees, and may pay for books, supplies, equipment, and other necessary expenses, not including living and traveling expenses. The \$500 allowed per year may also be paid to a school to permit a veteran to take a short, but expensive course in a technical school, such, for example, as a school of photography. The requirement for pro-rating the payments over a 30-week school year has been abolished. Payments will

not be made to institutions or organizations giving you apprentice training on the job.

You will receive a living allowance of \$65 a month if you have no dependents and \$90 a month if you have one or more. If you go to school on a part-time basis or under an apprenticeship arrangement, a lesser allowance will be determined for you by the Administrator of Veterans Affairs.

The length of any course or courses of education to which you are entitled is measured by your total active honorable service-time in the armed forces on and after September 16, 1940; but every eligible veteran is entitled to at least one year. The maximum period of education is four years.

For example, if you had 2½ years of service after 16 September 1940, you would be entitled to 3½ years of schooling. If you served 4½ years, you would be able to get only 4 years of education under this program because that is the limit. Satisfactory work must be maintained throughout the period. If the period of instruction to which you are entitled ends after the midpoint in any quarter or semester, you'll be permitted to complete the term.

You may go to any institution which will admit you, if it is approved by the Veterans Administration. Among the various types

of schools included are: Public or private elementary, secondary, and other schools furnishing education for adults, business schools and colleges, scientific and technical institutions, colleges, vocational schools, junior colleges, teachers' colleges, normal schools, professional schools, universities, and other educational institutions, including correspondence schools (but no subsistence allowance can be paid you if your course is entirely by correspondence). You may choose apprentice or other training on the job.

In some localities, special schools on various educational levels are being set up for veterans. If you've gone as far as third year in high school, for example, but hesitate about going back because you may feel strange in such a youthful environment, these special schools may fill the bill for you. In them you'll be studying with others closer to your age level and interests.

Application for education or training may be made to the nearest regional office of the Veterans Administration, or directly to the educational institution you wish to attend. Of course, it is up to the school to evaluate your credentials and accept you as a student.

* Excluding time spent in ASTP (or any similar Navy, Marine Corps or Coast Guard program) if it was a continuation of your civilian medical, dental, theological or veterinary course, pursued to completion.

GUARANTY OF LOANS

The money involved in the loan guaranty provisions of "The GI Bill" must be used for the purchase or construction of homes (including a lot on which you intend to build), farms, farm equipment or business property. The Government will guarantee part of a loan you make from a bank or other lending agency. It does not give handouts under this provision, but it will guarantee (without security) up to half the amount borrowed by you, provided that the amount guaranteed does not exceed \$2,000 for a business loan, or \$4,000 for a loan to purchase or build a home, or to purchase and equip a farm.

For example, if you borrow \$3,000, Uncle Sam pledges that if you are unable to repay the full amount, he will pay back up to 50 per cent, or \$1,500. If you borrow \$5,000, the

same promise is good for the top limit of \$2,000 for a business loan or \$2,500 on a real estate loan.

You're still responsible for the debt, however; just because the Government might give you a helping hand doesn't mean you're relieved of all responsibility. The Government can lay a claim against the property of the man who receives the loan. The chief advantage is that the guaranty will help you get more money in the first place—and perhaps on more favorable terms.

On the part of the loan which has been guaranteed, the Government pays the interest for the first year. The rate of interest must not be more than 4 per cent a year. The loan must be payable in full within 25 years for real estate or business,

and 40 years in the case of farm loans.

These provisions are available to those who were in active service on or after 16 September 1940; had 90 days or more of service and were released under conditions other than dishonorable, or who became eligible through service-incurred disability or injury regardless of length of service. The application must be made within 10 years after the official end of the war.

Purchase prices of equipment and property must be reasonable, and there must be a fair chance of success in your business (as judged by your experience and the usefulness of the enterprise). Loans may also be guaranteed for repairs and improvements, and to pay back taxes or unpaid assessments against the property.

UNEMPLOYMENT ALLOWANCE

This section also applies to persons who served 90 days or more, after 16 September 1940* and were released under conditions other than dishonorable, or were discharged because of service-incurred injury or disability regardless of length of service, provided the service was after September 16, 1940. This compensation will not exceed a period of 52 weeks. The allowances will be made if you are unemployed within 2 years after discharge or end of the war, whichever is later, but will not be paid more than 5 years after the termination of hostilities.

You must reside in the United States at the time such claim is made, be completely unemployed (or if partially employed, earning less than \$23 a week), registered with and continue to report to a public employment office, and able to work and available for suitable work. If you become sick or disabled during a period of unemployment for which allowances have already started, you will not be disqualified, but you cannot qualify in the first place if you are sick and unable to accept suitable job offer.

The weekly allowance under this provision is \$20, less wages earned in part-time work above \$3. In other words, if you are working part-time and earn \$8 a week, and apply for this compensation, you will receive \$15 (\$20 less \$5, which is the amount earned above \$3). Keep in mind that you can get this unemployment pay up to 52 weeks; if you apply for it while you're working part-time, you may use it up

and not have it available if you should be wholly unemployed later.

State employment compensation programs provide weekly payments for unemployed workers in jobs covered by State regulations; regulations include most jobs in private firms in business and industry; factories, shops, mines, mills, stores, offices, banks, and related institutions.

Types of jobs not covered under State programs are farm work, household service, Government, self-employment, and work for many small firms. If you are not eligible under a State program, you will be covered by the Federal plan. If you qualify under both, money received from your State is subtracted from the Federal allowance.

If you are eligible under the State program it is advisable to use your state benefits first and save your Federal benefit for possible future periods of unemployment.

Under the Federal plan, you may receive 8 weeks allowance for each of the first 3 months of your active service since 16 September 1940 and 4 weeks allowance for each succeeding month to a total of 52 weeks.

It works like this:

If you served in the armed forces:		You will be allowed unemployment compensation (if you meet all requirements listed above) up to:	
1 month	.....	8 weeks	
2 months	.....	16 weeks	
3 months	.....	24 weeks	
4 months	.....	28 weeks	
5 months	.....	32 weeks	
6 months	.....	36 weeks	
7 months	.....	40 weeks	

8 months	.....	44 weeks
9 months	.....	48 weeks
10 months	.....	52 weeks
More than 10 months	.....	52 weeks (max.)

You may be disqualified from these allowances if you:

1. Leave suitable work voluntarily without good cause;
2. Are suspended or discharged for misconduct in the course of employment;
3. Fail to apply for suitable work, without good cause, to which you have been referred by a public employment office;
4. Do not accept suitable work when offered;
5. Fail to attend an available free training course, without good cause;
6. Stop work because of a labor dispute, unless you can show that you are not involved in the dispute.

A job is not considered suitable when the wages, hours, or conditions of work are substantially less favorable than those prevailing for similar work in the locality, or if the position offered is vacant due directly to a strike, lock-out, or labor dispute.

If you are self-employed in a business or profession, and things don't develop the way you hoped they would, you can get financial aid to help you pull through. If your net business earnings are less than \$100 a month, you may receive the difference between your actual net earnings during the previous month and \$100 up to a total of \$1040 (or 10 2-5 months).

* Note that for this benefit the whole minimum 90 days must have been served after September 16, 1940.

JOB-FINDING ASSISTANCE

Congress has declared that there shall be an effective job counseling and employment placement service for veterans, and with that purpose in mind a Veterans Placement Serv-

ice Board has been created to work with the United States Employment Service. This setup aims toward as many job opportunities as possible for veterans. Special aid for veterans is available through local

offices of the United States Employment Service, and these agencies can refer you to vocational guidance and counseling centers where you can get free advice.

CONCLUSION

"The GI Bill of Rights" includes various other parts which are of minor importance to most prospective veterans. Many interpretations will be made from time to time of provisions of the bill, but the most important items are given here. You will have ready access to a Veterans

Administration office or information center at any time for clarification of these details.

Note: All educational rights, rights to loan guarantees, and rights to readjustment allowances (unemployment compensation) are

extended, for men who enlist or re-enlist in the armed forces under the Voluntary Recruitment Act of 1945 (Public 190), prior to October 6, 1946. For them, the "termination of the war" does not occur until their enlistments expire.

ELIGIBILITY FOR GI RIGHTS

Question: "Are Americans who served in the armed forces of Allied nations eligible for the benefits of the Amended GI Bill?"

Answer: Yes, the new amendments make such persons eligible the same as men who served in U. S. armed forces, but only if they have not received a similar benefit to one provided in the GI Bill from the foreign government they served.

Question: "Does a discharge 'under conditions other than dishonorable' mean any kind of a discharge except a dishonorable discharge?"

Answer: No, it does not. An honorable discharge or a discharge under honorable conditions qualifies a

veteran for GI benefits; a dishonorable discharge disqualifies him; but a discharge that is neither honorable nor dishonorable may qualify him or may disqualify him, depending upon determination of the "conditions" under which he received it. The Veterans Administration determines in all such cases (such as Blue Army discharges) whether or not the discharge disqualifies the veteran from GI benefits.

Question: "Must the full 90 days of service have occurred after September 16, 1940, in order to qualify for the benefits extended by the GI Bill of Rights?"

Answer: No. A veteran may have

spent 89 days in service prior to September 16, 1940, and only one day after that date, and yet be eligible. However, time spent after September 16, 1940, is the only time which may be counted for length of time the readjustment allowance (unemployment compensation) is payable.

