

PENDING LEGISLATION

HEARING

BEFORE THE

SUBCOMMITTEE ON ECONOMIC OPPORTUNITY

OF THE

COMMITTEE ON VETERANS' AFFAIRS

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U.S. HOUSE OF REPRESENTATIVES
SUBCOMMITTEE ON ECONOMIC OPPORTUNITY
COMMITTEE ON VETERANS AFFAIRS
Washington, D.C.

The subcommittee met, pursuant to notice, at 10:34 a.m., in room 210, House Visitors Center, Hon. Mike Levin presiding.

Present: Representatives Levin, Brindisi, Pappas, Luria, Lee, Cunningham, Bilirakis, and Meuser.

Also present: Representative Lujan and Representative McCarthy.

OPENING STATEMENT OF MIKE LEVIN, CHAIRMAN

Mr. LEVIN. Good morning. I call this hearing to order. I request unanimous consent that the chair is authorized to declare a recess at any time.

Hearing no objection, so ordered.

I would also like ask for unanimous consent for Leader McCarthy and Mr. Lujan to join the subcommittee today for the purpose of making opening statements.

Hearing no objection, so ordered.

I want to welcome everyone to today's Subcommittee on Economic Opportunity hearing where we are reviewing 14 pieces of legislation, and I am very pleased to tell you that all of them are bipartisan. I commend our teams for working together in service of our veterans.

I am also happy to say that this subcommittee is hosting the Veterans Affairs' Committee first legislative hearing of the year and I am particularly glad to continue our bipartisan work with the ranking member and my republican colleagues, something I consider a hallmark of this subcommittee.

Today our subcommittee will consider bills and drafts that cover the spectrum of our jurisdiction and reflect the work that has been occurring in hearings and behind the scenes. Nearly 2 years after the passage of the Forever GI Bill, we have several proposals that look to refine both, the Veterans Technology Education Courses (VET TEC) and Edith Nourse Rogers Science Technology Engineering Math (STEM) programs that the law created.

We have also proposals today to allow the automobile assistance program to provide new vehicle adaptations to disabled veterans as their vehicles age out of usage.

We have proposals from both sides of the aisle on these issues and the feedback from VA and the veteran service organizations

today and I thank them all for being here with us. Will help us refine and consolidate these bills going forward.

We also have several more bills that work to improve education benefits more broadly, including proposals to adjust the timing of Post-9/11 G.I. Bill tuition payments to schools in order to reduce overpayments, match Work Study Program wages to local minimum wages to provide parity for student veterans, add meaningful outcome data to the G.I. Bill Comparison Tool, institute more oversight on the conversion of for-profit education institutions to non-profit, limit the liability of transferred benefits to the veteran, and a bill that Ranking Member Bilirakis and I introduced yesterday that requires VA to provide all veterans eligible for education benefits with electronic certificates of eligibility.

Finally, we will be looking at the VA Home Loan Program and how to reduce the burden for veterans whose homes are destroyed by natural disasters. There is no question we are covering a lot today and that we have been and will continue to be a very active subcommittee.

I can tell you that we intend to stay busy as we continue to address veteran homelessness, employment, and education issues.

I appreciate the hard work of every member of this subcommittee and our great staff on both sides of the aisle who have assisted and who have worked together in getting these bills ready for review and I thank the expertise of all of our witnesses in the room and elsewhere who help participate as well.

I am hopeful that the feedback we receive today will lead to many of the bills moving through the committee, the full House, and then the Senate, before being signed into law.

With that, I will recognize Leader McCarthy for his opening statement. Thank you, sir.

OPENING STATEMENT OF KEVIN MCCARTHY

Mr. MCCARTHY. Well, thank you, Mr. Chairman. I appreciate you holding this hearing and I appreciate all the organizations before us today.

I want to thank you for the opportunity to appear before you today and discuss legislation that Congressman Ro Khanna and I introduced, the VET TEC Expansion Act. In 2017, after visiting Udacity, an innovative, non-traditional educational provider, I was struck by the potential of non-traditional education courses for today's evolving workforce.

Following that visit, I thought about how these types of courses could benefit our Nation's veterans, the brave men and women who often re-enter civilian life with highly specialized skills and experience. I was very surprised to learn, though, at that time, there was no existing VA programs allowing veterans to use their benefits to take non-traditional education courses as a means to achieve gainful employment upon leaving military service and those veterans that I met at Udacity and other organizations, such as itself, already went to a 4-year degree, could not get hired, and found, having left there, they were making much more money and had greater employment.

I introduced the original VET TEC Act in early 2017 and President Trump signed it into law that summer. The VET TEC pilot

program went live in May of last year and for the first time, the VA had the authority to contract with non-traditional educational providers to give veterans the opportunity to access technology-oriented classes.

Since being implemented, the VET TEC pilot program has provided several success stories and has provided veterans with more freedom decide what and how they would like to learn. I am encouraged by this, but also have considered feedback on the program from veterans and providers who have participated in it.

This is why I have introduced the VET TEC Expansion Act, a bill to expand on the VET TEC pilot program. This bill would allow the VA to accept more course providers into the VET TEC program by reducing the amount of time that a provider must successfully operate a course from 2 years to 1 years, because what is happened is, I will take an example like Udacity. They are in Denver. They have expanded and they opened up another part of the State. Even though the courses have already been provided in one entity with each satellite office, it has to stay—be open 2 years, instead 1, even though the facility already knows how to provide it; it is just an expansion facility.

The intent of the VET TEC pilot program was always to match veterans with educational providers who are innovative, responsive to industry demands and this change will better help the VA to succeed while preserving the VA's authority to contract only with quality education providers. The bill would also allow the VA to accept education providers that offer part-time courses such as night classes into the VET TEC pilot program.

Education is not one-size-fits-all and I believe that the VET TEC pilot program should be expanded to accommodate working veterans who are looking to make a career change or add to their resume. Last, the bill would allow active-duty servicemembers who are on terminal leave to get a jump-start on their lives as veterans by enabling them to apply and to participate in the VET TEC pilot program.

By allowing transitioning servicemembers to utilize the VET TEC pilot program, more servicemembers will have the opportunity to transition to veteran life with a job already secured.

At the end of the day, the intent of the original VET TEC Act is to provide veterans with greater choice when it comes to their well-earned benefits. The VET TEC Expansion Act builds on the success of the original law by expanding choice for veterans in a dynamic, technology-centric economy.

With over four years remaining in this pilot program, these necessary changes will actually give the VA and my colleagues in Congress a better look at what does and does not work for the American student veterans. As I have often said, you can tell a lot about the character of our Nation by how we treat our veterans, and so I believe this is the best step forward—greater choice, more opportunity, and greater advantage for those who serve and transitioning into a veteran's life, and I thank you for the opportunity to testify today.

I yield back.

Mr. LEVIN. Thank you, Leader McCarthy. I appreciate you being here with us today.

I have a number of my colleagues who are introducing and speaking the legislation that they are led and I will defer to a few of them for opening statements and I would like to start with Ms. Luria.

OPENING STATEMENT OF ELAINE G. LURIA

Ms. LURIA. Thank you and thanks for allowing me to introduce this draft legislation and to speak today.

I thank all the Veterans Service Organizations (VSO) and representatives for the VA who are appearing today to discuss our ideas for legislation to improve service to our veterans.

My bill, the G.I. Bill Comparison Tool Data MOU Act, would help veterans get the information they need to choose the best educational option for them. My bill would direct the VA to enter into a Memorandum of Understanding or MOU with the Department of Education and the IRS to share student outcome data for inclusion in the G.I. Bill Comparison Tool website. This is a website that veterans can use to compare different educational choices. This would give prospective student veterans access to critical data like graduation rates, transfer rates, and post-graduation employment statistics.

This information will help veterans understand how other students using the G.I. Bill have succeeded in the schools that they are considering. We all agree that we want veterans to have all relevant data before committing to use their G.I. Bill benefits.

I have the privilege of representing more than 92,000 veterans in our district and it is among my top priorities to ensure that the veterans have the support they need and the benefit that they have earned.

Thank you to Ranking Member Bilirakis for working with me on this bill, and I look forward to introducing this bill and bringing it before the committee before for a vote very soon.

Mr. LEVIN. Thank you, Ms. Luria.

I would now like to recognize Ms. Lee for her opening statement.

OPENING STATEMENT OF SUSIE LEE

Ms. LEE. Thank you, Mr. Chairman and thank you for including my bill, the Class Evaluation Act, in today's hearing.

Before I get started, I want to thank the Veterans Education Success, Student Veterans of America, Veterans of Foreign Wars, American Legion, Paralyzed Veterans of America for the feedback you all provided to both, myself and the committee on this bill.

I am proud to have worked closely with my colleague, Representative Bilirakis, to incorporate your feedback into our bipartisan bill we are discussing.

Put simply, the Class Evaluation Act is a common sense solution to an incredibly salient problem facing student veterans: G.I. Bill overpayments. G.I. Bill overpayments occur when the VA puts out more in tuition and fees than a student's semester course load ends requiring. This may be due to change of schedule, a dropped class, a school closing, or a myriad of factors that cause course loads to change at the start of a new semester after the VA has already sent over their G.I. Bill payments.

In these cases, the student veteran is caught holding the bag and left responsible for reimbursing the VA for any overpayments. It is estimated that G.I. Bill overpayments affect 1 in 4 student veterans and cost American taxpayers hundreds of millions in wasted Federal funds each year.

Put simply, G.I. Bill overpayments are a waste of taxpayer funds and an added burden to student veterans. To address this issue last October, I introduced Student Veteran Protection Act, a bill that would shift the financial burden of the G.I. Bill overpayments from the veteran back to the school; in short, ensuring that the responsibility lies on the school to reimburse the VA, not the student.

I am pleased that this bill passed the House in November as part of the Protect the G.I. Bill Act, a clear step in the right direction. Now, today, I am excited to be here to take our efforts to address G.I. Bill overpayments a step further.

