

PAY ADMINISTRATION

- 1. REASON FOR ISSUE:** This appendix provides interim guidance to implement the Sergeant First Class Heath Robinson Honoring our Promise to Address Comprehensive Toxics (PACT) Act, [P.L. 117-168, § 909](#) regarding the Student Loan Repayment Program (SLRP) benefits.
- 2. SUMMARY OF CONTENTS:** This appendix implements the temporary amendments to the policy as outlined in section 909 of the PACT Act that establishes SLRP under [38 U.S.C. § 706\(e\)](#) granting the Department of Veteran Affairs (VA) additional authorities relating to the recruitment and retention of personnel. The PACT Act modifies VA's authority to repay student loans in order to recruit and retain highly qualified personnel pursuant to [5 C.F.R. Part 537](#) and [5 U.S.C § 5379\(b\)](#). Provisions under this authority expire September 30, 2027. This appendix clarifies student loan repayment amounts authorized under the PACT Act and Federal eligibility restrictions.
- 3. RESPONSIBLE OFFICE:** Office of Human Resources and Administration (006), Office of the Chief Human Capital Officer (05), Compensation and Classification Service (055).
- 4. RELATED DIRECTIVE and HANDBOOK:** VA Directive 5007, Pay Administration, dated April 15, 2002, and VA Handbook 5007, Pay Administration, dated April 23, 2021.
- 5. RESCISSION:** VA Handbook 5007, Part VI, Appendix I and any related guidance published on or before the sunset date will be rescinded on September 30, 2027.

BY DIRECTION OF THE SECRETARY OF VETERANS AFFAIRS:

/s/

Mark R. Engelbaum
Assistant Secretary for Human Resources and Administration

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APPENDIX I. SERGEANT FIRST CLASS HEATH ROBINSON HONORING OUR PROMISE TO ADDRESS COMPREHENSIVE TOXICS ACT, STUDENT LOAN REPAYMENT PROGRAM

1. PURPOSE

- a. The Sergeant First Class Heath Robinson Honoring our Promise to Address Comprehensive Toxics (PACT) Act, [P.L. 117-168, § 909\(e\)](#) was codified in [38 U.S.C. § 706\(e\)](#) and authorizes VA to provide enhanced student loan repayment benefits to recruit and retain highly qualified personnel in support of the Department's mission to serve Veterans and their families. The PACT Act increases the dollar limits for student loan repayment from those provided under the general Federal authority in [5 U.S.C. § 5379\(b\)](#) to enhance VA's competitive position in the recruitment and retention labor market.
- b. The purpose of this appendix is to outline the process for implementing changes authorized under the PACT Act regarding the agency's Student Loan Repayment Program (SLRP). Additionally this appendix amends [VA Handbook 5007, Part VI, Chapter 8](#) by revising the exclusions criteria to include positions appointed or moved to Schedule Policy/Career.

2. SCOPE

- a. This appendix applies to employees appointed to positions in any of the following pay systems or appointment authorities:
 - (1) General Schedule (GS)
 - (2) Senior-Level (SL) positions
 - (3) Scientific or Professional (ST) positions
 - (4) Senior Executive Service (SES) career appointees
 - (5) Employees in positions that move to the Schedule Policy/Career and who received student loan repayment benefits before the conversion can continue to receive these benefits under the existing applicable service agreement, unless they lose eligibility as described in [5 C.F.R. § 537.108](#).
 - (6) Other Federal pay systems as permitted by applicable law and regulation
- b. Coverage does not apply to:
 - (1) Presidential appointees;
 - (2) Non-career appointees in the SES;

- (3) Individuals in positions excepted from the competitive service because of their confidential, policy-determining, policymaking, or policy-advocating character and, employees assigned to positions moved to Schedule Policy/Career who are not receiving student loan repayment benefits at the time of conversion (these Schedule Policy/Career remain ineligible under [5 U.S.C. § 5379\(a\)\(2\)](#).)
- (4) Student appointees;
- (5) Individuals serving on temporary or term appointments (unless otherwise authorized by law); or
- (6) Any other categories may be excluded by applicable Federal law or regulation.