Question: "Is a person who has been finally discharged prior to September 16, 1940, eligible for GI rights?"

Answer: No, except to job counseling and employment service, if he served during a war period and was discharged under conditions other than dishonorable.

EDUCATION

Question: "What is meant by 'ordinary school year'? Some schools continue for 11 months and other schools stop at the end of 9 months, and then there is the summer session intervening."

Answer: The Veterans Administration has ruled that "The 'ordinary school year' is defined as a period of two semesters or three quarters—not less than 30 nor more than 38 weeks in total length. Under this definition, an institution may be paid as much as \$500 for each 'ordinary school year' which is completed, regardless of the time required for such completion. Thus \$500 might be paid for each of four 'ordinary school years' which are completed within three 12-month periods."

Question: "Would the Veterans Administration consider a baseball school a legitimate school? I refer to one of those run by the various teams in New York. Would they give me the maintenance if I attended such a school?"

Answer: A veteran may enroll in any educational or training institution approved by the Veterans Administration. Bona fide baseball schools are acceptable. Maintenance benefits will be paid to veterans attending such a school.

Question: "Will the Government have any policy regarding certain schools that refuse enrollment to men because of race, creed, and color, particularly medical students? To what extent, if any, will the Veterans Administration plug for admission of discriminated men in the future?"

Answer: "The GI Bill of Rights"

provides that a veteran may attend any school "which will accept or retain him as a student or trainee in any field or branch of knowledge which such institution finds him qualified to undertake or pursue." The decision on acceptability is left to the school.

Question: "Since correspondence schools are now included, if I take a course from such a school, will I get subsistence allowance during the course?"

Answer: No; but the school will receive the usual tuition fees.

Question: "Suppose I want to take a short, intensive training course that requires only 10 weeks, but costs \$300 tuition, may I do that?"

Answer: Yes, but there will be charged against your eligible time an amount of education determined by the cost of the course; for a \$300 intensive training course taken in 10 weeks, you must be eligible to receive 18 weeks of ordinary schooling. The amended law says that in such case, "there shall be charged against the veteran's period of eligibility the proportion of an ordinary school year which the cost of the course bears to \$500." An ordinary school year is 30 weeks, which makes the cost \$16.66 a week. A 10-week intensive course costing \$300 must be divided by \$16.66, which means a charge of 18 weeks against the veteran's eligible school time.

Question: "Suppose I want to take apprentice-training on the job, and the employer pays me a wage during my training; how will that

affect my subsistence allowance from the government?"

Answer: If you are paid for work performed as part of your apprenticeship or training, the amount of subsistence you receive when added to the wages received cannot exceed the "standard beginning wages paid a regular workman in the same trade or occupation."

Question: "I want to work and go to school nights. Naturally, I can't take a full course in one year, if I go to classes at night. Does the GI Bill base its one year of study specifications on time or credits? If it is on credits, I could take the year's course in about two years of night school."

Answer: The educational provisions of "The GI Bill of Rights" provide that every veteran be entitled to at least one year's schooling or "the equivalent thereof in continuous part-time study." The training allowance, however, is based on the proportion of full-time study which the veteran takes.

Question: "One writer says that men over 25 are not eligible for the free schooling, while another says GIs regardless of their age can get at least one year of free schooling. Who is right?"

Answer: The amended GI Bill now makes the educational benefits available to all veterans who meet the eligibility requirements, regardless of age. Only GIs who do not meet the 90-day qualifying provision or who have not received discharges under conditions other than dishonorable are out of luck on the free schooling.

Question: "I was just 19 when I was inducted and have now been in

service 3 years. How much free schooling am I entitled to?"

Answer: You are entitled to a full 4-year course of study at Government expense. You get 1 year of school by meeting the 90-day-service qualification and in addition you get added periods of free schooling measured by your length of service. The Veterans Administration has ruled that for each month of service a GI can get a calendar month of schooling. Since the average school year is made up of 9 calendar months, 27 months of service will get you 3 years of schooling. That, plus the 1 year previously mentioned, gives you a total of 4 years of schooling. Since 4 years is the maximum, the rest of your service time does not count toward free schooling. Your age has no bearing on your eligibility.

Question: "I own a farm, and when I get out of service I'd like to take advantage of both the educational and the farm-loan provisions of 'The GI Bill of Rights.' Will I be permitted to go to school and borrow money for new equipment for the farm?"

Answer: You probably will. A veteran may take advantage of more than one provision of "The GI Bill of Rights" at a time. If you can convince your bank that you can attend school and run your farm at the same time, you should have no trouble swinging the loan to buy the new equipment.

Question: "I have a wife and 3 children. When I get out I'd like to take advantage of the free schooling. How much will I receive for subsistence while attending school?"

Answer: You will get \$90 a month

while attending school. Every GI who attends school full time will get \$65 a month. Those with dependents get \$25 a month in addition. The number of dependents doesn't matter, since the maximum amount paid is \$90.

Question: "Before I entered the Army I was studying advertising. Now that I am older I can see that this was a mistake and that I am best fitted for research in chemistry. Can I switch over to chemistry or must I continue the course I was studying before I entered the Army?"

Answer: You can study anything you want. Under "The GI Bill of Rights" a veteran can go to any approved school or college that will accept him as a student and study anything he likes.

LOANS

Question: "I can understand a bank's being completely satisfied with the 50 percent of a loan guaranteed by the Government, but it has been my experience that a bank will demand security or collateral for any kind of loan. Exactly what guarantee will a local bank demand for the uninsured portion of any loan?"

Answer: The first requirement in arranging for a loan is that the veteran satisfy the lender that he, the veteran, is a good risk. This means that in determining the soundness of a loan for which a federal guaranty is sought, the same general factors that surround a private transaction will apply. In what way, then, is the loan provision of "The GI Bill of Rights" of assistance to the veteran? The answer is that the lender, assured of a 50 percent guaranty by the Government, will be strongly encouraged to make the loan, even if the security does not cover the entire loan.

Question: "Two other soldiers and I want to start a business in Australia after the war. Do you think the loan privileges of 'The GI Bill of Rights' might be extended to cover a business in Australia?"

Answer: Loan privileges of "The GI Bill of Rights" will not be made to veterans planning business ventures outside the United States; the term "United States" means the several states, territories and possessions, and the District of Columbia.

Question: "If I want to buy a home when I leave the service, may I borrow the full \$8000 under 'The GI Bill of Rights' without any other collateral but the mortgage on the house? The house will cost

\$8000. I have a job now waiting for me, but I have nothing else. Can I get a loan up to 100 percent of the value of the property? I understand that there is a limitation on mortgages of 66 percent in my state. How can I get around this?"

Answer: It is possible to get a loan with no other collateral than the mortgage on the house. In cases where state laws interfere, as above, the veteran may deal with FHA, which will take up to 80 percent of the value of the property and the Veterans Administration, which will accept the remaining 20 percent.

Question: "Can I use one loan for two purposes?"

Answer: A loan for two purposes will be made if the veteran can show evidence of ability to operate both business ventures successfully.

Question: "I have been told that cash benefits under 'The GI Bill of Rights' will be taken out of any future bonus that may be voted. Is this true?"

Answer: The original law provided that any benefits derived under "The GI Bill of Rights" shall be deducted from any future bonus, but the amended Act repeals that provision.

Question: "My wife and I are both veterans. Can we each get a loan guaranteed under 'The GI Bill of Rights' to be used in buying a house?"

Answer: You can. Each of you will be treated as an individual veteran. If you are both able to swing loans from your bank or other lending agency, you could get the loans guaranteed from the Veterans Administration.

Question: "Is it true that the

Government pays all the interest on the loans we get under 'The GI Bill of Rights'?"

Answer: No, it is not. During the first year of the loan the Veterans Administration will pay the interest on that part of the loan which it has guaranteed. Thus, if you get a \$4000 loan, the Veterans Administration will pay the interest on \$2000 or \$80 (at 4 percent, the maximum rate you may pay). You will have to pay the rest of the interest yourself.

Question: "When I get out, I'd like to buy a farm and turn it over to a tenant to run. Meanwhile I want to go back to my own business and let the tenant run the farm for me. Will I be able to get a farm-loan guaranty if I do that?"

Answer: You will not. A veteran can get a farm loan guaranteed only if he personally directs and operates the farm. You can, of course, hire all the help you need, but you will not be permitted to operate the farm through someone else. You need not actually live on the farm, but you must live near enough to personally direct and supervise the operation of the farm.

Question: "I own a farm which my younger brother and sister have been running in my absence. They tell me that local taxes have been accumulating at a fast clip. Will I be permitted to borrow money under 'The GI Bill of Rights' to pay off the taxes?"

Answer: You will. You may get either a farm loan or a home loan and use the money to pay off taxes on your property. The same thing applies to taxes on a town or city home owned by a GI.

UNEMPLOYMENT COMPENSATION

Question: "Under the unemployment allowances would a veteran who had gone into farming and was earning less than \$100 per calendar month be paid the difference between his net earnings and \$100? His earnings can't be computed on a monthly basis."

Answer: Unemployment allowances (called "Readjustment Allowance" in the law) are paid veterans engaged in farming up to the time of their first crop. Following the first crop, the earnings of the veteran are computed on a yearly basis.