My bill we are discussing today, the Class Evaluation Act is a bipartisan, common sense solution to prevent these overpayments from happening in the first place. The Class Evaluation Act works to prevent G.I. Bill overpayments by mandating that VA waits 7 days into a term before paying schools. By delaying G.I. Bill payments for 1 week, students will have the flexibility and the peace of mind to make necessary changes to their class schedule and course load within the first week of a semester, without worrying about being held personally responsible for any overpayments by the VA.

In addition, the bill also ensures that student veterans are not charged for late fees during this period. It is also important to note that this bill also works to address cases we have seen where schools in financial distress that collected VA funds at the beginning of a term then abruptly close, leaving the VA out of thousands of dollars and more importantly, leaving students left holding the bag.

It is estimated that the net savings to the VA from this bill would be roughly \$120 million over 10 years. These are taxpayer funds, that if not wasted on overpayments, could be put toward a number of other critical VA programs supporting student veterans.

Put simply, the Class Evaluation Act is a common sense, bipartisan fix that would protect student veterans from financial burden and save American taxpayers millions of dollars in critical VA funds.

I would like to thank you all again for being here to discuss this bill today and I look forward to hearing your feedback. Thank you.

Mr. LEVIN. Thank you, Ms. Lee.

OPENING STATEMENT OF JOE CUNNINGHAM

I would now like to recognize Mr. Cunningham for his opening statement.

Mr. CUNNINGHAM. I want to start by thanking Chairman Levin and Ranking Member Bilirakis for holding this hearing and for including the Veteran Home Loan Disaster Recovery Act in this slate of bills under consideration today.

I also want to thank our distinguished panel for joining us here today, especially The American Legion, the Veterans of Foreign Wars, and the Paralyzed Veterans of America for offering state-

ments in support of my bipartisan legislation that would help veterans in the wake of natural disasters.

As you all know, South Carolina is no stranger to natural disasters and veterans in the Low Country, as well as across the Nation, should not be penalized for living in the path of hurricanes. When disaster strikes, every American and especially our veterans and servicemembers deserve to know that their country is behind them.

The bipartisan, Veteran Home Loan Disaster Recovery Act would help veterans by reducing VA home loan fees so that they have more money in their pockets to recover and rebuild.

Under the VA Home Loan Program, veterans and servicemembers are eligible for loans backed by the Federal Government with lower interest rates than traditional mortgages. This legislation would reduce the loan fees for veterans who have been affected by Presidentially declared natural disasters by enabling them to qualify for a second home loan using the initial VA funding fee, instead of the higher subsequent-use fee.

Our veterans should not be forced to pay higher fees for a second home loan if their first home was destroyed in a disaster through no fault of their own. The absolute least that we can do for veterans who are struggling to put their lives back together after a storm is to make sure they do not face additional barriers to access the benefits that they deserve.

In closing, I want to thank Senator Hirono for her work as the lead sponsor of this legislation in the Senate and my colleague, Congressman Brian Mast for co-leading this legislation with me in the House.

I would also like to thank the VA for providing their suggested revisions to improve this bill; we will certainly take those into consideration moving forward.

I look forward to working with my colleagues on the committee and the members of this distinguished panel to get this bill across the finish line and ensure that our veterans who lose their homes to natural disaster have the support that they have earned.

I yield back.

Mr. LEVIN. Thank you, Mr. Cunningham.

I would now like to recognize my friend, the ranking member, Mr. Bilirakis.

OPENING STATEMENT OF GUS M. BILIRAKIS, RANKING MEMBER

Mr. BILIRAKIS. Thank you, Mr. Chairman.

I apologize for my tardiness. I was at the prayer breakfast and I missed the bus, so the story of my life. I had to take a cab back. I actually did not know where the bus was.

Anyway, whatever. I am here now and I know you do not want to hear any more, but I do have an opening statement. Thank you, again, Mr. Chairman, for your indulgence.

Okay. Thank you for continuing, again, Mr. Chairman, the bipartisan tradition of this subcommittee by bringing 14 bills that are before us today, including several Republican bills, so we appreciate that.

Since you have become chairman of the subcommittee, both you and your staff have been nothing but fair to me and my colleagues,

in my opinion, on this side of the aisle. I really it and, again, I appreciate your efforts.

While I am supportive on most of the bills on today's agenda, I am concerned that a few of the draft bills may have unintended consequences. One of the draft bills on the agenda would extended new rules to accredited and G.I. Bill-approved schools that convert from a for-profit tax status to a non-profit tax status.

While I believe that the VA should be more aggressively targeting schools that are not providing value and education to veterans—and I proposed legislation in the past on this particular subject a few years ago—I agree with many of our witnesses today that there are better approaches available to solving this problem. These include many of the bipartisan proposals in H.R. 4625, the Protect the G.I. Bill Act that both, you and I, introduced, and I supported, back in October. We should be focused on protecting students from bad schools, regardless of their tax status, and I look forward to working with the chairman and others to address my concerns with this proposal.

Mr. Chairman, I would also like to thank you for including my bill, H.R. 5750, the streamlining G.I. Bill Processing Act of 2020, which would require VA to modify their IT systems so a G.I. Bill student would be able to access their Certificate of Eligibility (COE) for G.I. Bill benefits online. The need to allow students to access their certificate of eligibility online has been brought to this subcommittee's attention by, again, the field hearings, staff, as well. We have had the regional hearings and we have also talked to the processing offices.

Subcommittee staff was told that this has been a continual request from VA field staff, but the changes have understandably been delayed due to the Forever GI Bill IT updates. I am confident that while there are IT costs associated with making this change, my bill will end up saving the Government money in mailing and staff costs.

Most importantly, this, functionally, would, again, provide better service to veterans who currently must call a hotline and wait on hold only to ask that a piece of paper be sent to them.

I am also supportive of the bills that make changes to provisions of the Forever GI Bill, especially Leader McCarthy's bill on expanding access to the VET TEC pilot program, and Representative Barr's bill, to improve the STEM Scholarship.

I am also supportive of Representative Bost's bill to address a loophole related to the G.I. Bill—the overpayments, as well as Representative Mueser's bill to provide service-connected veterans an opportunity to receive a second grant to help provide funds to purchase an adaptive automobile.

Again, thank you, Mr. Chairman, as always, for including these and other bills on the agenda for today's hearing. I look forward for hearing from our colleagues and the panel about the bills before us today.

Thank you, and I yield back.

Mr. LEVIN. I thank the ranking member and always appreciate the opportunity to work together on the subcommittee in a spirit of bipartisan collaboration.

Our last opening statement, certainly not our least, is from my friend from New Mexico, Mr. Lujan.

Thank you for joining us.

OPENING STATEMENT OF BEN RAY LUJAN

Mr. LUJAN. Thank you, Mr. Chairman.

I want to thank Chairman Levin and Ranking Member Bilirakis for the opportunity to speak on my legislation, the Wage Adjustment for Veterans Enrolled in School Act, also known as the WAVES Act.

I want to join each and every one of my colleagues of thanking the members of the panel for being here today, representing the United States Department of Veterans Affairs, the Veterans of Foreign Wars, The American Legion, Student Veterans of America, and Paralyzed Veterans of America. Thank you all for being here today.

Congressman Jimmy Gomez and I introduced this legislation to provide a simple, but necessary fix to the Department of Veterans Affairs Work Study allowance. Our legislation, which has bipartisan support, will ensure veterans, reservists, and their family members, are paid fairly for their work when using education benefits and the VA Work Study Program.

Today, the program requires that student workers receive the State or Federal minimum wage, whichever is higher, but the law does not take into account that many local areas set their own minimum wage. As a result, there are 44 localities in 11 states where student veterans are paid below the local minimum wage, 5 of which are in my home State of New Mexico. This just is not right. It does not make sense.

Veterans, reservists and their families sacrifice for our country and I think we can all agree that when they return home to get an education, they should be paid fairly as part of this program.

Mr. Chairman, my constituents are frustrated and we have heard from constituents across the country. How can student veterans afford to work in their school's veterans office when it pays less than any minimum wage job in town?

That is what this, this comes down to. This is not a minimum wage issue. This is veteran-equality issue and there is a precedent.

Students participating in the Department of Education's Federal Work Study programs are paid at least the Federal, State, or local minimum wage, whichever is higher. Veterans using the VA's Work Study Program deserve no less. We just want equity and parity hear.

The VA Work Study Program is vital to the successful transitioning of veterans to civilian life. It gives them civilian job experience and a steady source of income while allowing them to remain in school and focus on their studies and take advantage of the VA Work Study Program.

Let us ensure that veterans have the students that they deserve and that they have earned to build a successful future. It is time that Congress close this loophole and ensure student veterans are being paid fairly for their work.

Thank you for considering the WAVES Act here today and I ask all my colleagues for their support and for our student veterans.

Thank you very much and I yield back.

Mr. LEVIN. I thank the gentleman from New Mexico for joining us today. I appreciate all of my colleague's opening statements and their leadership on these issues.

With that, it is my pleasure to introduce today's witnesses. First, we have Ms. Charmain Bogue, executive director for education services in the Veterans Benefits Administration (VBA).

Nice to see you.

Ms. Bogue is accompanied by Laurine Carson, deputy executive director for public policy and procedures—actually, policy and procedures in the compensation service at VBA.

Thanks for being here.

Next, we have a Patrick Murray, deputy director of the National Legislative Service for the Veterans of Foreign Wars.

Always good to see you.

Next is John Kamin, assistant director of the National Veterans Employment and Education Division for The American Legion.

Thanks for being here.

Followed by Justin Monk, policy associate for the Student Veterans of America.

Good to see you. Mr. Monk, I understand it is your first time testifying before Congress, so I welcome you to the subcommittee. It is great to have you here.

Finally, we have Morgan Brown, national legislative director for the Paralyzed Veterans of America. He has an experienced subcommittee member by now.

Thank you for being here.

Thank you all for joining us today. As you know, you will have 5 minutes, but your full statement will be added to the record.

With that, I now recognize Ms. Bogue for 5 minutes.

STATEMENT OF CHARMAIN BOGUE

Ms. BOGUE. Thank you.

