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for Book G of your set of
Federal Regulations**

Title 38, Part 21

Vocational Rehabilitation and Education

Veterans Benefits Administration

Supplement No. 88

Covering period of *Federal Register* issues
through April 1, 2014

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Custom Federal Regulations Service™

Supplemental Materials for *Book G*

Code of Federal Regulations

Title 38, Part 21

Vocational Rehabilitation and Education

Veterans Benefits Administration

Supplement No. 88

5 April 2014

Covering the period of Federal Register issues
through April 1, 2014

When **Book G** was originally prepared, it was current through final regulations published in the *Federal Register* of 25 February 1992. These supplemental materials are designed to keep your regulations up to date. You should file the attached pages immediately, and record the fact that you did so on the *Supplement Filing Record* which is at page G-8 of Book G, *Vocational Rehabilitation and Education*.

**To ensure accuracy and timeliness of your materials,
it is important that you follow these simple procedures:**

1. Always file your supplemental materials immediately upon receipt.
2. Before filing, always check the Supplement Filing Record (page G-8) to be sure that all prior supplements have been filed. If you are missing any supplements, contact the Veterans Benefits Administration at the address listed on page G-2.
3. After filing, enter the relevant information on the Supplement Filing Record sheet (page G-8)—the date filed, name/initials of filer, and date through which the *Federal Register* is covered.
4. If as a result of a failure to file, or an undelivered supplement, you have more than one supplement to file at a time, be certain to file them in chronological order, lower number first.
5. Always retain the filing instructions (simply insert them at the back of the book) as a backup record of filing and for reference in case of a filing error.
6. Be certain that you *permanently discard* any pages indicated for removal in the filing instructions in order to avoid confusion later.

To execute the filing instructions, simply remove *and throw away* the pages listed under *Remove These Old Pages*, and replace them in each case with the corresponding pages from this supplement listed under *Add These New Pages*. Occasionally new pages will be added without removal of any old material (reflecting new regulations), and occasionally old pages will be removed without addition of any new material (reflecting rescinded regulations)—in these cases the word *None* will appear in the appropriate column.

FILING INSTRUCTIONS

**Book G, Supplement No. 88
April 1, 2014**

*Remove these
old pages*

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*Section(s)
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Do not file this supplement until you confirm that all prior supplements have been filed

21.268-1 to 21.270-1

21.268-1 to 21.270-1

§21.268

**Be sure to complete the
Supplement Filing Record (page G-8)
when you have finished filing this material.**

HIGHLIGHTS

Book G, Supplement No. 88 April 1, 2014

Supplement Highlights references: Where substantive changes are made in the text of regulations, the paragraphs of *Highlights* sections are cited at the end of the relevant section of text. Thus, if you are reading §3.263, you will see a note at the end of that section which reads: “Supplement *Highlights* references—6(2).” This means that paragraph 2 of the *Highlights* section in Supplement No. 6 contains information about the changes made in §3.263. By keeping and filing the *Highlights* sections, you will have a reference source explaining all substantive changes in the text of the regulations.

Supplement frequency: This Book G (*Rehabilitation and Education*) was originally supplemented six times a year, in February, April, June, August, October, and December. Beginning 1 August 1995, supplements will be issued *every month* during which a final rule addition or modification is made to the parts of Title 38 covered by this book. Supplements will be numbered consecutively as issued.

Modifications in this supplement include the following:

1. On 24 March 2014, the VA published a final rule effective that same day, to reflect a change made by the Honoring America's Veterans and Caring for Camp Lejeune Families Act of 2012. If a veteran has been displaced as the result of a natural or other disaster while being paid an allowance, referred to as an employment adjustment allowance, this Act allows the extension of the allowance. Change:

- In §21.268, redesignated paragraph (f) as (g), and added new paragraph (f).



§21.268 Employment adjustment allowance.

(a) *General.* A veteran who completes a period of rehabilitation and reaches the point of employability will be paid an employment adjustment allowance for a period of two months at the full-time subsistence allowance rate for the type of program the veteran was last pursuing. (See §21.190(d)) (Authority: 38 U.S.C. 3108(a))

(b) *Reelection of subsistence allowance.* A veteran who has elected payment at the Chapter 30 educational assistance allowance rate may be paid an employment adjustment allowance only if he or she reelects subsistence allowance to become effective no later than the day following completion of the period of rehabilitation to the point of employability. (Authority: 38 U.S.C. 3108(f))

(c) *Special programs.* An employment adjustment allowance will be paid at the institutional rate of subsistence allowance for veterans in any of the following programs:

- (1) On-job training at no or nominal pay in a Federal agency;
- (2) Training in the home program;
- (3) Independent instructor program;
- (4) Cooperative program; or
- (5) Self-employment program.

(d) *Combination program.* A veteran who has pursued a combination program will be paid an employment adjustment allowance at the full-time rate for the type of training the veteran was actually pursuing at the completion of the period of rehabilitation to the point of employability.

(e) *Subsequent payments of employment adjustment allowance.* If a veteran has ever received an employment adjustment allowance following rehabilitation to the point of employability, he or she may, nevertheless, receive it again when completing an additional rehabilitation program to the point of employability if:

(1) The prior determination of rehabilitation to the point of employability is set aside;
and

(2) The veteran is reinducted into a new vocational rehabilitation program as provided in §21.282.

(f) *Special situations.* Effective August 6, 2013, a veteran who has been displaced as the result of a natural or other disaster while being paid an employment adjustment allowance may receive up to an additional two months of employment adjustment allowance, if satisfactorily following a program of employment services. (Authority: 38 U.S.C. 3108(a)(2))

(g) *Employment adjustment allowance not charged against entitlement.* An employment adjustment allowance will not be charged against the veteran's basic entitlement. (Authority: 38 U.S.C. 3108(a))

[49 FR 40814, Oct. 18, 1984, as amended at 54 FR 4284, Jan. 30, 1989; 57 FR 57108, Dec. 3, 1992; 62 FR 17709, Apr. 11, 1997; 79 FR 15921, March 24, 2014]

Supplement *Highlights* references: 30(2), 88(1).

Next Section is §21.270

§21.270 Payment of subsistence allowance during leave and other periods.

(a) *Payment during leave.* VA will pay an eligible veteran a subsistence allowance during any period of approved leave including a veteran:

(1) Receiving medical or rehabilitation services on an outpatient basis at a VA medical center, and who provides his or her own room and board;

(2) Receiving service department retirement or retained pay while not on active duty;

(3) Hospitalized at a VA medical center while on approved leave. If the veteran becomes eligible for payment of disability compensation at the temporary 100 percent rate, under §3.401(h) of this title due to hospitalization, payment will be made under provisions of §21.266(a). (Authority: 38 U.S.C. 3110)

(b) *Payment for other periods.* Subsistence allowance will be paid for:

(1) Weekend and legal holidays, or customary vacation periods associated with them;

(2) Periods in which the school is closed temporarily under emergency conditions described in §21.4138(f). (Authority: 38 U.S.C. 3680(a))

[49 FR 40814, Oct. 18, 1984, as amended at 76 FR 45705, Aug. 1, 2011]

Supplement *Highlights* reference: 30(2), 87(1).

Next Section is §21.272