Question: "'The GI Bill' says that a veteran can get only one benefit at a time. Suppose a man has taken advantage of the loan privileges of the Bill. Then he finds himself out of a job. It would seem that he gets no unemployment compensation. Is this true?"

Answer: According to "The GI Bill of Rights" a veteran is entitled to only one **MONETARY** benefit at a

time. Loan assistance is **NOT** considered a monetary benefit. In the situation outlined above the veteran is eligible for unemployment allowance even though he had arranged a loan with the government. But a veteran cannot get a subsistence allowance while going to school **AND** unemployment allowances; they are both monetary benefits.

Question: "I have been told that in order to get unemployment pay allowed under 'The GI Bill of Rights,' I must be willing to take a job even if it is in a factory where there is a strike. Is that right?"

Answer: It is not. You do not have to accept a job which is available directly as a result of a strike, lock-out or other labor dispute. Your refusal to accept such a job will not affect your right to the unemployment pay.

Question: "When I am discharged I expect to go into a business of my own. If the business does not suc-

ceed, will I be able to get any money under the unemployment provisions of 'The GI Bill of Rights'?"

Answer: If your business folds up and you are not earning any money, you will get \$20 a week. Should your business fall off so that you earn less than \$100 during any calendar month you will get the difference between your net earnings and \$100, up to 10 2-5 months (or \$1040).

Question: "Will the Readjustment Allowance be paid each week for the number of weeks to which a veteran is entitled?"

Answer: It depends upon the practice of paying unemployment compensation in your State; most States pay weekly; some pay bi-weekly; some pay monthly. You will get your federal Readjustment Allowance through the State setup and be paid in whatever way the State pays its unemployment compensation.

COMPLETE TEXT OF AMENDED GI BILL OF RIGHTS

TITLE I

Chapter I

Hospitalization, Claims and Procedures

Sec. 100. The Veterans' Administration is hereby declared to be an essential war agency and entitled to priority equal to the highest granted any department or agency of the Government in personnel, service, space, equipment, supplies, and material under any laws, Executive orders, and regulations pertaining to priorities. The Administrator is authorized, for the purpose of extending benefits to veterans and dependents, and to the extent he deems necessary, to procure the necessary space for administrative, clinical, medical, and outpatient treatment purposes by lease, purchase, or construction of buildings, or by condemnation or declaration of taking, pursuant to existing statutes.

Sec. 101. The Administrator of Veterans' Affairs and the Federal Board of Hospitalization are hereby

authorized and directed to expedite and complete the construction of additional hospital facilities for war veterans, and to enter into agreements and contracts for the use by or transfer to the Veterans' Administration of suitable Army and Navy hospitals after termination of hostilities in the present war or after such institutions are no longer needed by the armed services; and the Administrator of Veterans' Affairs is hereby authorized and directed to establish necessary regional offices, sub-offices, branch offices, contact units or other subordinate offices in centers of population where there is no Veterans' Administration facility or where such a facility is not readily available or accessible: Provided, That there is hereby authorized to be appropriated the sum of \$500,000,000 for the construction of additional hospital facilities.

Sec. 102. The Administrator of Veterans' Affairs and the Secretary of War and Secretary of the Navy are hereby granted authority to enter into agreements and contracts for the mutual use or exchange of use of hospital and domiciliary facilities, and such supplies, equipment, and material as may be needed to operate properly such facili-

ties, or for the transfer, without reimbursement of appropriations, of facilities, supplies, equipment, or material necessary and proper for authorized care for veterans, except that at no time shall the Administrator of Veterans' Affairs enter into any agreement which will result in a permanent reduction of Veterans' Administration hospital and domiciliary beds below the number now established or approved, plus the estimated number required to meet the load of eligibles under laws administered by the Veterans' Administration, or in any way subordinate or transfer the operation of the Veterans' Administration to any other agency of the Government.

Nothing in the Selective Training and Service Act of 1940, as amended, or any other Act, shall be construed to prevent the transfer or detail of any commissioned, appointed or enlisted personnel from the armed forces to the Veterans' Administration subject to agreements between the Secretary of War or the Secretary of the Navy and the Administrator of Veterans' Affairs: Provided, That no such detail shall be made or extended beyond six months after the termination of the war.

Sec. 103. The Administrator of Veterans' Affairs shall have authority to place officials and employees designated by him in such Army and Navy installations as may be deemed advisable for the purpose of adjudicating disability claims of, and giving aid and advice to, members of the Army and Navy who are about to be discharged or released from active service.

Sec. 104. No person shall be discharged or released from active duty in the armed forces until this certificate of discharge or release from active duty and final pay, or a substantial portion thereof, are ready for delivery to him or to his next of kin or legal representative; and no person shall be discharged or released from active service on account of disability until and unless he has executed a claim for compensation, pension, or hospitalization, to be filed with the Veterans' Administration or has signed a statement that he has had explained to him the right to file such claim: Provided, That this section shall not preclude immediate transfer to a veterans' facility for necessary hospital care, nor preclude the discharge of any person who refuses to sign such claim or statement: And Provided further, That refusal or failure to file a claim shall be without prejudice to any right the veteran may subsequently assert.

Any veteran entitled to a prosthetic appliance shall be furnished such fitting and training, including institutional training, in the use of such appliance as may be necessary, whether in a Veterans' Administration facility, other training institution, or by out-patient treatment, including such service under contract and including necessary travel expenses to and from their homes to such hospital or training institution.

The Administrator may procure any and all items mentioned herein, including necessary services required in the fitting, supplying, and training in use of such items by purchase, manufacture, contract, or in such other manner as the Administrator may determine to be proper without regard to any other provision of law.

Sec. 105. No person in the armed forces shall be required to sign a statement of any nature relating to the origin, incurrence, or aggravation of any disease or injury he may have and any such statement against his own interest, signed at any time, shall be null and void and of no force and effect.

Chapter II

Aid By Veterans' Organizations

Sec. 200. (a) That upon certification to the Secretary of War or Secretary of the Navy by the Administrator of Veterans' Affairs of paid full time accredited representatives

of the veterans' organizations specified in section 200 of the Act of June 29, 1936 (Public Law Numbered 844, Seventy-fourth Congress), and other such national organizations recognized by the Administrator of Veterans' Affairs thereunder in the presentation of claims under laws administered by the Veterans' Administration, the Secretary of War and Secretary of the Navy are hereby authorized and directed to permit the functioning, in accordance with regulations prescribed pursuant to subsection (b) of this section, of such accredited representatives in military or naval installations on shore from which persons are discharged or released from the active military or naval service: Provided, That nothing in this section shall operate to affect measures of military security now in effect or which may hereafter be placed in effect, nor to prejudice the right of the American Red Cross to recognition under existing statutes.

(b) The necessary regulations shall be promulgated by the Secretary of War and the Secretary of the Navy jointly with the Administrator of Veterans' Affairs to accomplish the purpose of this section, and in the preparation of such regulations the national officer of each of such veterans' organizations who is responsible for claims and rehabilitation activities shall be consulted. The commanding officer of each such military or naval installation shall cooperate fully with such authorized representatives in the providing of available space and equipment for such representatives.

(c) The Administrator is further authorized at his discretion and under such regulations as he may prescribe to furnish, if available, necessary space and suitable office facilities for the use of paid full-time representatives of such organizations.

Chapter III

Reviewing Authority

Sec. 300. The discharge or dismissal by reason of the sentence of a general court martial of any person from the military or naval forces, or the discharge of any such person on the ground that he was a conscientious objector who refused to perform military duty or refused to wear the uniform or otherwise to comply with lawful orders of competent military authority, or as a deserter, or of an officer by the acceptance of his resignation for the good of the service, shall bar all rights of such person, based upon the period of service from which he is so discharged or dismissed, under any laws administered by the Veterans' Administration: Provided, That in the case of any such person, if it be established to the satisfaction of the Administrator that at the time of the commission of the offense such person was insane,

he shall not be precluded from the benefits to which he is otherwise entitled under the laws administered by the Veterans' Administration: And provided further, That this section shall not apply to any war risk, Government (converted) or national service life-insurance policy.

Sec. 301. The Secretary of War and the Secretary of the Navy, after conference with the Administrator of Veterans' Affairs, are authorized and directed to establish in the War and Navy Departments, respectively, boards of review composed of five members each, whose duties shall be to review, on their own motion or upon the request of a former officer or enlisted man or woman or, if deceased, by the surviving spouse, next of kin, or legal representative, the type and nature of his discharge or dismissal, except a discharge or dismissal by reason of the sentence of a general court martial. Such review shall be based upon all available records of the service department relating to the person requesting such review, and such other evidence as may be presented by such person. Witnesses shall be permitted to present testimony either in person or by affidavit and the person requesting review shall be allowed to appear before such board in person or by counsel: Provided, That the term "counsel" as used in this section shall be considered to include, among other, accredited representatives of veterans' organizations recognized by the Veterans' Administration under section 200 of the Act of June 29, 1936 (Public Law Numbered 844, Seventy-fourth Congress). Such board shall have authority, except in the case of a discharge or dismissal by reason of the sentence of a general court martial, to change, correct, or modify any discharge or dismissal, and to issue a new discharge in accord with the facts presented to the board. The Articles of War and the Articles for the Government of the Navy are hereby amended to authorize the Secretary of War and the Secretary of the Navy to establish such boards of review, the findings thereof to be final subject only to review by the Secretary of War or the Secretary of the Navy: Provided, That no request for review by such board of a discharge or dismissal under the provisions of this section shall be valid unless filed within fifteen years after such discharge or dismissal or within fifteen years after the effective date of this Act, whichever may be the later.