Good morning, Mr. Chairman, Ranking Member Bilirakis, and other members of the subcommittee. Thank you for the opportunity to be here today to discuss legislation pertaining to the programs and services offered by VA.

Accompanying me today is Laurine Carson, deputy executive director of policy and procedures of Compensation Service.

We are pleased to see several draft bills on the agenda that would make changes to VA's high-technology pilot program VET TEC. Since launching the program, we have issued more than 7,000 certificates of eligibility.

VA supports the proposed bills that would require VA to give preference to providers that offer tuition reimbursement to apprenticeship and Reserve members and expands eligibility to members of armed force on terminal leave.

VA supports the intent, but has significant concerns with the draft bill that would expand eligibility to an individual who would become an eligible veteran within 180 days of VA making such a determination. VA would be happy to work with the committee staff in order to ensure that the bill is clear and accomplishes the desired intent.

VA supports the draft bill to clarify certain eligibility requirements and expand eligibility for the Edith Nourse Rogers STEM Scholarship. Since launching the STEM program this past August, we have received more than 10,000 applications and awarded almost 800 scholarships.

VA also supports legislation that would expand eligibility under the STEM Scholarship to certain individuals enrolled in a medical residency program; however, there appears to be an error in the bill. As written, the bill would grant eligibility to an individual who is earned a post-secondary degree in a STEM field and is enrolled in a program of education or medical residency program leading to a teaching certification.

We interpret the intent to be to grant eligibility to individuals either enrolled in a program of education leading to a teaching certification or a medical residency program. VA requests that bill language be admitted to provide clarification.

H.R. 5052 would change the definition of the term applicable hourly minimum wages to include the hourly minimum wage, under comparable law, of the local government. Provided that Congress appropriates necessary funding, VA supports this bill as it would ensure Work Study students receive the highest possible wage.

Another bill would require VA to enter into a memorandum of understanding with the Department of Education and Internal Revenue Service that would require both agencies to provide VA with student outcomes. VA believes this bill is unnecessary, as it merely would codify existing requirements that were set forth in the Executive Order 13607 and does not impact VA's approval criteria.

VA would need to establish a data-transfer connection and make modifications to our IT systems. This would take about 18 months from enactment to implement this legislation.

Provided that Congress appropriates the necessary funding, the VA supports the proposed bill that would require to VA to ensure that individuals entitled to VA education assistance are able to access an electronic version of their certificate of eligibility; however, VA estimates it would require 18 months to make these necessary changes.

VA has a number of concerns with the draft bill which would require VA to treat for-profit schools that convert to non-profit schools as for-profit schools for 10 years. It is unclear on what 10 years is considered the appropriate length of time, also the bill needs clearer language regarding who determines a school's profit status.

The proposed class action bill would prohibit VA from making lump-sum payments prior to 7 days after the first day of a term or semester, unless VA provides a waiver. VA cannot support this bill, as drafted, due to the potential negative impact on G.I. Bill beneficiaries.

VA does not support the bill that would require joint liability for overpayment, in cases involving transferred entitlement because it was make transferors solely liable for all overpayments, even those created by actions of the dependant under Post-9/11 G.I. Bill, such as a reduction in course load.

The VA welcomes the opportunity to work with the committee to provide technical assistance.

Another bill would reduce the loan fees paid by certain veterans who have been affected by a major natural disaster and are obtaining a new loan guaranteed or made by VA. VA supports enactment of this bill, subject to technical limits.

Two bills on the agenda would make changes to VA's automobile allowance. VA would be happy to discuss our technical concerns with the committee.

This concludes my testimony. We appreciate the opportunity to present our views on these bills and to answer any question the committee may have for us. Thank you.

[THE PREPARED STATEMENT OF CHARMAIN BOGUE APPEARS IN THE APPENDIX]

Mr. LEVIN. Thank you, Ms. Bogue.

I would now like to recognize Mr. Murray for 5 minutes.

STATEMENT OF PATRICK MURRAY

Mr. MURRAY. Chairman Levin, Ranking Member Bilirakis, members of the subcommittee, on behalf of the men and women of the Veterans of Foreign Wars of the United States (VFW), I would like to thank you for the opportunity to present our views on these important pieces of legislation.

For years, the VFW has had a resolution to amend VA's Automobile Grant for Disabled Veterans. The Automobile Grant Program is an incredibly valuable benefit that disabled veterans need to purchase or upgrade their vehicles; however, the grant is a one-time benefit and cannot be utilized again, no matter how many vehicles the veteran may purchase.

The VFW supports the proposal to increase the number of times the VA's Automobile Grant Program can be utilized by disabled veterans. The Automobile Grant proposal seeks to increase eligibility for once every 10 years. The VFW feels this proposal is a step in the right direction; however, ultimately, the VFW would like to see VA's Automobile Grant Program available for veterans to use for each new lease or purchase or every 5 years, whichever comes first.

With the rapid advancement of automobile efficiency and safety technology, the VFW feels disabled veterans should be able to utilize these grants in order to stay up with emerging automobile advancements.

The VFW is a strong supporter of G.I. Bill Comparison Tool and supports this proposal to add information to this valuable platform. While the G.I. Bill Comparison Tool has important information for students on it, and it could always use more information, such as student loan debt and accurate graduation rates, the tool, itself, we feel, needs significant overhaul before it could be truly reliable.

The current comparison tool and complaint system does not have the best current information about schools displayed on the tool. Old information and complaints exist on the tool and there is no formal process for removing negative information.

Even if VA enters into multiple data-sharing agreements with other agencies, the G.I. Bill Comparison Tool will never be fully accurate unless there is a system in place to remove old data to en-

sure the most current information is the most accurate. In order to do this, the VFW recommends a thorough review of the entire comparison tool and proposes to overhaul the platform with proper IT resources in order to make the tool a living comparison tool that student veterans can rely on at any time.

Regarding VET TEC, the VFW supports all three proposals to make changes and improvements for the Veterans Affairs high-technology education pilot program, known as VET TEC. Expanding VET TEC eligibility for servicemembers still on active-duty, but on terminal leave, would hopefully decrease the number of veterans who face employment gaps after transitioning off of active service.

Servicemembers are allowed to participate in certain employment training while in the SkillBridge program before separation and adding VET TEC to an option like that should benefit servicemembers looking for careers in high-technology jobs.

The VFW also supports the change regarding employment 180 days after VET TEC completion for Reserve-component personnel only if activations disrupt their path toward employment. We understand that an individual might have difficulty obtaining employment if they are being activated and we do not think a VET TEC program they participate in should be negatively marked because of involuntary orders; however, the VFW does not want to see this as the beginning to ease some of the success requirements of the overall VET TEC program.

The entire pilot program is still very new and we need to be careful that changes such as these are made only if they are absolutely necessary for the veterans or for the servicemembers.

Finally, VFW also supports the proposal to alter the requirements for students looking to participate in this program on a part-time basis. The VFW sees this as an important proposal for participation and views this solution as an opportunity for a larger discussion about veteran education and employment programs. Student veterans sometimes face challenges typical students traditional do not face while attending school.

Large numbers of student veterans have families, are employed in some capacity, or are facing multiple other hurdles in default life that may not be realized yet for a lot of traditional 18-to-22-year-old students. Student veterans are largely non-traditional students who tackle school in a different way, including their class schedules and participation rates.

We, veteran advocates, along with our friends at VA and Congress, have recognized for a while now that these student veterans are more often than not, a non-traditional student, yet we keep building education and employment programs based on traditional full-time models. Then, after feedback and discussion, these programs are frequently altered to allow for non-traditional students to partake in these programs.

We think now is the time to look at all student veteran programs to begin the discussion about opening all of them to non-traditional students, particularly with an eye on part-time participation. We also suggest that any new programs should be built with at least non-traditional students in mind and possibly with the thought of these students in the forefront.

Mr. Chairman, this concludes my testimony. Again, the VFW thanks you and the ranking member for the opportunity to testify on these important issues before the subcommittee. I am prepared to take any questions you or the subcommittee members may have. Thank you.

[THE PREPARED STATEMENT OF PATRICK MURRAY APPEARS IN THE APPENDIX]

Mr. LEVIN. Thank you, Mr. Murray.
I would now like to recognize Mr. Kamin for 5 minutes.

STATEMENT OF JOHN KAMIN

Mr. KAMIN. Chairman Levin, Ranking Member Bilirakis, Congressman Brindisi, on behalf of the national commander, Bill Oxford, and nearly 2 million members of The American Legion, we thank you for the opportunity to testify in this first legislative hearing of the year.

Before addressing the pending legislation, we would like to extend a sincere thank you to Representative Susie Lee for helping to spearhead the passage of H.J. Res. 76 to overturn the Department of Education's 2019 borrower defense rule. We had one request when the rule was being created, which was to provide veterans group borrower relief in the case predatory schools like ITT and Corinthian, which categorically targeted veterans.

When the rule did not include this, it enforced veterans to individually prove schools' misconduct, we had to stand up in opposition and we appreciate Representative Lee's leadership in look forward to taking this case to the Senate.

Due to the allotted time available, I will briefly discuss two pieces of legislation and also go into a little bit about the VET TEC improvements. We will begin with the draft legislation that assigns the liability of a G.I. Bill overpayment from the dependant to the veteran who initially transferred the benefit.

We believe this is an important distinction to make and like to illustrate how difficult this can be on families. The American Legion was recently made aware of a case of a servicemember who completed the transfer of G.I. Bill to his daughter with his chain of command sanction prior to discharge. His daughter then used the G.I. Bill for her fall and spring freshman semesters.

Unbeknownst to her, VA determined that her father did not meet the eligibility to transfer his benefits, due to a technicality of service dates down to the month. As a result, VA revoked his daughter's G.I. Bill and sent a debt-collection notice for the previous fall and spring tuition. Before her eighteenth birthday, she owed tens of thousands of dollars to the Department of Veterans Affairs.

Problems with transferability for the G.I. Bill will remain as long as DOD administers a program in which VA holds the pursestrings. Unfortunately, some servicemembers will continue to be deprived for transferability that they have earned through service, due to technical misunderstandings between their chain of command and VA. These are problems we face today, but is unacceptable that such burdens be borne by our children. This draft bill would establish that veterans assume financial liability for G.I. Bill

overpayments, instead of their dependants, which we believe is common sense.

