

## Public Law 88-126

## AN ACT

September 23, 1963  
[S. 330]

To amend chapter 35 of title 38, United States Code, to provide that after the expiration of the Korean conflict veterans' education and training program, approval of courses under the war orphan's educational assistance program shall be by State approving agencies.

Veterans.  
Education pro-  
grams.  
72 Stat. 1193.  
38 USC 1701-  
1768.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That chapter 35 of title 38, United States Code, is amended by adding at the end thereof the following:

### “Subchapter VII—State Approving Agencies

#### “§ 1771. Designation

“(a) Unless otherwise established by the law of the State concerned, the chief executive of each State is requested to create or designate a State department or agency as the ‘State approving agency’ for his State for the purposes of this chapter after the date for the expiration of all education and training provided for in chapter 33 of this title. Such agency may be the agency designated or created in accordance with section 1641 of this title.

72 Stat. 1174.  
38 USC 1601-  
1669.

“(b) (1) If any State fails or declines to create or designate a State approving agency, the provisions of this chapter which refer to the State approving agency shall, with respect to such State, be deemed to refer to the Administrator.

“(2) In the case of courses subject to approval by the Administrator under section 1772 of this title, the provisions of this chapter which refer to a State approving agency shall be deemed to refer to the Administrator.

#### “§ 1772. Approval of courses

“(a) An eligible person shall receive the benefits of this chapter while enrolled in a course of education offered by an educational institution only if (1) such course is approved as provided in this chapter by the State approving agency for the State where such educational institution is located, or by the Administrator, or (2) such course is approved (A) for the enrollment of the particular individual under the provisions of section 1737 of this title or (B) for special restorative training under subchapter V of this chapter. Approval of courses by State approving agencies shall be in accordance with the provisions of this chapter and such other regulations and policies as the State approving agency may adopt. Each State approving agency shall furnish the Administrator with a current list of educational institutions specifying courses which it has approved, and, in addition to such list, it shall furnish such other information to the Administrator as it and the Administrator may determine to be necessary to carry out the purposes of this chapter. Each State approving agency shall notify the Administrator of the disapproval of any course previously approved and shall set forth the reasons for such disapproval.

72 Stat. 1199.  
38 USC 1740-  
1743.

“(b) The Administrator shall be responsible for the approval of courses of education offered by any agency of the Federal Government authorized under other laws to supervise such education. The Administrator may approve any course in any other educational institution in accordance with the provisions of this chapter.

#### “§ 1773. Cooperation

“(a) The Administrator and each State approving agency shall take cognizance of the fact that definite duties, functions, and responsibilities are conferred upon the Administrator and each State

approving agency under the educational programs established under this chapter. To assure that such programs are effectively and efficiently administered, the cooperation of the Administrator and the State approving agencies is essential. It is necessary to establish an exchange of information pertaining to activities of educational institutions, and particular attention should be given to the enforcement of approval standards, enforcement of enrollment restrictions, and fraudulent and other criminal activities on the part of persons connected with educational institutions in which eligible persons are enrolled under this chapter.

“(b) The Administrator will furnish the State approving agencies with copies of such Veterans’ Administration informational material as may aid them in carrying out this chapter.

#### “§ 1774. Reimbursement of expenses

“The Administrator is authorized to enter into contracts or agreements with State and local agencies to pay such State and local agencies for reasonable and necessary expenses of salary and travel incurred by employees of such agencies in (1) rendering necessary services in ascertaining the qualifications of educational institutions for furnishing courses of education to eligible persons under this chapter, and in the supervision of such educational institutions, and (2) furnishing, at the request of the Administrator, any other services in connection with this chapter. Each such contract or agreement shall be conditioned upon compliance with the standards and provisions of this chapter.

#### “§ 1775. Approval of accredited courses

“(a) A State approving agency may approve the courses offered by an educational institution when—

“(1) such courses have been accredited and approved by a nationally recognized accrediting agency or association;

“(2) such courses are conducted under sections 11-28 of title 20; or

“(3) such courses are accepted by the State department of education for credit for a teacher’s certificate or a teacher’s degree.

For the purposes of this chapter the Commissioner of Education shall publish a list of nationally recognized accrediting agencies and associations which he determines to be reliable authority as to the quality of training offered by an educational institution and the State approving agencies may, upon concurrence, utilize the accreditation of such accrediting associations or agencies for approval of the courses specifically accredited and approved by such accrediting association or agency. In making application for approval, the institution shall transmit to the State approving agency copies of its catalog or bulletin.

“(b) As a condition to approval under this section, the State approving agency must find that adequate records are kept by the educational institution to show the progress of each eligible person. The State approving agency must also find that the educational institution maintains a written record of the previous education and training of the eligible person and clearly indicates that appropriate credit has been given by the institution for previous education and training, with the training period shortened proportionately and the eligible person and the Administrator so notified.

