

114TH CONGRESS  
2D SESSION

**H. R.** \_\_\_\_\_

To stop the Secretary of the Army from recouping a bonus or similar benefit provided to members of the California Army National Guard between January 1, 2004, and December 31, 2010, unless the Secretary can prove that the member knowingly secured the bonus or similar benefit through fraud or misrepresentation or knowingly failed to perform the service requirement upon which the bonus or similar benefit was conditioned, and for other purposes.

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IN THE HOUSE OF REPRESENTATIVES

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

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**A BILL**

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1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Veterans Earned Their  
3 Bonus Act” or the “VET Bonus Act”.

4 **SEC. 2. TREATMENT OF CALIFORNIA ARMY NATIONAL**  
5 **GUARD BONUSES AND SIMILAR BENEFITS**  
6 **PROVIDED BETWEEN JANUARY 1, 2004, AND**  
7 **DECEMBER 31, 2010.**

8 (a) TERMINATION OF RECOUPMENT AUTHORITY;  
9 EXCEPTIONS.—

10 (1) TERMINATION.—Except as provided in  
11 paragraph (2), the Secretary of the Army may not  
12 recoup a bonus or similar benefit that was provided  
13 to a member of the California Army National Guard  
14 during the period beginning on January 1, 2004,  
15 and ending on December 31, 2010.

16 (2) EXCEPTIONS.—Paragraph (1) will not apply  
17 only if the Secretary of the Army proves, on the  
18 record after an opportunity for a hearing, that the  
19 member knowingly—

20 (A) received the bonus or similar benefit  
21 through fraud or misrepresentation in which  
22 the member participated; or

23 (B) failed to satisfy the service require-  
24 ment upon which the bonus or similar benefit  
25 was conditioned, as provided in section 303a(e)  
26 or 373 of title 37, United States Code.

1           (3) PRESUMPTION.—For purposes of paragraph  
2           (2), the member shall be presumed to have acted in  
3           good faith in procuring the bonus or similar benefit  
4           and to have satisfied the service requirement upon  
5           which the bonus or similar benefit was conditioned.

6           (b) EFFECT OF EARLIER RECOUPMENT.—If, as of  
7           the date of the enactment of this Act, the Secretary of  
8           the Army has already recouped all or any portion of a  
9           bonus or similar benefit that was provided to a member  
10          of the California Army National Guard covered by sub-  
11          section (a)(1), the Secretary shall reimburse the member  
12          for the amount repaid, plus interest, as authorized by sec-  
13          tion 1552(c)(1) of title 10, United States Code, or any  
14          other authorities available to the Secretary.

15          (c) OTHER RELIEF.—In the case of a member of the  
16          California Army National Guard covered by subsection  
17          (a)(1), the Secretary of the Army shall—

18                (1) notify each consumer reporting agency that  
19                any debt and recoupment measures linked to the  
20                bonus or similar benefit were not valid; and

21                (2) provide financial assistance to the member  
22                if the member is facing financial hardship as a re-  
23                sult of the recoupment measures.

24          (d) DEFINITIONS.—In this section:

1           (1) The term “bonus or similar benefit” has the  
2           meaning given that term in section 303a(e)(5)(A) or  
3           373(d)(1) of title 37, United States Code.

4           (2) The term “consumer reporting agency” has  
5           the meaning given that term in section 603(p) of the  
6           Consumer Credit Protection Act (15 U.S.C.  
7           1681a(p)).

8           (3) The term “service” has the meaning given  
9           that term in section 303a(e)(5)(B) or 373(d)(2) of  
10          title 37, United States Code.