Another important piece of draft legislation defines the treatment by the VA of for-profit education institutions that convert to non-profit schools. The American Legion believes that all sectors of education should be held to a high standard of quality and administration, but agrees with the conventional understanding that precipitous failures and poor outcomes in the for-profit sector have warranted additional oversight protections.

We have seen more than one case for the past 5 years of for-profit schools avoiding these oversights by converting to non-profit status. We do not believe that it is necessary to completely eliminate the ability for these types of conversions to happen, but it is prudent to increase oversight for an additional period of time.

In an ideal environment, we would be in favor of 10 years of additional oversight; however, in the present condition, given the costs that oversight and the other Federal and State agency categorization—that means the creditors, Department of Education, IRS—request in the capability of maintaining this oversight for 10 years. Until a greater resource inventory can be calculated, we believe that a 5-year period of oversight is more practical.

Finally, I would like to provide some brief remarks on the improvements proposed on both sides of the aisle regarding the VET-TEC program. First and foremost, the American Legion supports all of the VET-TEC improvement bills listed, and encourages the committees to keep working together with the VA to identify improvements that can be made to the program. We believe these improvements should have the effect of expanding eligibility pools, lowering red tape for employers, and increasing occupational pathways.

We understand the concerns expressed about the program regarding quality controls. If it has not been clear over the past few years, quality controls are the No. 1 concern of the American Legion regarding the GI Bill.

However, there are distinctions with VET-TEC that lower the priority of present oversight concerns for that specific program. No. 1, VET-TEC is employment driven. The GI Bill is not. With VET-TEC training, providers must prove that veterans have secured meaningful employment in prospective fields of study. That is not the case with the GI Bill, but it is arguably more important and more stringent criteria for technical pathways.

With that in mind, there is a question of where traditional oversight measure for education would fit into it. Second, VET-TEC is not entitlement. It is a pilot program. After 5 years, there is going to be an assessment period about whether or not the program warrants reauthorization or expansion. That is the time when prudent judgment calls should be made on program accountability and oversight. Until this completion, the American Legion leans more in favor of legislation that expands eligibility pools, lowers red tape, and increases occupational pathways.

Chairman Levin, Ranking Member Bilirakis, Congressman Brindisi, thank you for the time, and I would be happy to answer any questions you have. Thank you.

[THE PREPARED STATEMENT OF JOHN KAMIN APPEARS IN THE APPENDIX]

Mr. LEVIN. Thank you, Mr. Kamin. I now recognize Mr. Monk for 5 minutes.

STATEMENT OF MR. JUSTIN MONK

Mr. MONK. Chairman Levin, Ranking Member Bilirakis, and members of the subcommittee, thank you for inviting Student Veterans of America (SVA) to submit our testimony on pending legislation before the subcommittee.

With more than 1,500 on campus chapters, Student Veterans of America is committed to the empowerment of yesterday's warriors. Through a supportive network of chapter leaders, SVA works to transform the skills and experience of student veterans to ensure they achieve their greatest potential.

We appreciate the opportunity to share our views on many of the bills, which will directly impact student veterans, their families, and survivors. While many of the proposed bills being discussed today are technical fixes or adjustments to existing benefits, many would require significant changes to the Department of Veteran Affairs existing IT infrastructure.

In addition to considering the substance of these bills, we strongly encourage consideration of the requisite funding needs to ensure there is successful implementation. There are several topics I would like to cover and brief, and I look forward to any questions the subcommittee may have afterwards.

The first item I would like to discuss is the VET-TEC program. Three of the draft bills propose improvements to the new pilot program for both individuals and program providers. Generally, SVA is supportive of efforts to expand and clarify language underlying veterans' programs. Obvious solutions, such as expanding the 180 day deadline after program completion for Reservists who are called up to active duty are welcome adjustments. However, we have concerns when the proposed adjustments weaken safeguards or seek to change the program before meaningful data can be gathered.

In one instance, a draft bill removes the requirement that providers operate for at least 2 years before being approved. While we understand the desire to bring more providers into the program quickly, opening the door to unproven programs may cause more problems than solve. In light of Leader McCarthy's testimony, we would be open to discussions about ways to meet a need for approved providers expanding to satellite campuses without weakening the broader protection the 2-year requirement offers.

We would also like to encourage Congress to take care when amending pilot programs. It stands to reason that there may be some common sense adjustments that need to be made following the enactment of these programs. However, doing so may introduce noise into the data set. We would encourage Congress to consider the impact of the results of a study before amending the pilot.

The second item I would like to discuss is the non-profit conversion draft bill. Thanks to tireless advocacy from student and consumer rights groups, leaders in Congress, and a growing awareness by the public of predatory practices of some institutions, many of the worst providers in higher education have come under increased scrutiny in recent years.

In response to this increased awareness and scrutiny, there is a worrying trend to proprietary institutions converting to non-profit status to avoid some of VA's requirements, while maintaining the same profit-seeking and predatory behavior.

This draft bill addresses an important topic, and we appreciate this subcommittee's continued efforts to discuss this issue in open forums. We strongly support the bill's intent, largely out of recognition of the need for greater oversight of the conversion process, but also because in a vacuum, this bill would likely be a positive net change overall.

Be that as it may, we believe this bill fails to address the root cause of the problem, which would be VA's general lack of authority to act on an institution's bad behavior. Other bills, including the recently House passed H.R. 4625 the Protect the G.I. Bill Act, provide broader authorities to VA, which allow them to act based on the wider context of an institutions misbehavior.

It is important to note that some of the responsibility does not lie with VA or this subcommittee. Some of it rests at the feet of the Department of Education and the Internal Revenue Service. These agencies and the associated committees, must look at what is required of institutions that convert to non-profit status in a comprehensive manner.

The last item I would like to discuss is the draft bill on Liability for Transferred Benefit Overpayments. Our full support of this bill hinges on recent discussions with subcommittee staff to limit the scope of these changes. The revised language should provide a solution to an unusual, but serious situation, which a dependent, typically a spouse, is held liable for a debt resulting from the transferring individual's failure to complete the required service agreement in order to transfer said benefits.

As this debt is caused entirely from the behavior of the veteran, and the Dependent used the benefit in good faith, as well as cannot possibly fulfill the obligation themselves, the liability should rest wholly on the shoulders of the veterans.

We would like to thank subcommittee staff for their willingness to listen to our concerns and revise the language to more accurately apply only to a specific subset of dependents.

We would also like to recognize the overarching need for increased VA IT resources to enact many of the proposed solutions here today. We cannot pound on the table for change with our left hand, while our right withholds the money required to achieve it. We hope to work with this subcommittee and any relevant stakeholders to better meet the needs of student veterans and VA.

Thank you for your time, attention, and devotion to the cause of veterans in higher education. I look forward to your questions.

[THE PREPARED STATEMENT OF JUSTIN MONK APPEARS IN THE APPENDIX]

Mr. LEVIN. Thank you, Mr. Monk. You are now a pro at testifying. With that, I would like to recognize Mr. Brown for 5 minutes.

STATEMENT OF MORGAN D. BROWN

Mr. BROWN. Thank you. Chairman Levin, Chairman Levin, Ranking Member Bilirakis, and members of the subcommittee, Par-

alized Veterans of America (PVA) would like to thank you for the opportunity to discuss views on pending legislation that impacts the Department of Veterans Affairs today.

My written statement covers our positions on several bills, so I am going to limit my comments to the ones that directly affect our membership.

Beginning with the discussion draft that would reduce home loan fees paid by certain veterans. This bill reduced fees paid by those affected by major disasters and allows a veteran's next home loan following the disaster to be treated as an initial loan.

PVA wholeheartedly supports this effort to help veterans who have lost their homes to a natural disaster. We are particularly pleased that this committee is considering legislation that could help catastrophically disabled veterans meet their transportation needs.

We thank Representatives Cisneros and Meuser for drafting the two pieces of legislation being considered today that allow eligible veterans to receive more than one automobile grant, so they can purchase reliable transportation that ensures their safety, maintains their independence, and helps them get to medical appointments.

We would also like to recognize Mr. Meuser for his introduction yesterday of H.R. 5761, the Auto for Veterans Act, which also would provide a—it is a cleaner language providing an automobile grant for these veterans.

We believe that the ideal legislation is similar to H.R. 5761, that would aid veterans who receive their first grant 10 years or more ago to receive a grant for a new automobile as soon as possible, and allow for additional grants after a requisite period has lapsed.

We would be more than happy to work with Representatives Cisneros and Meuser, as well as the committee staff, to craft a single bill that captures the positive aspects of all of these bills into one.

The rate of VA's current one-time grant for eligible veterans to purchase their initial vehicle is presently \$21,488.29. Unfortunately, the cost to replace a modified vehicle is very high and the veteran bears much of this cost themselves.

I want to give you a quick example. A PVA member bought a replacement vehicle late last year. They traded in their previous vehicle, which they bought in 2011 for \$38,000. They received 14,000 in trade-in value toward the purchase of a new vehicle. The make and model that they purchased was very practical, and had a base sticker price of \$33,000. They ended up spending around \$49,000 with all of the add-ons, that included some of the modern assistive technologies that you see on TV. When they subtracted the amount they received from the trade-in, as well as the adaptations that were reimbursable by VA, this catastrophically disabled veteran wound up paying about \$32,000 out of their pocket toward this vehicle.

Fortunately, they had the means to do so, but many of our members do not. These substantial costs, coupled with inflation, present a financial hardship for many veterans who need to replace their primary mode of transportation once it reaches the end of its serviceable life.

Since vehicles do not last a person's lifetime, veterans should have the ability to purchase a vehicle once every 10 years without having to shoulder the burden of the entire cost themselves.

Another factor to consider as you deliberate, if more than one grant is warranted, is a veteran's physical condition. Younger veterans who are injured may retain or be able to recover a fair degree of their strength and mobility after the injury that makes them eligible for the grant program.