#### “§ 1776. Approval of nonaccredited courses

“(a) No course of education which has not been approved by a State approving agency pursuant to section 1653 or 1775 of this title,

which is offered by a public or private, profit or nonprofit, educational institution shall be approved for the purposes of this chapter unless the educational institution offering such course submits to the appropriate State approving agency a written application for approval of such course in accordance with the provisions of this chapter.

“(b) Such application shall be accompanied by not less than two copies of the current catalog or bulletin which is certified as true and correct in content and policy by an authorized owner or official and includes the following:

“(1) Identifying data, such as volume number and date of publication;

“(2) Names of the institution and its governing body, officials and faculty;

“(3) A calendar of the institution showing legal holidays, beginning and ending date of each quarter, term, or semester, and other important dates;

“(4) Institution policy and regulations on enrollment with respect to enrollment dates and specific entrance requirements for each course;

“(5) Institution policy and regulations relative to leave, absences, class cuts, makeup work, tardiness and interruptions for unsatisfactory attendance;

“(6) Institution policy and regulations relative to standards of progress required of the student by the institution (this policy will define the grading system of the institution, the minimum grades considered satisfactory, conditions for interruption for unsatisfactory grades or progress and a description of the probationary period, if any, allowed by the institution, and conditions of reentrance for those students dismissed for unsatisfactory progress. A statement will be made regarding progress records kept by the institution and furnished the student);

“(7) Institution policy and regulations relating to student conduct and conditions for dismissal for unsatisfactory conduct;

“(8) Detailed schedules of fees, charges for tuition, books, supplies, tools, student activities, laboratory fees, service charges, rentals, deposits, and all other charges;

“(9) Policy and regulations of the institution relative to the refund of the unused portion of tuition, fees, and other charges in the event the student does not enter the course or withdraws or is discontinued therefrom;

“(10) A description of the available space, facilities, and equipment;

“(11) A course outline for each course for which approval is requested, showing subjects or units in the course, type of work or skill to be learned, and approximate time and clock hours to be spent on each subject or unit; and

“(12) Policy and regulations of the institution relative to granting credit for previous educational training.

“(c) The appropriate State approving agency may approve the application of such institution when the institution and its non-accredited courses are found upon investigation to have met the following criteria:

“(1) The courses, curriculum, and instruction are consistent in quality, content, and length with similar courses in public schools and other private schools in the State, with recognized accepted standards.

“(2) There is in the institution adequate space, equipment, instructional material, and instructor personnel to provide training of good quality.

“(3) Educational and experience qualifications of directors, administrators, and instructors are adequate.

“(4) The institution maintains a written record of the previous education and training of the eligible person and clearly indicates that appropriate credit has been given by the institution for previous education and training, with the training period shortened proportionately and the eligible person and the Administrator so notified.

“(5) A copy of the course outline, schedule of tuition, fees, and other charges, regulations pertaining to absence, grading policy, and rules of operation and conduct will be furnished the eligible person upon enrollment.

“(6) Upon completion of training, the eligible person is given a certificate by the institution indicating the approved course and indicating that training was satisfactorily completed.

“(7) Adequate records as prescribed by the State approving agency are kept to show attendance and progress or grades, and satisfactory standards relating to attendance, progress, and conduct are enforced.

“(8) The institution complies with all local, city, county, municipal, State, and Federal regulations, such as fire codes, building and sanitation codes. The State approving agency may require such evidence of compliance as is deemed necessary.

“(9) The institution is financially sound and capable of fulfilling its commitments for training.

“(10) The institution does not utilize advertising of any type which is erroneous or misleading, either by actual statement, omission, or intimation. The institution shall not be deemed to have met this requirement until the State approving agency (A) has ascertained from the Federal Trade Commission whether the Commission has issued an order to the institution to cease and desist from any act or practice, and (B) has, if such an order has been issued, given due weight to that fact.

“(11) The institution does not exceed its enrollment limitations as established by the State approving agency.

“(12) The institution's administrators, directors, owners, and instructors are of good reputation and character.

“(13) The institution has and maintains a policy for the refund of the unused portion of tuition, fees, and other charges in the event the eligible person fails to enter the course or withdraws or is discontinued therefrom at any time prior to completion and such policy must provide that the amount charged to the eligible person for tuition, fees, and other charges for a portion of the course shall not exceed the approximate pro rata portion of the total charges for tuition, fees, and other charges that the length of the completed portion of the course bears to its total length.

“(14) Such additional criteria as may be deemed necessary by the State approving agency.



**“§ 1777. Notice of approval of courses**

“The State approving agency, upon determining that an educational institution has complied with all the requirements of this chapter, will issue a letter to such institution setting forth the courses which have been approved for the purposes of this chapter, and will furnish an official copy of such letter and any subsequent amendments to the Administrator. The letter of approval shall be accompanied by a copy of the catalog or bulletin of the institution, as approved by the State approving agency, and shall contain the following information:

- “(1) date of letter and effective date of approval of courses;
- “(2) proper address and name of each educational institution;
- “(3) authority for approval and conditions of approval, referring specifically to the approved catalog or bulletin published by the educational institution;
- “(4) name of each course approved;
- “(5) where applicable, enrollment limitations such as maximum numbers authorized and student-teacher ratio;
- “(6) signature of responsible official of State approving agency; and
- “(7) such other fair and reasonable provisions as are considered necessary by the appropriate State approving agency.