Sec. 302. (a) The Secretary of War, the Secretary of the Navy and the Secretary of the Treasury are authorized and directed to establish, from time to time, boards of review composed of five commissioned officers, two of whom shall be selected from the Medical Corps of the Army or Navy, or from the Public Health Service, as the case may be. It shall be the duty of any such board to review, at the request of any officer

retired or released from active service, without pay, for physical disability pursuant to the decision of a retiring board, board of medical survey, or disposition board, the findings and decisions of such board. Such review shall be based upon all available service records relating to the officer requesting such review, and such other evidence as may be presented by such officer. Witnesses shall be permitted to present testimony either in person or by affidavit, and the officer requesting review shall be allowed to appear before such board of review in person or by counsel. In carrying out its duties under this section such board of review shall have the same powers as exercised by, or vested in, the board whose findings and decision are being reviewed. The proceedings and decision of each such board of review affirming or reversing the decision of any such retiring board, board of medical survey, or disposition board, shall be transmitted to the Secretary of War, the Secretary of the Navy, or the Secretary of the Treasury, as the case may be, and shall be laid by him before the President for his approval or disapproval and orders in the case.

(b) No request for review under this section shall be valid unless filed within fifteen years after the date of retirement for disability or after the effective date of this Act, whichever is the later.

(c) As used in this section—

(1) the term "officer" means any officer subject to the laws granting retirement for active service in the Army, Navy, Marine Corps or Coast Guard, or any of their respective components;

(2) the term "counsel" shall have the same meaning as when used in section 301 of this Act.

TITLE II

Chapter IV

Education Of Veterans

Sec. 400. (a) Subsection (f) of section 1, title I, Public Law Numbered 2, Seventy-third Congress, added by the Act of March 24, 1943 (Public Law Numbered 16, Seventy-eighth Congress), is hereby amended to read as follows:

"(f) Any person who served in the active military or naval forces on or after September 16, 1940, and prior to the termination of hostilities in the present war, shall be entitled to vocational rehabilitation subject to the provisions and limitations of Veterans Regulation Numbered 1 (a), as amended, part VII, or to education or training subject to the provisions and limitations of part VIII."

(b) Veterans Regulation Numbered 1 (a) is hereby amended by add-

ing a new part VIII as follows:

"Part VIII

"1. Any person who served in the active military or naval service on or after September 16, 1940, and prior to the termination of the present war, and who shall have been discharged or released therefrom under conditions other than dishonorable, and who either shall have served ninety days or more, exclusive of any period he was assigned for a course of education or training under the Army specialized training program or the Navy college training program, which course was a continuation of his civilian course and was pursued to completion, or as a cadet or midshipman at one of the service academies, or shall have been discharged or released from active service by reason of an actual service incurred injury or disability, shall be eligible for and entitled to receive education or training under this part: Provided, That such course shall be initiated not later than four years after either the date of his discharge or the termination of the present war, whichever is the later: Provided further, That no such education or training shall be afforded beyond nine years after the termination of the present war.

"2. Any such eligible person shall be entitled to education or training at an approved educational or training institution for a period of one year plus the time such person was in the active service on or after September 16, 1940, and before the termination of the war, exclusive of any period he was assigned for a course of education or training under the Army Specialized Training Program or the Navy College Training Program, which course was a continuation of his civilian course and was pursued to completion, or as a cadet or midshipman at one of the service academies, but in no event shall the total period of education or training exceed four years: Provided, That his work continues to be satisfactory throughout the period, according to the regularly prescribed standards and practices of the institution: Provided further, That wherever the period of eligibility ends during a quarter or semester and after a major part of such quarter or semester has expired, such period shall be extended to the termination of such unexpired quarter or semester.

"3 (a) Such person shall be eligible for and entitled to such course of education or training full time or the equivalent thereof in part-time training, as he may elect and at any approved educational or training institution at which he chooses to enroll, whether or not located in the State in which he resides, which will accept or retain him as a student or trainee in any field or branch of knowledge which such institution finds him qualified to undertake or pursue: Provided, That, for reasons satisfactory to the Administrator,

he may change a course of instruction: And provided further, That any such course of education or training may be discontinued at any time, if it is found by the Administrator that, according to the regularly prescribed standards and practices of the institution, the conduct or progress of such person is unsatisfactory.

"(b) Any such eligible person may apply for a short, intensive post-graduate, or training course of less than 30 weeks: Provided, That the Administrator shall have the authority to contract with approved institutions for such courses if he finds that the agreed cost of such courses is reasonable and fair: Provided further, That (1) the limitation of paragraph 5 shall not prevent the payment of such agreed rates, but there shall be charged against the veteran's period of eligibility the proportion of an ordinary school year which the cost of the course bears to \$500, and (2) not in excess of \$500 shall be paid for any such course.

"(c) Any such eligible person may apply for a course of instruction by correspondence without any subsistence allowance: Provided, That the Administrator shall have authority to contract with approved institutions for such courses if he finds that the agreed cost of such courses is reasonable and fair: Provided further, (1) That the provisions of paragraph 5 shall not apply to correspondence courses; (2) that one-fourth of the elapsed time in following such course shall be charged against the veteran's period of eligibility; and (3) that the total amount payable for a correspondence course or courses for any veteran shall not exceed \$500: And provided further, That nothing herein shall be construed to preclude the use of approved correspondence courses as a part of institutional or job training, subject to regulations prescribed by the Administrator.

"4. From time to time the Administrator shall secure from the appropriate agency of each State a list of the educational and training institutions (including industrial establishments), within such jurisdiction, which are qualified and equipped to furnish education or training (including apprenticeship and refresher or retraining training), which institutions, together with such additional ones as may be recognized and approved by the Administrator, shall be deemed qualified and approved to furnish education or training to such persons as shall enroll under this part: Provided, That wherever there are established State apprenticeship agencies expressly charged by State laws to administer apprentice training, whenever possible, the Administrator shall utilize such existing facilities and services in training on the job when such training is of one year's duration or more.

"5. The Administrator shall pay

to the educational or training institution, for each person enrolled in full time or part time course of education or training, the customary cost of tuition, and such laboratory, library, health, infirmary, and other similar fees as are customarily charged, and may pay for books, supplies, equipment, and other necessary expenses, exclusive of board, lodging, other living expenses, and travel, as are generally required for the successful pursuit and completion of the course by other students in the institution: Provided, That in no event shall such payments, with respect to any person, exceed \$500 for an ordinary school year, unless the veteran elects to have such customary charges paid in excess of such limitation, in which event there shall be charged against his period of eligibility the proportion of an ordinary school year which such excess bears to \$500: Provided, further, That no payments shall be made to institutions, business or other establishments furnishing apprentice training on the job: And provided further, That any institution may apply to the Administrator for an adjustment of tuition and the Administrator, if he finds that the customary tuition charges are insufficient to permit the institution to furnish education or training to eligible veterans, or inadequate compensation therefor, may provide for the payment of such fair and reasonable compensation as will not exceed the estimated cost of teaching personnel and supplies for instruction, and may in like manner readjust such payments from time to time."

Effective on the first day of the first calendar month subsequent to the date of enactment of this [amendatory] Act, the first sentence of paragraph 6 of Part VIII of such Regulation is amended to read as follows:

"6. While enrolled in and pursuing a course under this part, such person, upon application to the Administrator, shall be paid a subsistence allowance of \$65 per month, if without dependent or dependents, or \$90 per month, if he has a dependent or dependents, including regular holidays and leave not exceeding thirty days in a calendar year. Such person attending a course on a part-time basis, and such person receiving compensation for productive labor performed as part of their apprentice or other training on the job at institutions, business or other establishments, shall be entitled to receive such lesser sums, if any, as subsistence or dependency allowances, as may be determined by the Administrator: Provided, That any such person eligible under this part, and within the limitations thereof, may pursue such full-time or part-time course or courses as he may elect, without subsistence allowance.

"7. Any such person eligible for the benefits of this part, who is also eligible for the benefit of part VII,

may elect either benefit, or may be provided an approved combination of such courses: Provided, That the total period of any such combined courses shall not exceed the maximum period or limitations under the part affording the greater period of eligibility.

"8. No department, agency, or officer of the United States, in carrying out the provisions of this part shall exercise any supervision or control, whatsoever, over any State educational agency, or any educational or training institution: Provided, That nothing in this section shall be deemed to prevent any department, agency, or officer of the United States from exercising any supervision or control which such department, agency, or officer is authorized, by existing provisions of law, to exercise over any Federal educational or training institution, or to prevent the furnishing of education or training under this part in any institution over which supervision or control is exercised by such other department, agency, or officer under authority of existing provisions of law.

"9. The Administrator of Veterans' Affairs is authorized and empowered to administer this title, and, insofar as he deems practicable, shall utilize existing facilities and services of Federal and State departments and agencies on the basis of mutual agreements with them. Consistent with and subject to the provisions and limitations set forth in this title, the Administrator shall from time to time, prescribe and promulgate such rules and regulations as may be necessary to carry out its purposes and provisions.