A car may be suitable for these veterans at this point in their lives, but the reality is that eventually their physical condition will deteriorate and their transportation needs will change.

There are safety aspects in the need for additional grants as well, because the high cost to procure replacement vehicles, many veterans retained vehicles well beyond the reliability point, which places them and those around them at risk, when the vehicle they are operating is unsafe or unreliable.

If given the chance for a second or subsequent grant, veterans may be inclined to take advantage of some of that new assistive technology that is currently being developed with great regularity.

In closing, we ask Congress to establish multiple automobile grants for veterans to use once every 10 years, equaling the current grant maximum in effect at the time of the vehicle replacement.

We thank the subcommittee for this opportunity to express our views, and I welcome any follow-up questions you may have.

[THE PREPARED STATEMENT OF MORGAN D. BROWN APPEARS IN THE APPENDIX]

Mr. LEVIN. Thank you, Mr. Brown. Appreciate your testimony and the testimony of all of our witnesses. With that, I would like to turn to the question portion of the hearing. I would like to recognize myself for 5 minutes to begin.

I would like to start by again thanking Ranking Member Bilirakis for partnering with me to introduce the Streamlining G.I. Bill Processing Act, which I am glad each of today's witnesses support. Ms. Bogue, you noted that implementing this legislation would require modifying VA's existing IT systems. I just want to reiterate my commitment to you and to my colleagues to make sure that we do make those necessary investments in the VA's IT infrastructure to improve and to deliver benefits efficiently. Also looking forward to working with my colleague, Ms. Lee, who is here, who chairs the Technology Modernization Subcommittee.

In your testimony, you mentioned that it could take approximately 18 months to provide electronic certificates of eligibility. As far as I know, and I have been to Muskogee, Oklahoma and taken the tour, and seen how some of this works, the date of who is eligible currently exists. The data of those eligible for those benefits in the data base. Why would it take 18 months to increase the functionality to allow electronic copies of certificates when you already have all the data?

Ms. BOGUE. Thank you for that question. One aspect of that, it does include the acquisition process as well. We would need to make sure that we have a vendor in place in order to build in that functionality.

The other aspect is the way that particular bill is written, it applies to all of our education programs. When you are talking all

education programs, only the post-9/11 G.I. Bill is managed through the long term solution. All of the other education programs are managed in other systems across that space. There are 23 systems. You will need to be able to build the rules across those systems in order to feed into one avenue, in order to spit out that certificate of eligibility.

Yes, you are correct. We have the information, but we will need to build the rules, and build that centralized source in order to spit out that certificate of eligibility for someone.

I would also like to State that today we do provide something similar to the certificate of eligibility. It is called the statement of benefits. That is available on VA.gov for students. They can download that information today without calling us. They will be able to get the latest information of how much entitlement they have remaining associated with their education benefits.

Mr. LEVIN. Appreciate that. If there is anything that we can do to work with you to try to speed that up, obviously I think it is in the interest of our veterans to get that certificate without delay. I look forward to working toward that.

I wanted to shift gears to the for-profit conversions discussion draft. In your written testimony, you State, Ms. Bogue, that there is some ambiguity regarding when institutions convert from for-profit to non-profit, and that the Department of Education and IRS have different standards regarding when and how these institutions are classified. Would it be easier for VA to mirror the determinations of the Department of Education when determining an institution's for-profit or non-profit status?

Ms. BOGUE. Thank you for that question. When it comes to—we are still doing research in terms of which is the better option of IRS or Department of Education. We do know it is important to pick one as the authoritative source. We have seen in the past where there has been a definite conflict between the two agencies when it comes to the authoritative source.

The other aspect that I want to pivot to as it relates to this particular bill, it does not change our compliance requirements as it relates to oversight for that 10-year period. Our compliance requirements are the same for for-profit schools and non-profit schools. There is nothing also in there as it relates to disapproval of a program if they are in violation of anything along the way during that process. There are some other aspects of this bill that we would like to be able to work with you and your staff on to get it to the place that you would like it to be.

Mr. LEVIN. Thank you. I appreciate that. We look forward for the opportunity to do that and working with your team at the VA.

Mr. Brown, in your testimony, you expressed a need for automobile adaptive equipment grants to be renewed every 10 years. I appreciate that. Can you elaborate on the necessity for these adaptations in relation to a veteran's mobility and health as they age?

Mr. BROWN. Sure. Certainly. In fact, I would like to refer back to the individual that I spoke of that purchased the replacement vehicle, because he is actually an ideal example. He is currently confined to a wheelchair. He is a paraplegic. He has upper body strength, which allows him to get in and out of the vehicle. But because he is pulling himself up and into and out of the vehicle, as

well as lifting the chair in and out of the vehicle, it ultimately will do damage to his shoulders and to other parts of his upper body. His strength will eventually diminish and he will not be able to do that, and that would force him to perhaps move into a vehicle with like a side entry.

Mr. LEVIN. Thank you for that.

Mr. BROWN. That is a very good example of the type of condition that we are talking about.

Mr. LEVIN. I appreciate that. I have just a couple more questions. I apologize to my colleagues. I have heard reports that accessing these grants can be cumbersome, since veterans must go through processes at both the Veterans Health Administration (VHA) and VBA. Can you speak to how long the process generally takes from submitting a claim until the installation of the adaptive equipment, and how quickly the invoices for vehicle adaptations are paid?

Mr. BROWN. It is true that both VHA and VBA are involved. That is by necessity because VHA will be the one that will actually determine that the condition exists. They are the initial certifying authority. From there, to just kind of quickly walk you through the steps, you would have eligibility. They would have to apply for the benefit. There would be a rating decision. They would notify the veteran. That would be VA's responsibility. There is processing. There is pain eligibility requirements issuing the certificate of eligibility, and then processing any disagreements that might arise as a result of this approval process.

To speak to the exact timeframe, VA is probably in a better position to answer that question. I can tell you that in some cases, the veteran may dictate or determine how long that process is, because they may go through all of these steps and be approved for that automobile loan. Then they may not necessarily go out and purchase that vehicle right away.

Mr. LEVIN. Fair enough. When VA updates its regulations on automobile adaptive equipment, what new technology would PVA like to see included on that list and why?

Mr. BROWN. It is true. They are in the process of updating the regulation and I understand as of yesterday that it could be forthcoming very soon. I think first and foremost, what I should note is that in terms of the list, and the items that are currently on the list, the one thing that we would absolutely want to make certain is the items that are currently there, that we would want them to remain there, and those items to remain reimbursable.

I identified in my written statement two or three of the type of assistive technologies that we would recommend be added. The VA secretary does have the ability to add these items. It is pretty much what you see on TV now that would enable you to remain in your lane, to prevent you from running into another vehicle. Those types of technologies are certainly available and would—

Mr. LEVIN. Thank you. My last question is for Mr. Murray, and this is regarding the Waves Act. As you know, this will allow VA to pay higher wages to students in the work study program. Can you elaborate on how this bill would impact your members who take on debt, going to school full time.

Mr. MURRAY. With the work study program, a lot of what we have heard is the prompt payment and the processing are the

issues. The issue of State wages, Federal wages, things like that versus work study, the only thing that we would caution is as was mentioned, there are states that have different municipality rates as well. If we would have gone back and rewound the tape 2 years ago and talked about changing Basic Allowance Housing (BAH) payments toward zipcodes, how it would sink VA's IT system, we probably would have laughed that off. There is no way that changing for zipcodes would crash their entire program.

If we are going to now start paying different wages toward different municipality minimum wages, it is just something that we caution that going forward, that is kept in mind.

Mr. LEVIN. Thank you for that. I have more questions, but we will have to end there for now. I would like to recognize Mr. Bilirakis, the ranking member.

Mr. BILIRAKIS. Thank you very much. I appreciate it, Mr. Chairman.

First of all, I want to ask the VA, Ms. Bogue, do you all plan to implement an electronic COE if this legislation does not pass? Even though I have confidence that it will pass.

Ms. BOGUE. Yes. Sorry, I did not mean to cut you off. Thank you.

Basically, we can do this without legislation. It really is an IT change that needs to transpire. It is something that we were actually trying to go down that path prior to Colmery Act. It is still on our roadmap to do so.

Mr. BILIRAKIS. Now, do you plan to do so?

Ms. BOGUE. Yes. Our plan is to do so.

Mr. BILIRAKIS. When?

Ms. BOGUE. I do not have a timeframe, because right now we are still implementing the last stages of Colmery, as well as the retroactive piece for the monthly housing allowance changes. We are still in that process with Colmery. We do not have a timeline as it relates to implementing certificates of eligibility.

Mr. BILIRAKIS. Okay. Very good. Mr. Chairman, I recommend we still go forward with the legislation, just to be on the safe side. I appreciate that.

Ms. BOGUE. No problem.

Mr. BILIRAKIS. In your written testimony, you voiced concerns with the current drafting of the bill to close the G.I. Bill loophole that changes the liability of education debts if a service member has transferred their G.I. Bill benefits but does not complete their service obligation. This question is for Ms. Bogue again.

If the bill text was altered to clarify that the service member would only be eligible for all of her payments that were created solely because they did not complete the service obligation, as opposed to overpayments created by dropping a class, would VA support that change?

Ms. BOGUE. We would support that change. When we look at that particular program, we see that that is the No. 1 issue when it comes to our dependents is that the service member has not completed their service obligation time. Now that debt falls on the student.

The law is actually silent right now on that issue, and we were trying to work with our general counsel on how to implement some-

thing by policy in order to transfer that debt to the service member versus the dependent.

We would appreciate a statutory fix in order to make that clear.

Mr. BILIRAKIS. Okay. Thank you. Mr. Murray, please tell us more about why you believe we should ease some of the restrictions on those who can use the VET-TEC pilot and the legislation, of course, that the minority leader McCarthy spoke of this morning.

Mr. MURRAY. Thank you, sir. The part-time participation we think is one of the biggest changes that can come along with this, because what we have recognized for years now that student veterans go back to school, they are doing so at different rates than the traditional student. We think that opening up different eligibility, different opportunities for the non-traditional student, for part-time students, for folks working, single parents, things like that, opening up all these programs for that student veteran. Especially because it turns out if you look at the numbers, that is actually the majority of them.