**“§ 1778. Disapproval of courses**

“(a) Any course approved for the purposes of this chapter which fails to meet any of the requirements of this chapter shall be immediately disapproved by the appropriate State approving agency. An educational institution which has its courses disapproved by a State approving agency will be notified of such disapproval by a certified or registered letter of notification and a return receipt secured.

“(b) Each State approving agency shall notify the Administrator of each course which it has disapproved under this section. The Administrator shall notify the State approving agency of his disapproval of any educational institution under chapter 31 of this title.”

SEC. 2. Section 1735 of title 38, United States Code, is amended (1) by striking out “An” in subsection (a) and inserting in lieu thereof “Until the date for the expiration of all education and training under chapter 33 of this title, and”; (2) by inserting immediately after “this section” in subsection (a) the following “or subchapter VII of this chapter”; (3) by inserting immediately after “section 1656” in subsection (b) the following “or section 1778”; and (4) by striking out subsection (c).

SEC. 3. Section 1736 of title 38, United States Code, is amended (1) by inserting “(a)” immediately before “The Administrator”; (2) by striking out “or any of the standards and criteria of sections 1653 and 1654 of this title”; and (3) by adding at the end thereof the following:

“(b) Until the date for the expiration of all education and training under chapter 33 of this title, the Administrator may discontinue the educational assistance allowance of any eligible person if he finds that the course of education in which the eligible person is enrolled fails to meet any of the standards and criteria of sections 1653 and 1654 of this title.”

SEC. 4. Section 1737 of title 38, United States Code, is amended by striking out “Notwithstanding the provisions of subsections (b) and (c) of section 1735 of this title, the” and inserting in lieu thereof “The”.

72 Stat. 1171.  
38 USC 1501-  
1510.

72 Stat. 1199.

72 Stat. 1174.  
38 USC 1601-  
1669.

SEC. 5. The analysis of chapter 35 of title 38, United States Code, is amended by adding at the end thereof the following:

"SUBCHAPTER VII—STATE APPROVING AGENCIES

- "1771. Designation.
- "1772. Approval of courses.
- "1773. Cooperation.
- "1774. Reimbursement of expenses.
- "1775. Approval of accredited courses.
- "1776. Approval of nonaccredited courses.
- "1777. Notice of approval of courses.
- "1778. Disapproval of courses."

Approved September 23, 1963.

Public Law 88-127

AN ACT

September 23, 1963  
[S. 1952]

To extend and broaden the authority to insure mortgages under sections 809 and 810 of the National Housing Act.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 809 of the National Housing Act is amended—

(1) by striking out "October 1, 1963" in subsection (f) and inserting in lieu thereof "October 1, 1965";

(2) by striking out the first sentence of subsection (g) (1) and inserting in lieu thereof the following: "A mortgage secured by property which is intended to provide housing for a person (i) employed or assigned to duty at or in connection with any research or development installation of the National Aeronautics and Space Administration and which is located at or near such installation, or (ii) employed at any research or development installation of the Atomic Energy Commission and which is located at or near such installation, may (if the mortgage otherwise meets the requirements of this section) be insured by the Commissioner under the provisions of this section."; and

(3) by striking out clause (B) in subsection (g) (2) (iii) and inserting in lieu thereof the following: "(B) persons employed at or in connection with any research or development installation of the Atomic Energy Commission, as the case may be;".

SEC. 2. Section 810 of the National Housing Act is amended—

(1) by striking out clause (1) of subsection (b) and inserting in lieu thereof the following: "(1) the housing which is covered by the insured mortgage is necessary in the interest of national security in order to provide adequate housing for (A) military personnel and essential civilian personnel serving or employed in connection with any installation of one of the armed services of the United States, or (B) essential personnel employed or assigned to duty at or in connection with any research or development installation of the National Aeronautics and Space Administration or of the Atomic Energy Commission";

(2) by striking out in the second sentence of subsection (d) "and employees of contractors for the armed services", and inserting in lieu thereof the following: "employees of contractors for the armed services, and persons described in clause (1) (B) of subsection (b) of this section"; and

(3) by striking out "October 1, 1963" in subsection (k) and inserting in lieu thereof "October 1, 1965".

Approved September 23, 1963.

National Housing Act, amendment. Mortgages. 70 Stat. 273; 76 Stat. 418. 12 USC 1748h-1. 74 Stat. 915.

12 USC 1748h-1.

73 Stat. 683; 75 Stat. 180. 12 USC 1748h-2.

12 USC 1748h-2.

73 Stat. 683; 76 Stat. 418. 12 USC 1748h-2.