3. POLICY

- a. **Statutory Authority and Program Overview.** On August 10, 2022, the PACT Act was signed into law. Section 909 of the PACT Act amended [Subchapter I of 38 U.S.C. Chapter 7](#), specifically adding 38 U.S.C. 706(e), granting VA additional authority relating to the recruitment and retention of personnel. The PACT Act grants VA authority to repay a student loan pursuant to [5 C.F.R. Part 537](#) and [5 U.S.C. § 5379\(b\)](#) and modifies VA's authority to repay student loans to recruit and retain highly qualified personnel. **NOTE:** In accordance with the PACT Act, the amount of repayment for student loans has been increased and is not subject to the payment limitations in [5 U.S.C. § 5379\(b\)\(2\)](#). Payments under this authority may not exceed a maximum of:
 - (1) \$40,000 for any employee in any calendar year; or
 - (2) A cumulative total of \$100,000 for an employee.
 - (3) All other provisions of [5 U.S.C. § 5379](#), including the eligibility restrictions in [5 U.S.C. § 5379\(a\)\(2\)](#), remain applicable to this program.
- b. **Eligibility.** An employee is eligible to participate in the SLRP under [38 U.S.C. § 706\(e\)](#) if the employee meets all the following criteria:
 - (1) **Position Classification:** The employee does **not** occupy a position that is excepted from the competitive service because of its confidential, policy-determining, policymaking, policy-advocating character, or has been moved to Schedule Policy/Career. Employees in such excepted service positions are ineligible for student loan repayment benefits under this program pursuant to [5 U.S.C. § 5379\(a\)\(2\)](#).

- (2) **Service Obligation:** To be eligible, the employee must have at least 3 years remaining on their current appointment at the start of the service period specified in the service agreement.
- (3) **Service Agreement:** Employees must agree to sign a written agreement to participate in the program. The service agreement must require the employee to complete, at a minimum, 3 years of employment with VA regardless of the amount of loan repayment authorized.
- (4) **Service Location:** Service must be completed at the location cited in the service agreement unless the service agreement explicitly contains conditions for transferring the employee's remaining obligated service to another VA facility. In the event of an authorized transfer or reassignment, the student loan repayment service agreement may be satisfied with the successor VA facility. However, a VA facility is not obligated to honor an employee's student loan repayment service agreement with another VA facility.

c. **Approval Authority.**

- (1) **Centralized Positions:** The Secretary, or delegee, serves as the approving official for student loan repayments for employees assigned to or selected for positions centralized to the Office of the Secretary. The Deputy Secretary serves as the recommending official for student loan repayments for employees in positions that report directly to the Secretary.
- (2) Under Secretaries, Assistant Secretaries, and Other Key Officials with equivalent levels of authority within the scope of their supervisory control, or their delegees, serve as approving officials for employees occupying centralized positions.
- (3) **Noncentralized Positions:** Network, Regional Office, District, and Facility Directors, or their delegees, are the approving officials for student loan repayments for employees in noncentralized positions under their jurisdiction. No further redelegations are authorized unless otherwise specified by the Secretary.
- (4) **Review and Approval Process:** The review and approval process will follow the procedures outlined in VA Handbook 5007, Part VI, Chapter 8.

d. **Application Requirements.** The following applies to all eligible employees requesting student loan repayment:

- (1) **Eligibility Verification:** Prior to submission of a student loan repayment request, the employee's supervisor must verify that the employee meets all eligibility criteria set forth in paragraph 3.b. above. This includes confirming

that the employee's position is not excepted from the competitive service because of its confidential, policy-determining, policymaking, policy-advocating character, or identified as Schedule Policy/Career.

- (2) **Submission for Noncentralized Office Staff:** Student loan repayment requests for other than Central Office staff must be submitted by the staff member's supervisor in writing, through the servicing human resources management office for technical review and concurrence, to the approving official at least 30 calendar days prior to the proposed effective date to ensure adequate processing time.
 - (3) **Submission for Centralized Positions:** Student loan repayment requests for centralized positions requiring Central Office approval must be submitted to the Office of the Chief Human Capital Officer, Compensation and Classification Service (055), for technical review and concurrence prior to action by the approving official.
 - (4) **Service Agreement Documentation:** All requests must include a copy of the service agreement as described above in paragraph 3.b.(3).
 - (5) **Transfer Notification:** In the event of an authorized transfer or reassignment, the employee must notify both the losing and gaining facilities' human resources offices of any existing student loan repayment service obligation.
- e. **Delegation of Authority.** PACT Act authorized student loan repayments are subject to the Delegation of Authority memorandum dated March 22, 2023 (VIEWS 8805696).

4. REFERENCES

- a. [5 U.S.C. § 5379](#), Student Loan Repayments
- b. [5 U.S.C. § 5379\(a\)\(2\)](#), Eligibility Restrictions
- c. [5 U.S.C. § 5379\(b\)](#), Payment Authority and Limitations
- d. [5 C.F.R. Part 537](#), Repayment of Student Loans
- e. [38 U.S.C. § 706\(e\)](#), Student Loan Repayments (PACT Act Authority)
- f. [P.L. 117-168, § 909\(e\)](#), Sergeant First Class Heath Robinson Honoring our Promise to Address Comprehensive Toxics (PACT) Act
- g. [VA Directive 5007, Pay Administration](#), dated April 15, 2002
- h. [VA Handbook 5007, Part VI, Chapter 8](#), dated April 23, 2021

- i. [Delegation of Authority Memorandum](#), dated March 22, 2023
- j. [Executive Order \(EO\) 14171](#), “Restoring Accountability to Policy-Influencing Positions Within the Federal Workforce”