Building and designing these programs for traditional Monday through Friday, 9 to 5, full-time students is not what the student veteran is. We think that this aligns the eligibility expansion with the population we are trying to hit.

Mr. BILIRAKIS. Agreed. Very good. Thank you. Mr. Kamin, again from the Legion, can you please tell us why you believe the Class Evaluation Act could hurt schools who currently use the dual certification system?

Mr. KAMIN. Thank you, sir. Again, we do appreciate the intent of the program and oversight being a focus that we can collectively come up to some solutions on.

What dual certification is before this semester even begins, I get the student's credits and I put that into the certification, but I leave the tuition blank. Then during the add/drop period, I can amend the tuition based on any—if there was any changes in credits to exactly what it is.

This is a strategy that VA has endorsed. It is on their website and it poses it as a way to alleviate these overpayments. It is a way to distribute the workload so that you can, in advance of the semester, get a lot of the legwork done and are not scrambling 2 weeks into the semester to start from scratch.

We worry that this act would eliminate that possibility and force school certifying officials 2 weeks into the middle of the first semester to certify everything all at once. Additionally, most schools begin 4 year programs in the last week of August. It might not seem like much, but that one or 2 week period at BAH you get at the beginning of September matters a lot. If schools have to wait 2 weeks before doing it, that would effectively be eliminated in terms of that first increment of BAH.

Again, we support the intent, but as long as dual certification is a best practice, we would like that to be maintained.

Mr. BILIRAKIS. Very good. Thank you very much. Yes, that is why we have you here. I appreciate what you are doing. You tell us how the veteran—how it truly impacts the veteran so that we can write good legislation to their benefits. Everyone has good intentions. Thank you very much, Mr. Chairman. I yield back.

Mr. LEVIN. I thank the ranking member, and I would like to recognize Mr. Brindisi for 5 minutes.

Mr. BRINDISI. Thank you, Mr. Chairman. I want to thank the Chairman and the ranking member for holding this hearing today. I would like to thank our witnesses for testifying. I think it is essential that we hear from our VSOs when considering legislation to help our Nation's veterans. Thank you all for being here.

I would also like to thank Congressman Meuser for introducing the Advancing Uniform Transportation Opportunities for Veterans Act with me. Our bill will expand the VA's automobile grant program to allow eligible veterans to receive \$20,000 or more in assistance every 10 years to replace their vehicles, which are often outdated with adaptive equipment.

We believe this is a worthy program that assists veterans every year who have sacrificed so much for our country. These vehicles are adaptive equipment and are essential for these veterans to go to work, attend school, visit family, and maintain a life of mobility.

Expanding this grant program to allow these veterans to replace their vehicle after a 10-year period to me is just common sense. Just a few brief questions.

Mr. Brown, perhaps, can you speak more to the importance of this grant program and special adaptive equipment grants in helping veterans with disabilities?

Mr. BROWN. Sure. I think one of the most important things that we need to consider in regards to this legislation is that we have younger veterans who are injured. They have suffered a catastrophic injury, and they are confined to a wheelchair. They have transportation needs. It is going to be a lifetime. This is a lifetime event for them.

Because they are younger, that means that they are going to have to replace that vehicle multiple times. The gentleman that I spoke of in my oral statement, that was his third vehicle since his injury. As conditions change, as to the adaptive technology changes in the vehicle, you can not continue to take older technology and apply it to a newer vehicle. At some point, you have to upgrade everything. That is a tremendous cost that is coming out of the pocket for these individuals for a service connected disability.

I just believe that as a Nation, we should not be putting veterans into a position of financial hardship for a service connected disability that we really should be taking care of them for.

Mr. BRINDISI. Thank you, sir. Mr. Kamin, could you tell us what these grant programs can mean to a veteran with disabilities, getting to work or attending school.

Mr. KAMIN. Well, we think it is—when you look at schools right now, we have come a long way when it comes to disability support services and being able to be 508 compliant, and making sure facilities are met to meet the needs of traditional students with disabilities. There is an enormous chasm between what a traditional student's disabilities are and what a veteran's are.

Often times, veterans come into schools with a full belief that this is a problem that I have. It is with the VA. The school has nothing to do with it. There is a lot of work that needs to be done to bridge that so that they can feel just as empowered as your traditional students coming with disabilities. At the very least, not

having them have to take public transportation to go to their hospital for rehabilitative services.

When I was at American University, a close friend of mine was in that case, where he would walk to the bus that would take him to Walter Reed from American University. We know that even though this is a minority of the overall disability population, that it matters—for student veterans.

Mr. BRINDISI. Thank you. Thank you all for being here again. I yield back my time.

Mr. LEVIN. Thank you, Mr. Brindisi. Now, I would like to recognize Mr. Meuser for 5 minutes.

Mr. MEUSER. Thank you, Mr. Chairman and ranking member for including my legislation in today's hearing. Thank you all very much. Very nice to see you.

This legislation will increase—

Mr. LEVIN. Mr. Meuser, microphone. Sorry.

Mr. MEUSER. My apologies, Mr. Chairman.

Mr. LEVIN. No problem.

Mr. MEUSER. I will start from the beginning. Thank you, Mr. Chairman and the ranking member, for including my legislation in today's hearing, which will increase access to the VA's automobile grant program.

I certainly want to thank Mr. Brindisi very, very much and the PVA for leading this effort with me. The VA is, as you were just stating, Mr. Brown, the VA's auto grant is narrowly tailored, approximately 2,500 recipients likely, yet vitally important, extremely important, and will serve our country's most severely disabled veterans by providing them an allowance to purchase a new or used vehicle beyond the scope of the first. It certainly makes a lot of sense.

Safe, reliable transportation is absolutely essential component to veterans leading healthy lives, getting to work, and interacting with the community, and getting to the Veterans Administration. I have discussions with our VAs. The one in my district, the Lebanon VA, who does the best job that they can, and the Wilkes-Barre VA, which is slightly outside my district, but I have thousands of veterans in my district that go there, and transportation is a problem that we continue to need to try to solve.

Increasing this frequency to veterans to use this grant program will help ease a large financial burden for the vehicle, as well as any assistive devices, and continue to provide an important benefit for those most in need who have earned such benefits and our support.

Mr. Brown, you pretty much just answered my first question, but this program has not evolved over 60 years, more or less, perhaps as long as that. Do you think that this is enough? Do you think that this bill will do the job necessary that will truly help thousands of veterans receive the funding they need to get the second car 10 years out?

Mr. BROWN. We do, sir. Just to kind of parlay a little bit onto your comment, a couple of your comments. At a minimum, your legislation addresses a key safety issue. It also addresses an important quality of life issue as well. Because the individuals, the majority of them that we are talking about, certainly the majority of

the members that I represent, they can not afford—if they can not afford to modify or purchase another vehicle to modify, then they risk losing their independence. Then it becomes an issue of where you are talking about issues of isolation, and then potentially depression, and it is a downward spiral from there.

Your legislation would provide, I believe, what our veterans need the most. That is real help, immediate help, and will keep them—preserve their independence and keep them on the road.

Mr. MEUSER. That is great.

Mr. BROWN. We thank you. Thank you and thank Representative Brindisi as well.

Mr. MEUSER. Thank you as well. I am very happy to be sponsoring and introducing this.

Rural areas, clearly even high impact than more suburban and certainly city dwellings. It is important elsewhere. I am very, very, again, pleased to be introducing this legislation.

What else can we do? What else would the Paralyzed Veterans of America feel, or any of you in my limited time here, what else can we do to make ease of access to work, to the community, to the VA, to society for our veterans?

Mr. BROWN. Well, your legislation opens the door, I think, for the first critical part, and that is to authorize the second grant. We still feel very strongly that vehicles should be replaced. They should be given the option to replace a vehicle at a certain period. Average wear out of a vehicle is about 11, 11 and a half years according to I guess you could say some Federal sources. The reason why we chose 10 is because much a vehicle's usable service life falls within that timeframe.

There are potentially, as the chairman indicated, the possibility of including some of the modern assistive technologies that are available. I think that is a discussion that we need to have with VA, and perhaps when the new regulation comes out here in the very near future.

Mr. MEUSER. All right. Terrific. It is an honor to work with all of you, and it is certainly an honor to serve our veterans. Mr. Chairman, I yield back.

Mr. LEVIN. Thank you, Mr. Meuser. With that, if there are no more questions, we can conclude this hearing.

I want, again, to thank the ranking member and every member of the subcommittee, as well as the respective staff, for working together on this package of bills today in a continued spirit of bipartisan collaboration.

I want to thank our witnesses for their expertise, and my other colleagues Leader McCarthy, Mr. Lujan for their interest as well.

All members will have 5 legislative days to revise and extend their remarks and include extraneous material. Without objection, this subcommittee stands adjourned.

[Whereupon, at 11:48 a.m., the subcommittee was adjourned.]

A P P E N D I X

PREPARED STATEMENT OF WITNESSES

Prepared Statement of Charmain Bogue

Good Morning Chairman Levin, Ranking Member Bilirakis, and Members of the Subcommittee. I appreciate the opportunity to appear before you today to discuss 14 bills—11 on Veterans' educational assistance, 2 on VA's automobile allowance, and 1 on loan guaranty. Accompanying me today is Ms. Laurine Carson, Deputy Executive Director, Policy and Procedures, Compensation Service (VBA).

H.R. 5052 – WAVES Act

H.R. 5052, the Wage Adjustment for Veterans Enrolled in School Act (WAVES), would amend 38 U.S.C. § 3485(a)(6) to change the definition of the term “applicable hourly minimum wages” for purposes of work-study allowance to include consideration of the hourly minimum wage under comparable law of the local government with jurisdiction over the area in which the work-study services are to be performed. Currently, the hourly minimum wage for the work-study allowance is the greater of the hourly minimum wage under section 6(a) of the Fair Labor Standards Act of 1938 (29 U.S.C. § 206(a)) or the hourly minimum wage under comparable State law. Under the bill, a work-study student would receive an hourly minimum wage equal to the Federal, State, or local government minimum wage, whichever is greatest. The amendment would apply to a payment of work-study allowance made on or after January 1, 2021.