"10. The Administrator may arrange for educational and vocational guidance to persons eligible for education and training under this part. At such intervals as he deems necessary, he shall make available information respecting need for general education and for trained personnel in the various crafts, trades, and professions: Provided, That facilities of other Federal agencies collecting such information shall be utilized to the extent he deems practicable.

"11. As used in this part, the term 'educational or training institutions' shall include all public or private elementary, secondary, and other schools furnishing education for adults, business schools and colleges, scientific and technical institutions, colleges, vocational schools, junior colleges, teachers' colleges, normal schools, professional schools, universities, and other educational institutions, and shall also include business or other establishments providing apprentice or other training on the job, including those under the supervision of an approved college or university or any State department of education, or any State apprenticeship agency or board of vocational education, or any State apprenticeship coun-

cil or the Federal Apprentice Training Service established in accordance with Public, Numbered 308, Seventy-fifth Congress, or any agency in the executive branch of the Federal Government authorized under other laws to supervise such training."

"12. For the purposes of this part, the present war shall not be considered as terminating, in the case of any individual, before the termination of such individual's first period of enlistment or reenlistment contracted within one year after the date of the enactment of the Armed Forces Voluntary Recruitment Act of 1945."

Sec. 401. Section 3, Public Law Numbered 16, Seventy-eighth Congress, is hereby amended to read as follows:

"Sec. 3. The appropriation for the Veterans' Administration, 'Salaries and expenses, medical and hospital, and compensation and pensions', shall be available for necessary expenses under part VII, as amended, or part VIII of Veterans Regulation Numbered 1 (a), and there is hereby authorized to be appropriated such additional amount or amounts as may be necessary to accomplish the purposes thereof. Such expenses may include, subject to regulations issued by the Administrator and in addition to medical care, treatment, hospitalization, and prosthesis, otherwise authorized, such care, treatment, and supplies as may be necessary to accomplish the purposes of part VII, as amended, or part VIII of Veterans Regulations Numbered 1 (a)."

Sec. 402. Public Law Numbered 16, Seventy-eighth Congress, is hereby amended by adding thereto a new section 4 to read as follows:

"Sec. 4. Any books, supplies, or equipment furnished a trainee or student under part VII or part VIII of Veterans Regulation Numbered 1 (a) shall be deemed released to him: Provided, That if he fail, because of fault, on his part to complete the course of training or education afforded thereunder, he may be required, in the discretion of the Administrator, to return any or all of such books, supplies, or equipment not actually expended or to repay the reasonable value thereof: Provided further, That returned books, supplies, or equipment may be turned in to educational or training institutions for credit under such terms as may be approved by the Administrator, or disposed of in such other manner as may be approved by the Administrator."

Sec. 403. Paragraph I, Part VII, Veterans Regulation Number 1, (a) (Public Law Number 16, Seventy-eighth Congress), is hereby amended by inserting after the word "time" the word "on or" and deleting the date "December 6, 1941" and substituting therefor the date "September 16, 1940."

(a) The proviso in paragraph 1 of part VII of Veterans Regulation Numbered 1 (a), as amended, is amended to read as follows: "Pro-

vided, That no course of training in excess of a period of four years shall be approved except with the approval of the Administrator, nor shall any training under this part be afforded beyond nine years after the termination of the present war."

(b) Effective on the first day of the first calendar month subsequent to the date of enactment of this [amendatory] Act, paragraph 3 of part VII of Veterans Regulation Numbered 1 (a), as amended, is amended to read as follows:

"3. While pursuing training prescribed herein, and for two months after his employability is determined, each veteran shall be paid the amount of subsistence allowance specified in paragraph 6 of part VIII of Veterans Regulation Numbered 1 (a) as amended: Provided, That the minimum payment of such allowance, plus any pension or other benefit shall be, for a person without a dependent, \$105 per month, and for a person with a dependent, \$115, plus the following amounts for additional dependents: (1) \$10 for one child and \$7 additional for each additional child and, (2) \$15 for a dependent parent: Provided further, That the rates set out herein shall not be subject to the increases authorized by Public Law Numbered 312, Seventy-eighth Congress, approved May 27, 1944: And provided further, That when the course of vocational rehabilitation furnished to any person as here provided consists of training on the job by an employer, such employer shall be required to submit monthly to the Administrator a statement in writing showing any wage, compensation, or other income paid by him to such person during the month, directly or indirectly, and based upon such written statements, the Administrator is authorized to reduce the subsistence allowance of such person to an amount considered equitable and just."

TITLE III

Loans For The Purchase Or Construction Of Homes, Farms and Business Property

Chapter V

General Provisions For Loans

Sec. 500. (a) Any person who shall have served in the active military or naval service of the United States at any time on or after September 16, 1940, and prior to the termination of the present war and who shall have been discharged or released therefrom under conditions other than dishonorable after active service of ninety days or more, or by reason of an injury or disability incurred in service in line of duty,

shall be eligible for the benefits of this title.

Any loan made by such veteran within ten years after the termination of the war for any of the purposes, and in compliance with the provisions, specified in this Title is automatically guaranteed by the Government by this Title in an amount not exceeding fifty per centum of the loan: Provided, That the aggregate amount guaranteed shall not exceed \$2,000 in the case of non-real-estate loans, nor \$4,000 in the case of real-estate loans; or a prorated portion thereof on loans of both types or combination thereof.

(b) Loans guaranteed under this Title shall be payable under such terms and conditions as may be agreed upon by the parties thereto, subject to the conditions and limitations of this Title and the regulations issued pursuant to Section 504: Provided, That the liability under the guaranty within the limitations of this Title shall decrease or increase prorata with any decrease or increase of the amount of the unpaid portion of the obligation: Provided further, That loans guaranteed under this Title shall bear interest at a rate not exceeding four per centum per annum and shall be payable in full in not more than twenty-five years, or in the case of loans on farm realty in not more than forty years; And provided further, That (1) the maturity on a non-real-estate loan shall not exceed ten years; (2) any loan for a term in excess of five years shall be amortized in accordance with established procedure; (3) except as provided in Section 505 any real estate loan, other than for repairs, alterations or improvements, shall be secured by a first lien on the realty, and a non-real-estate loan, except as to working or other capital, merchandise, good-will and other intangible assets, shall be secured by personality to the extent legal and practicable.

(c) An honorable discharge shall be deemed a certificate of eligibility to apply for a guaranteed loan. Any veteran who does not have a discharge certificate, or who receives a discharge other than honorable, may apply to the Administrator for a certificate of eligibility. Upon making a loan as provided herein, the lender shall forthwith transmit to the Administrator a statement setting forth the full name and serial number of the veteran, amount and terms of the loan, and the legal description of the property, together with the appraisal report made by the designated appraiser. Where the loan is automatically guaranteed, the Administrator shall provide the lender with a loan guaranty certificate or other evidence of the guaranty. He shall also endorse on the veteran's discharge or eligibility certificate, the amount and type of guaranty used, and the amount, if any, remaining.

An amount equivalent to four per centum on the amount originally guaranteed shall be paid to the lender by the Administrator out of available appropriations, to be credited upon the loan. Nothing herein shall be deemed to preclude the assignment of any guaranteed loan nor the assignment of the security therefor.

(d)* Loans guaranteed hereunder may be made by any Federal land bank, national bank, state bank, private bank, building and loan association, insurance company, credit union, or mortgage and loan company, that is subject to examination and supervision by an agency of the United States or of any State or Territory, including the District of Columbia. Any loan at least twenty per centum of which is guaranteed under this Title may be made by any national bank, or Federal savings and loan association; or by any bank, trust company, building and loan association or insurance company organized or authorized to do business in the District of Columbia: without regard to the limitations and restrictions of any other statute with respect to—

(1) ratio of amount of loan to the value of the property;

(2) maturity of loan;

(3) requirement for mortgage or other security;

(4) dignity of lien; or

(5) percentage of assets which may be invested in real estate loans.

(e) Any loan proposed to be made to an eligible veteran by any lender not of a class specified in subsection (d) may be guaranteed by the Administrator if he finds that it is in accord otherwise with the provisions of this Title, as amended.

Purchase Or Construction Of Homes

Sec. 501. Any loan made to a veteran under this title, the proceeds of which are to be used for purchasing residential property or constructing a dwelling to be occupied as his home or for the purpose of making repairs, alterations, or improvements in property owned by him and occupied as his home, is automatically guaranteed if made pursuant to the provisions of this title, including the following:

(1) That the proceeds of such loan will be used for payment of

* Sec. 500 (d), as added by Sec. 11, (b) Pub. Law 190, 79th Cong., Oct. 6, 1945, but not included in Title III as amended by Public Law 268, 79th Cong., Dec. 28, 1945, reads as follows:

"(d) For purposes of this title, the present war shall not be considered as terminating, in the case of any individual, before the termination of such individual's first period of enlistment or reenlistment contracted within one year after the date of the enactment of the Armed Forces Voluntary Recruitment Act of 1945."

the property purchased or constructed or improved:

(2) That the contemplated terms of payment required in any mortgage to be given in part payment of the purchase price or the construction cost bear a proper relation to the veteran's present and anticipated income and expenses; and that the nature and condition of the property is such as to be suitable for dwelling purposes; and

(3) That the price paid or to be paid by the veteran for such property or for the cost of construction, repairs or alterations does not exceed the reasonable value thereof as determined by proper appraisal made by an appraiser designated by the Administrator.

