DEPARTMENT OF DEFENSE

DEPARTMENT OF TRANSPORTATION

Coast Guard

DEPARTMENT OF VETERANS AFFAIRS

38 CFR Part 21

RIN 2900-AF74

Reservists Education; Commencing Date of Award of Educational Assistance

AGENCY: Department of Defense, Department of Transportation (Coast Guard), and Department of Veterans Affairs.

ACTION: Proposed rule.

SUMMARY: This document proposes to amend the Educational Assistance Regulations pertaining to the commencing dates of awards of educational assistance for members of the Selected Reserve. It is proposed to change these regulations to provide that all commencing dates for awards or increased awards of educational assistance be on or reasonably close to the date of the first day of class. The intended effect of the amendments is to make uniform the regulations governing the dates of commencement of awards of educational assistance under the Montgomery GI Bill—Selected Reserve both for reservists pursuing a college degree and for those enrolled in courses not leading to a college degree.

DATES: Comments must be received on or before July 3, 1995.

ADDRESSES: Mail written comments to: **Director**, Office of Regulations Management (02D), Department of Veterans Affairs, 810 Vermont Avenue, NW, Washington, DC 20420, or hand deliver written comments to: Office of Regulations Management, Room 1176. 801 Eye Street, NW, Washington DC 20001. Comments should indicate that they are in response to "RIN 2900-AF74." All written comments received will be available for public inspection in the Office of Regulations Management, Room 1176, 801 Eye Street, NW, Washington, DC 20001, between the hours of 8:00 a.m. and 4:30 p.m., Monday through Friday (except holidays).

FOR FURTHER INFORMATION CONTACT: June C. Schaeffer, Assistant Director for Policy and Program Administration, Education Service, Veterans Benefits Administration, (202) 273–7187.

SUPPLEMENTARY INFORMATION: In accordance with statutory authorities,

VA has established an educational assistance program for certain members of the Selected Reserve of the Ready Reserve for the purpose of encouraging membership in the Selected Reserve. The regulations established for this program are set forth at 38 CFR Subpart L, referred to below as the "Educational Assistance Regulations."

The Educational Assistance Regulations set forth criteria for determining the commencing date of an award or increased award of educational assistance. The current regulations provide that, with respect to reservists enrolled in a resident course or subject leading to a college degree, the commencing date generally is the date of registration or reporting, whichever is first. It is proposed to change these regulations, as set forth in the text portion of this document, to provide that all commencing dates for awards or increased awards of educational assistance be on or reasonably close to the date of the first day of class. It is also proposed to impose such requirements for all other reservists pursuing educational programs: i.e., those taking a course offered by independent study or correspondence. This proposal is consistent with the recommendation of the Commission to Assess Veterans' Education Policy and will help ensure that educational assistance is paid only for times close to or during the period of pursuit of the reservists' program of education.

The Secretary of Veterans Affairs, the Secretary of Defense and the Commandant of the Coast Guard have certified that this proposed rule, if promulgated, will not have a significant economic impact on a substantial number of small entities as they are defined in the Regulatory Flexibility Act, 5 U.S.C. 601–612. The proposed rule would not directly affect any small entities. Only VA beneficiaries could be directly affected. Therefore, pursuant to 5 U.S.Č. 605(b), the amended regulation is exempt from the initial and final regulatory flexibility analyses requirements of sections 603 and 604.

This proposed rule has been reviewed by the Office of Management and Budget pursuant to Executive Order 12866.

There is no Catalog of Federal Domestic Assistance number for the program affected by this proposed rule.

List of Subjects in 38 CFR Part 21

Civil rights, Claims, Education, Grant programs—education, Loan programs education, Reporting and recordkeeping requirements, Schools, Veterans, Vocational education, Vocational rehabilitation. Approved: April 11, 1995. Jesse Brown,

Secretary of Veterans Affairs.

Approved: April 21, 1995.

Wayne W. Spruell,

Acting Deputy Assistant Secretary, Reserve Affairs (Manpower and Personnel), Department of Defense.

Approved: April 24, 1995.

R.M. Larrabee,

Chief, Office of Readiness and Reserve, Coast Guard, Department of Transportation.

For the reasons set out in the preamble, 38 CFR part 21, subpart L is amended as set forth below.

PART 21—VOCATIONAL REHABILITATION AND EDUCATION

Subpart L—Educational Assistance for Members of the Selected Reserve

1. The authority citation for part 21, subpart L is revised to read as follows:

Authority: 10 U.S.C. ch. 1606; 38 U.S.C. 501(a).

2. In \S 21.7631, paragraphs (b) and (c) and their authority citations are revised to read as follows:

§21.7631 Commencing dates.

(b) Certification by school—the course or subject leads to a standard college degree. (1) When a student enrolls in a course offered by independent study, the commencing date of the award or increased award of educational assistance will be the date the student began pursuit of the course according to the regularly established practices of the educational institution.

(2) When a student enrolls in a resident course or subject, the commencing date of the award will be the date of reporting provided that—

(i) The published standards of the school require the student to register before reporting,

(ii) The published standards of the school require the student to report no more than 14 days before the first scheduled date of classes for the term, quarter or semester for which the student has registered, and

(iii) The first scheduled class for the course or subject in which the student is enrolled begins during the calendar week when, according to the school's academic calendar, classes are generally scheduled to commence for the term.

(3) When a student enrolls in a resident course or subject whose first scheduled class begins after the calendar week when, according to the school's academic calendar, classes are scheduled to commence for the term, quarter, or semester, the commencing