Provided that Congress appropriates the necessary funding, VA supports the proposed legislation because it would ensure work-study students receive the highest possible wage available for the location in which they are providing services. VA cannot estimate costs associated with H.R. 5052 because limited data are readily available comparing Federal, State, and local government minimum wages.

Unnumbered Bill – Comparison Tool MOU

This unnumbered bill would add a new paragraph (4) to 38 U.S.C. § 3698(c) to require VA to enter into a memorandum of understanding with the Department of Education and the Internal Revenue Service (IRS) that would require both agencies to provide VA with student outcome information for students who are Veterans, members of the Armed Forces, or dependents of Veterans or members of the Armed Forces at educational institutions. The student outcome information would include the following: persistence rate; course and program completion rates; transfer-out rate; graduation rate; number of completed degrees and certificates; average number of years to complete a degree or certificate program; unemployment rates of graduates and of individuals who attended but did not complete a degree or certificate program; average salary for graduates; average salary for graduates with each major or certificate available at the institution; median amount of Federal student loans; and student loan default rate.

In addition, this proposed bill would require VA to provide such student outcome information for each institution of higher learning, for the most recent academic year for which information is available, in the GI Bill Comparison Tool.

VA believes this bill is unnecessary, as it merely would codify existing requirements that were set forth in Executive Order 13607, “Establishing Principles of Excellence for Educational Institutions Serving Service Members, Veterans, Spouses, and Other Family Members.” Recently, VA has implemented a Joint Higher Education Interagency Agreement with the Department of Defense, Department of Education, and the Consumer Financial Protection Bureau in response to the executive order. This agreement enables VA and the other signatories to leverage decision support tools created by each agency in an effort to ensure educational institutions are transparent about financial costs and performance outcomes and that quality academic and student support services are provided to military and Veteran students in accordance with E.O. 13607. While VA already collects certain student out-

come information on veterans, we still are in the beginning stages of coordinating this with other agencies to determine what matching data is possible. Based on previous experience, the Department of Labor is a critical partner in such agreements as it provides valuable information regarding things such as unemployment rates of graduates and of individuals who attended but did not complete a degree or certificate program.

VA would need to establish a data transfer connection with IRS in order to receive the required student outcome data. VA would also need to make modifications to the VA-Online Certification of Enrollment and Web Enabled Approval Management computer systems. VA estimates that it would require 18 to 24 months from the date of enactment to make the information technology (IT) changes necessary to implement the proposed legislation, pending funding availability. No mandatory or VBA General Operating Expenses (GOE) costs are associated with this unnumbered bill. However, VA estimates IT costs to be \$8 million. Implementation also may result in costs to other agencies that we are not able to estimate.

Unnumbered Bill – Availability of Electronic Certificates of Eligibility

This unnumbered bill would require that, not later than August 1, 2021, VA ensure that any person who is entitled to educational assistance under chapter 30, 33, or 35 of title 38, U.S.C., or section 1606 of title 10, U.S.C., is able to access an electronic version of the certificate of eligibility showing the person's entitlement to such assistance.

Provided that Congress appropriates the necessary funding, VA supports the proposed legislation as it would give all VA education beneficiaries access to their eligibility and entitlement information in an electronic format. However, VA would have to make modifications to its existing IT systems to implement this proposed legislation. Due to competing priorities in Fiscal Year (FY) 2021 and a lack of a contract vehicle, VA estimates that it would require 18 months from the date of enactment to make the IT changes necessary to implement the proposed legislation, pending funding availability. No mandatory or VBA GOE costs are associated with this unnumbered bill. However, VA estimates IT costs to be \$15 million.

Unnumbered Bill – For-Profit Conversion to Non-Profit

This unnumbered bill would add a new 38 U.S.C. § 3699B that would require VA to treat for-profit educational institutions that convert to non-profit educational institutions as for-profit educational institutions for 10 years after the date the educational institution is converted. This provision would be effective on the date of enactment but would apply to conversions that occurred on or after January 1, 2016.

VA has a number of concerns with this proposal. First, it is unclear on what basis 10 years is considered the appropriate length of time before an institution can be considered a non-profit after converting from a for-profit status. Second, the bill needs clearer language regarding who determines a school's profit status. Currently, both IRS and the Department of Education independently make determinations regarding a school's for-profit status. There have been several recent occasions when IRS and the Department of Education disagree over a school's status. For example, in 2018, Grand Canyon University (GCU) (a for-profit school) completed a sale and restructuring transaction with Gazelle University (a non-profit corporation). Notwithstanding Gazelle's nonprofit 501(c) status with IRS, the Department of Education determined that GCU would continue to be considered a for-profit educational institution for the purposes of its continued participation in the Title IV, Higher Education Act Programs (i.e., Federal financial student aid). The bill is unclear as to which agency's - IRS's or the Department of Education's - adjudication of "profit status" would be determinative for purposes of determining profit status under the bill.

Additionally, the bill pegs the transitional period as beginning on "the date the educational institution is so converted." However, it is unclear to what action or decision this corresponds. The date the educational institution considers itself "converted" (i.e., the date of the business transactions that may accompany a conversion) may be different from the date of any adjudicative decisions by either IRS or the Department of Education. VA is available to provide technical assistance to ensure that the proposed bill is clear and accomplishes the desired result.

Last, VA would need to update its IT systems and processes to gather and track information on each school that converts from a for-profit educational institution to a non-profit educational institution. Because the proposed change would be effective on or after January 1, 2016, VA would have to manually identify and account for these schools until an automated tracking system is available. No mandatory or discretionary costs are associated with this unnumbered bill.

Unnumbered Bill – Reducing Loan Fees for Certain Veterans Affected by Major Disasters

This unnumbered bill would reduce the loan fees paid by certain Veterans who have been affected by a major disaster and are obtaining a new loan guaranteed or made by VA. Specifically, if a Veteran has obtained a loan guaranteed under 38 U.S.C. § 3710 or a loan made under section 3711, and the dwelling securing such loan is substantially destroyed or damaged by a major disaster declared by the President under section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, VA would be required to treat as an initial loan the next loan VA guarantees or makes to such veteran. VA supports enactment of the bill subject to the recommended technical amendments discussed below and subject to Congress identifying appropriate cost offsets for the increased benefits costs, if significant.

Prior to obtaining a chapter 37 loan, non-exempt¹ Veterans must pay a statutory loan fee under 38 U.S.C. § 3729. Under section 3729(b), the loan fee amount is expressed as a percentage of the total loan amount. The loan fee table set forth by section 3729(b)(2) lists the requisite percentages according to loan type, closing date, amount of down payment, nature of service, and whether a loan is an “initial loan” or a “subsequent loan.” Section 3729(b)(4)(D) defines an “initial loan” as a chapter 37 loan “to a Veteran...if the Veteran has never obtained” such a loan. (Emphasis added.) Section 3729(b)(4)(E) defines a “subsequent loan” as a chapter 37 loan “to a Veteran...if the Veteran has previously obtained” such a loan. (Emphasis added.) For example, under the current statute, a non-exempt, active-duty Veteran, who closes on a VA-guaranteed purchase loan, with no down payment, on or after January 1, 2020, would need to pay a 2.30 percent loan fee for an “initial loan” or a 3.60 percent loan fee for a “subsequent loan.” If the total amount of the loan was \$200,000, such a Veteran would pay a \$4,600 loan fee for an “initial loan” or \$7,200 for a “subsequent loan,” a difference of \$2,600.

Under the current statutory definitions of “initial loan” and “subsequent loan,” VA must collect the higher “subsequent loan” fee from all non-exempt Veterans obtaining, for example, their “next” VA-guaranteed loan, i.e., the next loan such a Veteran obtains where the prior VA-guaranteed loan was secured by a home that was substantially damaged or destroyed by a major disaster. This loan fee framework does not align with VA’s effort to ease financial burdens for Veterans who have been affected by major disasters. For example, under 38 U.S.C. § 3702(b), VA can disregard a Veteran’s prior use of loan guaranty entitlement for purposes of determining the aggregate amount of entitlement available if the Veteran’s property is destroyed by fire or other natural hazard, and VA is given broad discretion to restore a Veteran’s entitlement one time, if the VA determines circumstances warrant (e.g., a disaster). This can help increase the likelihood that such Veterans can obtain additional VA-guaranteed loans, in larger amounts, perhaps without having to make a down payment. Also, VA has discretion under 38 U.S.C. § 3703(d)(3)(A) to allow for a guaranteed loan to be subordinated to a superior lien created by a covenant in favor of a public entity that has or will provide assistance in response to a Presidentially declared major disaster. Additionally, under 38 U.S.C. § 3720(f), whenever such a disaster causes loss, destruction, or damage to a property securing a chapter 37 loan, VA provides counseling and other services to Veterans, e.g., helping such Veterans obtain disaster assistance from Federal, State, and local agencies. Under section 3720(f), VA can also extend other forms of disaster assistance on a case-by-case basis, e.g., forbearance relating to a direct loan. VA does not, however, have authority to treat a “subsequent loan” as an “initial loan” for determining loan fees in disaster cases.

The bill, if enacted, would ensure that Veterans are not required to pay a higher loan fee in replacing a home that was substantially damaged or destroyed by a major disaster. Whether an affected Veteran rebuilds an affected home or chooses to relocate due to the trauma of a major disaster, this bill, if enacted, could help Veterans “reset” their home loan guaranty benefit at a difficult time in their lives. The current version of 38 U.S.C. § 3729(b)(4)(D) defines an “initial loan” as a chapter 37 loan “to a Veteran...if the Veteran has never obtained” such a loan. The bill would, in part, create two new clauses in subparagraph (D). Proposed subparagraph (D)(i) would retain the current definition of “initial loan.” Proposed subparagraph (D)(ii) would require VA, in cases where a Veteran’s home secured a prior chapter 37 loan and such home was “substantially damaged or destroyed” by a Presidentially declared major disaster, to “treat as an initial loan[as described in proposed subparagraph (D)(i)], the next [chapter 37] loan the Secretary guarantees or

¹ Under section 3729(c), certain Veterans are exempt from the loan fee, e.g., a Veteran who is receiving compensation for a service-connected disability.

makes to such Veteran.” The bill would also amend the current definition of “subsequent loan” set forth by section 3729(b)(4)(E). Current subparagraph (E) defines a “subsequent loan” as a chapter 37 loan “to a Veteran...if the Veteran has previously obtained” such a loan. The bill would amend subparagraph (E) to define a “subsequent loan” as a chapter 37 loan “to a Veteran...that is not an initial loan.”