Purchase Of Farms And Farm Equipment

Sec. 502. Any loan made to a veteran under this title, the proceeds of which are to be used for purchasing any lands, buildings, livestock, equipment, machinery, supplies or implements, or for repairing, altering, constructing or improving any land, equipment or building, including the farmhouse, to be used in farming operation conducted by the veteran involving production in excess of his own needs, or for working capital requirements necessary for such operations, or to purchase stock in a cooperative association where the purchase of such stock is required by Federal statute as an incident to obtaining the loan, is automatically guaranteed if made pursuant to the provisions of this title, including the following:

(1) That the proceeds of such loan will be used for any purposes in connection with bona fide farming operations conducted by the applicant;

(2) That such property will be useful in and reasonably necessary for efficiently conducting such operations;

(3) That the ability and experience of the veteran, and the nature of the proposed farming operation to be conducted by him, are such that there is a reasonable likelihood that such operations will be successful; and

(4) That the purchase price paid or to be paid by the veteran for such property does not exceed the reasonable value thereof as determined by proper appraisal made by an appraiser designated by the Administrator.

Purchase Of Business Property

Sec. 503. Any loan made to a veteran under this title, the proceeds of which are to be used for the purpose of engaging in business or pursuing a gainful occupation, or for the cost of acquiring for such purpose land, buildings, supplies, equipment, machinery, tools, inventory, stock in trade, or for the cost of the construction, repair, alteration or improvement of any realty or personalty used for such purpose, or to provide the funds needed for working capital, is automatically guar-

anteed if made pursuant to the provisions of this title, including the following:

(1) That the proceeds of such loan will be used for any of the specified purposes in connection with bona fide pursuit of gainful occupation by the veteran;

(2) That such property will be used in and reasonably necessary for the efficient and successful pursuit of such business or occupation;

(3) That the ability and experience of the veteran, and the conditions under which he proposes to pursue such business or occupation, are such that there is a reasonable likelihood that he will be successful in the pursuit of such business or occupation; and

(4) That the purchase price paid or to be paid by the veteran for such property, or the cost of such construction, alterations, or improvements, does not exceed the reasonable value thereof as determined by proper appraisal made by an appraiser designated by the Administrator.

Regulations

Sec. 504. The Administrator is authorized to promulgate such rules and regulations not inconsistent with this title, as amended, as are necessary and appropriate for carrying out the provisions of this title, and may delegate to subordinate employees authority to issue certificates, or other evidence, of guaranty of loans guaranteed under the provisions of this title, and to exercise other administrative functions hereunder.

Secondary Loans

Sec. 505. (a) In any case wherein a principal loan, for any of the purposes stated in section 501, 502, or 503, is approved by a Federal agency to be made or guaranteed or insured by it pursuant to applicable law and regulations, and the veteran is in need of a second loan to cover the remainder of the purchase price or cost, or a part thereof, the Administrator, subject otherwise to the provisions of this title, may guarantee the full amount of the second loan: Provided, That such second loan shall not exceed 20 per centum of the purchase price or cost: And provided further, That regulations to be promulgated jointly by the Administrator and the head of such agency may provide for servicing of both loans by such agency and for refinancing of the principal loan to include any unpaid portion of the secondary loan with accrued interest, if any, after the curtailment thereon equals twice the amount of the secondary loan.

(b) Any person who is a veteran eligible for the benefits of this title, as provided in section 500 hereof, and who is found by the Secretary of Agriculture, by reason of his ability and experience, including training as a vocational trainee, to be likely to carry out successfully undertakings required of him under a loan which may be made under

the Bankhead-Jones Farm Tenant Act, shall be eligible for the benefits of such Act to the same extent as if he were a farm tenant.

Procedure On Default

Sec. 506. In the event of default in the payment of any loan guaranteed under this title, the holder of the obligation shall notify the Administrator who shall thereupon pay to such holder the guaranty not in excess of the pro rata portion of the amount originally guaranteed, and shall be subrogated to the rights of the holder of the obligation to the extent of the amount paid on the guaranty: Provided, That prior to suit or foreclosure the holder of the obligation shall notify the Administrator of the default, and within thirty days thereafter the Administrator may, at his option, pay the holder of the obligation the unpaid balance of the obligation plus accrued interest and receive an assignment of the loan and security: Provided further, That (1) nothing herein shall be construed to preclude any forbearance for the benefit of the veteran as may be agreed upon by the parties to the loan and approved by the Administrator; and (2) the Administrator may establish the date, not later than the date of judgment and decree of foreclosure or sale, upon which accrual of interest or charges shall cease.

Loans On Delinquent Indebtedness

Sec. 507. Any loan made to a veteran, the proceeds of which are to be used to refinance any indebtedness of the veteran which is secured of record on property to be used or occupied by the veteran as a home or for farming purposes, or indebtedness incurred by him in the pursuit of a gainful occupation which he is pursuing or which he proposes in good faith to pursue, or any delinquent taxes or assessments on such property or business is automatically guaranteed if made pursuant to the provisions of this title, including the following:

(1) Such loan became in default or the delinquency occurred not later than ten years after the termination of the war;

(2) Such refinancing will aid the veteran in his economic readjustment; and

(3) The amount of the guaranteed loan does not exceed the reasonable value of the property or business, as determined by proper appraisal made by an appraiser designated by the Administrator.

Insurance Of Loans

Sec. 508. (a) Any loans which might be guaranteed under the provisions of this title, when made or purchased by any financial institution subject to examination and supervision by an agency of the United States or of any State or Territory, including the District of Columbia, may, in lieu of such guaranty, be insured by the Administrator under an agreement whereby he will reimburse any such institution for losses incurred on such

loan up to 15 per centum of the aggregate of loans so made or purchased by it.

(b) Loans insured hereunder shall be made on such other terms, conditions, and restrictions as the Administrator may prescribe within the limitations set forth in this title. The Administrator may fix the maximum rate of interest payable on any class of non-real-estate loans insured hereunder at a figure not in excess of a 3 per centum discount rate or an equivalent straight interest rate on nonamortized loans.

(c) The Administrator shall pay the same amount on each loan insured hereunder as he would be required to pay under the sixth sentence of section 500 (c) hereof if the loan were guaranteed rather than insured.

Powers Of Administrator

Sec. 509. (a) With respect to matters arising by reason of this title as now or hereafter amended and, notwithstanding the provisions of any other law, the Administrator may—

(1) Sue and be sued in his official capacity in any court of competent jurisdiction, State or Federal.

(2) Subject to specific limitations in this Act, consent to the modification, with respect to rate of interest, time of payment of principal or interest or any portion thereof, security or other provisions of any note, contract, mortgage or other instrument securing a loan which has been guaranteed or insured hereunder.

(3) Pay, or compromise, any claim, on or arising because of, any such guaranty or insurance.

(4) Pay, compromise, waive or release any right, title, claim, lien or demand, however acquired, including any equity or any right of redemption.

(5) Purchase at any sale, public or private, upon such terms and for such prices as he determines to be reasonable, and take title to, property, real, personal or mixed; and similarly sell, at public or private sale, exchange, assign, convey, or otherwise dispose of any such property; and

(6) Complete, administer, operate, obtain and pay for insurance on, and maintain, renovate, repair, modernize, lease, or otherwise deal with any property acquired or held pursuant to this title: Provided, That the acquisition of any such property shall not deprive any State or political subdivision thereof of its civil or criminal jurisdiction of, on, or over such property (including power to tax) or impair the rights under the State or local law of any persons on such property.

(b) The powers by this section granted may be exercised by the Administrator without regard to any other provisions of law not enacted expressly in limitation hereof, which otherwise would govern the expenditure of public funds: Provided, That section 3709 of the Re-

vised Statutes shall apply to any contract for services or supplies on account of any property acquired pursuant to this section if the amount of such contract exceeds \$1000.

(c) The financial transactions of the Administrator incident to, or arising out of, the guaranty of loans pursuant to this title, and the acquisition, management, and disposition of property, real, personal or mixed, as incident to such activities and pursuant to this section, shall be final and conclusive upon all officers of the Government.

Effective Date

Sec. 510. This title, as amended, shall be effective from the date of enactment: Provided, That any application of guaranty of a loan filed within ninety days after such date may be approved under the title as it existed prior to amendment: And provided further, That nothing herein shall be construed to affect any contractual right under any certificate of guaranty issued thereunder.

TITLE IV

Chapter VI

Employment Of Veterans

Sec. 600. (a) In the enactment of the provisions of this title Congress declares as its intent and purpose that there shall be an effective job counseling and employment placement service for veterans, and that to this end, policies shall be promulgated and administered, so as to provide for them the maximum of job opportunity in the field of gainful employment. For the purpose there is hereby created to cooperate with and assist the United States Employment Service, as established by the provisions of the Act of June 6, 1933, a Veterans' Placement Service Board, which shall consist of the Administrator of Veterans' Affairs, as Chairman, the Director of the National Selective Service System, and the Administrator of the Federal Security Agency, or whoever may have the responsibility of administering the functions of the United States Employment Service. The Board shall determine all matters of policy relating to the administration of the Veterans' Employment Service of the United States Employment Service.

(b) The Chairman of the Board shall have direct authority and responsibility for carrying out its policies through the veterans' employment representatives in the several States or through persons engaged in activities authorized by subsection (g) of section 8 of the Selective Service Act of 1940 (Public Law 783, Seventy-sixth Congress, approved September 16, 1940), as amended (U. S. C., title 50, sec. 308). The Chairman may delegate such

authority to an executive secretary who shall be appointed by him and who shall thereupon be the Chief of the Veterans' Employment Service of the United States Employment Service.

(c) The public records of the Veterans' Personnel Division, National Selective Service System, and the Veterans' Employment Service of the United States Employment Service shall be available to the Board.

Sec. 601. The United States Employment Service shall assign to each of the States a veterans' employment representative, who shall be a veteran of the wars of the United States separated from active service under honorable conditions, who at the time of appointment shall have been a bona fide resident of the State for at least two years, and who shall be appointed, subject to the approval of the Board, in accordance with the civil-service laws, and whose compensation shall be fixed in accordance with the Classification Act of 1923, as amended. Each such veterans' employment representative shall be attached to the staff of the public employment service in the State to which he has been assigned. He shall be administratively responsible to the Board, through its executive secretary, for the execution of the Board's veterans' placement policies through the public employment service in the State. In cooperation with the public employment service staff in the State, he shall—

(a) be functionally responsible for the supervision of the registration of veterans in local employment offices for suitable types of employment and for placement of veterans in employment;

(b) assist in securing and maintaining current information as to the various types of available employment in public works and private industry or business;

(c) promote the interest of employers in employing veterans;

(d) maintain regular contact with employers and veterans' organizations with a view of keeping employers advised of veterans available for employment and veterans advised of opportunities for employment; and

(e) assist in every possible way in improving working conditions and the advancement of employment of veterans.

Sec. 602. Where deemed necessary by the Board, there shall be assigned by the administrative head of the employment service in the State one or more employees, preferably veterans, of the staffs of local employment service offices, whose services shall be primarily devoted in discharging the duties prescribed for the veterans' employment representatives.

Sec. 603. All Federal agencies shall furnish the Board such records, statistics, or information as may be deemed necessary or appro-

priate in administering the provisions of this title, and shall otherwise cooperate with the Board in providing continuous employment opportunities for veterans.

Sec. 604. The Federal agency administering the United States Employment Service shall maintain that service as an operating entity and during the period of its administration, shall effectuate the provisions of this title.

Sec. 605. (a) The Board through its executive secretary shall estimate the funds necessary for the proper and efficient administration of this title; such estimated sums shall include the annual amounts necessary for salaries, rents, printing and binding, travel, and communications. Sums thus estimated shall be included as a special item in the annual budget of the United States Employment Service. Any funds appropriated pursuant to this special item as contained in the budget of the United States Employment Service shall not be available for any purpose other than that for which they were appropriated, except with the approval of the Board.

(b) The War Manpower Commission shall from its current appropriation allocate and make available sufficient funds to carry out the provisions of this title during the current fiscal year.

Sec. 606. The term "United States Employment Service" as used in this title means that Bureau created by the provisions of the Act of June 6, 1933, or such successor agencies as from time to time shall perform its functions and duties, as now performed by the War Manpower Commission.

Sec. 607. The term "veteran" as used in this title shall mean a person who served in the active service of the armed forces during a period of war in which the United States has been, or is, engaged, and who has been discharged or released therefrom under conditions other than dishonorable.

TITLE V

Chapter VII

Readjustment Allowances For Former Members Of The Armed Forces Who Are Unemployed

Sec. 700. (a) Any person who shall have served in the active military or naval service of the United States at any time after September 16, 1940, and prior to the termination of the present war, and who shall have been discharged or released from active service under conditions other than dishonorable after active service of 90 days or more, or by reason of an injury or disability

incurred in service in line of duty, shall be entitled in accordance with the provisions of this title and regulations issued by the Administrator of Veterans' Affairs pursuant thereto, to receive a readjustment allowance as provided herein for each week of unemployment, not to exceed a total of fifty-two weeks, which (1) begins after the first Sunday of the third calendar month after the date of enactment hereof, and (2) occurs not later than two years after discharge or release or the termination of the war, whichever is the later date: Provided, That no such allowance shall be paid for any period for which he receives increased pension under part VII of Veterans Regulation 1 (a) or a subsistence allowance under part VIII of such regulation: Provided further, That no readjustment allowance shall be payable for any week commencing more than five years after the termination of hostilities in the present war.

(b) Such person shall be deemed eligible to receive an allowance for any week of unemployment if claim is made for such allowance and the Administrator finds with respect to such week that—

(1) the person is residing in the United States at the time of such claim;

(2) the person is completely unemployed, having performed no service and received no wages, or is partially unemployed in that services have been performed for less than a full work-week and the wages for the week are less than the allowance under this title plus \$3;

(3) the person is registered with and continues to report to a public employment office, in accordance with its regulations;

(4) the person is able to work and available for suitable work: Provided, That no claimant shall be considered ineligible in any period of continuous unemployment for failure to comply with the provisions of this subparagraph if such failure is due to an illness or disability which occurs after the commencement of such period.

(c) For the purposes of this title, neither the present war nor hostilities therein shall be considered as terminating, in the case of any individual, before the termination of such individual's first period of enlistment or reenlistment contracted within one year after the date of the enactment of the Armed Forces Voluntary Recruitment Act of 1945.

Chapter VIII

Disqualifications

Sec. 800. (a) Notwithstanding the provisions of section 700, a claimant shall be disqualified from receiving an allowance if—

(1) he leaves suitable work voluntarily, without good cause, or is suspended or discharged for mis-

conduct in the course of employment;

(2) he, without good cause, fails to apply for suitable work to which he has been referred by a public employment office, or to accept suitable work when offered him; or

(3) he, without good cause, does not attend an available free training course as required by regulations issued pursuant to the provisions of this title.

(b) Notwithstanding the provisions of section 700, a claimant shall also be disqualified from receiving an allowance for any week with respect to which it is found that his unemployment is due to a stoppage of work which exists because of a labor dispute at the factory, establishment, or other premises at which he is or was last employed; Provided, That this subsection shall not apply if it is shown that—

(1) he is not participating in or directly interested in the labor dispute which causes the stoppage of work, and

(2) he does not belong to a grade or class of workers of which, immediately before the commencement of the stoppage there were members employed at the premises at which the stoppage occurs, any of whom are participating in or directly interested in the dispute; Provided, however, That if in any case separate branches of work which are commonly conducted as separate business in separate premises, are conducted in separate departments of the same premises, each such department shall, for the purposes of this subsection, be deemed to be a separate factory, establishment, or other premises.

(c) (1) If a claimant is disqualified under the provisions of subsection (a) of this section, he shall be disqualified to receive any readjustment allowance for the week in which the cause of his disqualification occurred and for not more than four immediately following weeks.

(2) In addition to the disqualification prescribed in paragraph (1) above, the Administrator may, in cases of successive disqualifications under the provisions of subsection (a) of this section, extend the period of disqualification for such additional period as the Administrator may prescribe, but not to exceed eight additional weeks in the case of any one disqualification.

(d) (1) In determining under subsection (a) of this section the suitability of work or the existence of good cause with respect to a claimant, the conditions and standards prescribed by the unemployment compensation laws of the State in which he files his claim shall govern: Provided, That the Administrator may prescribe conditions and standards for applicants in any State having no applicable statute.

(2) In determining under subsection (a) of this section the suitability of work, no work shall be

deemed suitable for an individual if—

(A) the position offered is vacant due directly to a strike, lock-out, or other labor dispute; or

(B) the wages, hours, or other conditions of the work offered are substantially less favorable to him than those prevailing for similar work in the locality.

Chapter IX Amount Of Allowances And Payment

Sec. 900. (a) The allowance for a week shall be \$20 less that part of the wages payable to him for such week which is in excess of \$3: Provided, That where the allowance is not a multiple of \$1, it shall be computed to the next highest multiple of \$1.

(b) The number of weeks of allowances to which each eligible veteran shall be entitled shall be determined as follows: For each calendar month or major fraction thereof of active service during the period stated in section 700 the veteran shall be entitled to four weeks of allowances, but in no event to exceed the maximum provided in section 700; Provided, That the allowance for the qualifying ninety days service shall be eight weeks for each such month.

Sec. 901. (a) Readjustment allowances shall be paid at the intervals prescribed by the unemployment compensation law of the State in which the claim was made; Provided, That if none are so prescribed readjustment allowance shall be paid at such reasonable intervals as may be determined by the Administrator.

(b) Any allowances remaining unpaid upon the death of a claimant shall not be considered a part of the assets of the estate of the claimant, or liable for the payment of his debts, or subject to any administration of his estate, and the Administrator may make payment thereof to such person or persons he finds most equitably entitled thereto.

Sec. 902. (a) Any person qualified under subsection (a) of section 700, and residing in the United States who is self-employed for profit in an independent establishment, trade, business, profession, or other vocation shall be eligible for readjustment allowances under this title within the time periods applicable, and not in excess of the total amount provided in this title.

(b) Upon application by the veteran showing, in accordance with rules prescribed by the Administrator, that he has been fully engaged in such self-employment and that his net earnings in a trade, business, profession, or vocation, have been less than \$100 in the previous calendar month, the veteran shall be entitled to receive, subject to the limitations of this title as to time and amount, the difference (adjusted to the next highest multiple of \$1), be-

between \$100 and his net earnings for such month.

(c) Payment of such allowance shall be made by the Administrator to each eligible veteran at the time and in the manner other payments are made directly to veterans by the Administrator.

(d) Subsection (b) of section 700 and section 800 shall not apply in determining the eligibility for allowances of a claimant under this section.

Chapter X Adjustment Of Duplicate Benefits

Sec. 1000. Where an allowance is payable to a claimant under this title and where, for the same period, either an allowance or benefit is received under any Federal or State unemployment or disability compensation law, the amount received or accrued from such other source shall be subtracted from the allowance payable under this title (except that this section shall not apply to pension, compensation, or retired pay paid by the Veterans' Administration); and the resulting allowances, if not a multiple of \$1, shall be readjusted to the next higher multiple of \$1.

Chapter XI Administration

Sec. 1100. (a) The Administrator of Veterans' Affairs is authorized to administer this title and shall insofar as possible, utilize existing facilities and services of Federal and State departments or agencies on the basis of mutual agreements with such departments or agencies. Such agreements shall provide for the filing of claims for readjustment allowances with the Administrator through established public employment offices and State unemployment-compensation agencies. Such agencies, through agreement, shall also be utilized in the processing, adjustment, and determination of such claims and the payment of such allowances. To facilitate the carrying out of agreements with State departments or agencies and to assist in the discharge of the Administrator's duties under this title, a representative of the Administrator, who shall be a war veteran separated from active service under honorable conditions and who at the time of appointment shall have been a bona fide resident of the State for at least two years, shall be located in each participating State department or agency.

(b) The Administrator, consistent with the provisions of this title, shall prescribe such rules and regulations and require such records and reports as he may find necessary to carry out its purposes: Provided, however, That cooperative rules and regulations relating to the performance by Federal and State departments, or agencies, of functions un-

der agreements made therewith, may be made by the Administrator after consultation and advisement with representatives of such departments or agencies.

(c) The Administrator may delegate to any officer or employee of his own or of any cooperating department or agency of any State such of his powers and duties, except that of prescribing rules and regulations, as the Administrator may consider necessary and proper to carry out the purposes of this title.

(d) Allowances paid by the cooperating State agencies shall be repaid upon certification by the Administrator. The Secretary of the Treasury, through the Division of Disbursement of the Treasury, and without the necessity of audit and settlement by the General Accounting Office, shall pay monthly to the departments, agencies, or individuals designated, the amounts so certified.

(e) The Administrator shall from time to time certify to the Secretary of the Treasury for payment in advance or otherwise such sums as he estimates to be necessary to compensate any Federal department or agency for its administrative expenses under this title. Such sums shall cover periods of no longer than six months.

(f) The Administrator shall also from time to time certify to the Social Security Board such State departments or agencies as may be participating in the administration of this title, and the amount of administrative expense incurred by a State under agreements made pursuant to this section. Upon such certification the Social Security Board shall certify such amount to the Secretary of the Treasury. In addition to the amount, if any, payable by said Board under the provisions of section 302 (a) of the Social Security Act, as amended, and the additional amount so certified shall be paid to each State by the Secretary of the Treasury out of the appropriation for the Veterans' Administration.

(g) Any money paid to any cooperating agency or person, which is not used for the purpose for which it was paid shall, upon termination of the period covered by such payment or the agreement with such agency or person, be returned to the Treasury and credited to the current appropriation for carrying out the purpose of this title, or, if returned after the expiration of period covered by this title, shall be covered into the Treasury as miscellaneous receipts.

Sec. 1101. (a) No person designated by the Administrator as a certifying officer shall, in the absence of gross negligence, or intent to defraud the United States, be liable with respect to any payment by him under this title if it was based upon a voucher signed by a certifying

officer designated by the Administrator.

(b) No disbursing officer shall, in the absence of gross negligence, or intent to defraud the United States, be liable with respect to any payment by him under this title if it was based upon a voucher signed by a certified officer designated by the Administrator.

Sec. 1102. Any claimant whose claim for an allowance has been denied shall be entitled to a fair hearing before an impartial tribunal of the State agency or such other agency as may be designated by the Administrator. The representative of the Administrator located in each State shall be the final appellate authority in regard to contested claims arising in such State, subject to review by the Administrator.

Sec. 1103. In the case of any veterans eligible under the provisions of this title who either at the time of application for the benefits herein provided is a "qualified employee" as defined in section 3 of the Railroad Unemployment Insurance Act, as amended, or was last employed prior to such application by an employer as defined in section 1 (a) of the said Act, claim may be made through an office operated by or a facility designated as a free employment office by the Railroad Retirement Board pursuant to the provisions of said Act. In such cases, the conditions and standards as to the suitability of work or existence of good cause, the intervals for making claim for and payment of benefits, and the administrative and appellate procedures prescribed by or under said Act shall govern, if not in conflict with the provisions of this title, the appellate procedures being subject to final appeal to the Administrator. In such cases, a reference in this title to a cooperating State agency shall be deemed to include the Railroad Retirement Board.

Chapter XII Decisions And Procedures

Sec. 1200. The authority to issue subpoenas and provisions for invoking aid of the courts of the United States in case of disobedience thereto, to make investigations, and to administer oaths, as contained in title III of the Act of June 29, 1936 (49 Stat. 2033-34; U. S. C., title III of 133), shall be applicable in the administration of this title.

Chapter XIII Penalties

Sec. 1300. Any claimant who knowingly accepts an allowance to which he is not entitled shall be ineligible to receive any further allowance under this title.

Sec. 1301. (a) Whoever for the purpose of causing an increase in

any allowance authorized under this title, or for the purpose of causing any allowance to be paid where none is authorized under this title, shall make or cause to be made any false statement or representation as to any wages paid or received, or who ever makes or causes to be made any false statement of a material fact in any claim for any allowance under this title, or whoever makes or causes to be made any false statement, representation, affidavit, or document in connection with such claim, shall be guilty of a misdemeanor and upon conviction thereof shall be fined not more than \$1,000 or imprisoned for not more than one year, or both.

(b) Whoever shall obtain or receive any money, check, or allowance under this title, without being entitled thereto and with intent to defraud the United States, shall be punished by a fine of not more than \$1,000 or by imprisonment for not more than one year, or both.

Chapter XIV Definitions

Sec. 1400. As used in this title—

(a) The term "week" means such period or periods of seven consecutive calendar days as may be prescribed in regulations by the Administrator.

(b) The term "wages" means all remuneration for services from whatever sources, including commissions and bonuses and the cash value of all remuneration in any medium other than cash.

TITLE VI

Chapter XV General Administrative And Penal Provisions

Sec. 1500. Except as otherwise provided in this Act, the administrative, definitive, and penal provisions under Public, Numbered 2, Seventy-third Congress, as amended, and the provisions of Public, Numbered 262, Seventy-fourth Congress, as amended (38 U. S. C. 450, 451, 454a and 556a), shall be for application under this Act. For the purpose of carrying out any of the provisions of Public, Numbered 2, as amended, and this Act, the Administrator shall have authority to accept uncompensated services and to enter into contracts or agreements with private or public agencies, or persons, for necessary services, including personal services, as he may deem practicable.

Sec. 1501. Except as otherwise specified, the appropriations for the Veterans' Administration are hereby made available for expenditures necessary to carry out the provisions of this Act and there is hereby authorized to be appropriated such additional amounts as may be nec-

essary to accomplish the purposes of this Act.

Sec. 1502. Wherever used in this Act, unless the context otherwise requires, the singular includes the plural; the masculine includes the feminine; the term "Administrator" means the Administrator of Veterans' Affairs; the term "United States" used geographically means the several States, Territories and possessions, and the District of Columbia; the term "State" means the several States, Territories and possessions, and the District of Columbia; and the phrases "termination of hostilities in the present war," "termination of the present war," and "termination of the war," mean termination of the war as declared by Presidential proclamation or concurrent resolution of the Congress.

Sec. 1503. A discharge or release from active service under conditions other than dishonorable shall be a prerequisite to entitlement to veterans' benefits provided by this Act or Public Law Numbered 2, Seventy-third Congress, as amended.

Sec. 1504. The Administrator shall transmit to Congress annually a report of operations under this Act. If the Senate or the House of Representatives is not in session, such reports shall be transmitted to the Secretary of the Senate or the Clerk of the House of Representatives, as the case may be.

Sec. 1505. [Repealed by amendatory Act.]

Sec. 1506. Persons who served in the active military or naval service of any government allied with the United States in World War II and who at time of entrance into such active service were citizens of the United States shall, by virtue of such service, and if otherwise qualified, be entitled to the benefits of titles II, III, IV, and V of this Act or of Public Law 16, Seventy-eighth Congress, in the same manner and to the same extent as persons who served in the active military or naval service of the United States: Provided, That any such benefit shall not be extended to any person who is not a resident of the United States at time of filing claim or to any person who has applied for and received the same or similar benefit from the government of the nation in whose active military or naval service he served.

Sec. 1507. Notwithstanding the provisions of section 1503, any person while on terminal leave, or while hospitalized pending final discharge, may be afforded the benefits of titles II and III of this Act, or vocational rehabilitation training under Public Law 16, Seventy-eighth Congress, as amended, subject to all conditions thereof except actual discharge: Provided, That no subsistence allowance shall be paid in such cases under title II of this Act or Public Law 16, Seventy-eighth Congress. This section shall be effective from June 22, 1944.