While supportive of Congress’s intent, VA notes that the bill, as drafted, may inadvertently provide windfalls to Veterans who may not need disaster relief. For example, proposed section 3729(b)(4)(D)(ii) would allow for a reduced loan fee in the case of a Veteran (i) whose home was destroyed in a major disaster; (ii) who rebuilt the home using insurance proceeds; (iii) who continued to repay an existing VA-guaranteed loan; and (iv) who, many years after the disaster, sold the home, and purchased a new home with a VA-guaranteed loan. In this example, under the current bill text, the Veteran would pay the “initial loan” fee for the next loan even though the Veteran received an insurance payment shortly after the disaster and moved out of the home long after the disaster.

To address this concern, VA recommends an edit to proposed section 3729(b)(4)(D)(ii) that would limit the loan fee disaster relief to cases where a Veteran obtains a next chapter 37 loan not later than 3 years from the date that the Veteran’s dwelling was substantially damaged or destroyed. In recommending a 3-year timeframe, VA recognizes that a Veteran will need time to assess an affected property and consider all recovery options. Insurance data reveal that the average recovery period for 11 major hurricanes that occurred between 2000 and 2018 was 10.7 months. However, this period varied widely depending on the storm.² Furthermore, experts have estimated longer recovery periods for more recent storms.³ As such, VA recommends providing Veterans with a 3-year recovery period to ensure that Veterans have ample time to consider all options and, perhaps, to take advantage of a reduced funding fee.

In addition to setting a timeframe in which a Veteran could receive disaster relief relating to the loan fee, VA also recommends prohibiting such relief in connection with certain refinance loans. VA understands that the purpose of this bill is to enable Veterans to repair a damaged home or to construct a new home, without having to pay an increased loan fee. The bill, as currently drafted, could be construed to allow for certain Veterans to obtain, for example, a VA-guaranteed cash-out refinance loan, at the lower loan fee rate, without any requirement that the Veteran use the cash proceeds to repair or construct a home.

VA welcomes the opportunity work with the Committee to provide technical assistance relating to this bill. Due to several constraints relating to disaster forecast data, VA is unable to provide costs at this time.

Unnumbered Bill – STEM Clarification and Expansion

This unnumbered bill would amend 38 U.S.C. § 3320, governing the Edith Nourse Rogers STEM Scholarship (STEM Scholarship) Program, to clarify that individuals enrolled in a dual post-secondary degree program as well as individuals enrolled in a standard post-secondary degree program are eligible for STEM Scholarship benefits. The bill would also extend eligibility for STEM Scholarship benefits to individuals who have earned a post-secondary degree in a STEM field and are enrolled in a nursing residence program. The bill would eliminate VA’s current authority to extend eligibility for STEM Scholarship benefits to individuals enrolled in undergraduate medical residency programs and clarify that an individual enrolled in a medical residency program must have already completed a graduate degree program in a STEM field to be eligible.

VA supports the proposed legislation to clarify certain eligibility requirements and expand eligibility for the STEM Scholarship. No mandatory or discretionary costs are associated.

Unnumbered Bill – STEM Improvement

This unnumbered bill would amend 38 U.S.C. § 3320(b)(4)(B) to expand eligibility under the Edith Nourse Rogers STEM Scholarship program to individuals who have earned a post-secondary degree in a STEM field and are enrolled in either a pro-

² *BuildFax U.S. Hurricane Recovery Report Reveals a Nearly 25 Percent Increase in Preventative Upgrades to Properties in 2018*, BusinessWire (Mar. 27, 2019), available at <https://www.businesswire.com/news/home/20190327005152/en/BuildFax-U.S.-Hurricane-Recovery-Report-Reveals-25>.

³ *The Recovery Timelines for Hurricanes Harvey and Irma, Inman* (Oct. 9, 2017), available at <https://www.inman.com/2017/10/09/the-recovery-timelines-for-hurricanes-harvey-and-irma/>.

gram of education or a medical residency program leading to a teacher certification. Currently, the Rogers STEM Scholarship is available for individuals who are enrolled in a STEM degree program and have completed 60 semester (or 90 quarter) credit hours or have earned a STEM degree and are enrolled in a program of education leading to a teaching certification.

The bill would also amend 38 U.S.C. § 3320(c) to change how VA prioritizes and selects individuals who can receive additional funds. Currently, priority is given to individuals who are entitled to 100 percent of Post-9/11 GI Bill benefits and those who need the most credit hours. The bill would allow VA to determine the priority for eligible individuals if VA determines there are insufficient funds available in a Fiscal Year to provide additional benefits to all eligible individuals.

Finally, this bill would add a new paragraph (4) to 38 U.S.C. § 3320(d) to ensure that individuals who receive benefits under the Edith Nourse Rogers STEM Scholarship are not subject to the months of entitlement limitations under 38 U.S.C. § 3695.

VA supports legislation that would expand eligibility under the Edith Nourse Rogers STEM Scholarship to certain individuals enrolled in a medical residency program; however, there appears to be an error in the proposed draft language that would amend 38 U.S.C. § 3320(b)(4)(B). As written, the bill would grant eligibility to an individual who has earned a post-secondary degree in a STEM field and is enrolled in a “program of education or a medical residency program leading to a teaching certification.” However, since medical residencies do not lead to teaching certification, we interpret the intent to be to grant eligibility to individuals either enrolled in a program of education leading to a teaching certification or a medical residency program. VA requests the bill language be amended to provide clarification if this is, indeed, the desired intent.

VA has no issues with the proposed changes to how individuals would be prioritized. However, legislation is not needed for prioritization. We awarded the first Rogers STEM Scholarships in November 2019. Currently, VA is using a Prioritized Matrix (Job Aid) that has all the rules for prioritizing individuals based on the current law. VA reviews this matrix quarterly since VA has not reached the funding limitation threshold. VA will continue to accept applications and award scholarships in January, March, July, and October 2020.

Unnumbered Bill – Class Evaluation Act

This unnumbered bill would amend 38 U.S.C. § 3313(d)(1) to limit when VA can issue payment of educational assistance for pursuing an approved program of education, other than an amount payable for pursuing a program of education exclusively by correspondence. Specifically, it would prohibit VA from making a lump sum payment prior to 7 days after the first day of the quarter, semester, or term, unless VA provides for a waiver. Additionally, it would prohibit VA from making a payment if an individual withdraws during the first 10 days of the quarter, semester, or term.

The bill would also add a new subsection (f) to 38 U.S.C. § 3679 that would require the Secretary or the State Approving Agency to disapprove a course of education unless the educational institution providing the course of education agrees not to charge any individual entitled to educational assistance under chapter 31 or 33 a late payment fee due to the timing of the payments under 38 U.S.C. § 3313(d)(1). The amendments made by the bill would apply to a quarter, semester, or term that begins on or after the date that is 1 year after the date of enactment.

VA cannot support this bill, as currently drafted, due to the potential negative impact on GI Bill beneficiaries. While the proposed changes could possibly decrease some overpayments and debts owed to VA, we believe such changes would merely shift the tuition and fee debt to the student, as certain schools would still require payment for the period of a student’s enrollment and the student would owe the school.

VA also notes other significant concerns with the bill as drafted. First, the proposed change to section 3313(d)(1) would require VA to issue all payments (tuition and fees, monthly housing stipend, books, and supplies, etc.) under section 3313 for approved programs, other than correspondence programs, for the entire quarter, semester, or term, as applicable. Currently, VA issues certain payments, such as housing payments under section 3313(d)(2), on a monthly basis. This bill would conflict with VA’s practice in this regard.

Second, the bill would require that VA not make payment for tuition and fees if an individual withdraws from a program of education during the first 10 days of the quarter, semester, or term. As drafted, it is clear that VA should not pay retroactive benefits for individuals if they withdraw during the first 10 days of the term

and benefits have not yet been paid. However, VA notes that it is unclear how the statutory provisions in 38 U.S.C. § 3680(a), which are generally applicable to benefit payments under the Post-9/11 GI Bill, and this bill would interact. Specifically, the bill is arguably inconsistent with section 3680(a)(1)(C), which creates an exception to the general prohibition on payment for withdrawals (regardless of timing) if mitigating circumstances exist. Section 3680(a)(1)(C)(ii) dictates that mitigating circumstances shall be considered to exist for initial withdrawals from courses totaling not more than 6 semester hours.

Third, the bill would require VA or the State Approving Agency to disapprove a course unless the educational institution agrees to not charge a chapter 31 or 33 beneficiary a late payment fee by reason of the timing of payments under section 3313(d)(1). This provision appears to overlap with section 3679(e)(1)(B), which prevents an educational institution from imposing any penalty, including the assessment of late fees, the denial of access to classes, libraries, or other institutional facilities, or the requirement that the covered individual borrow additional funds due to the inability to meet his or her financial obligations to the institution, as a result of delayed payments for educational assistance from VA under chapter 31 or 33. Section 3679(e)(1)(A) allows a State Approving Agency or VA (when acting in the role of the State Approving Agency) to disapprove certain courses of education unless the educational institution puts a policy in place that allows an individual to attend or participate in a course of education if the individual provides a certificate of eligibility for entitlement to educational assistance under chapter 31 or 33. The policy must permit any covered individual to attend the course of education beginning on the date the individual provides a certificate of eligibility until the earlier of the date VA provides payment to the educational institution or 90 days after the date the educational institution certifies for tuition and fees following receipt of the certificate of eligibility from the individual.

Finally, VA's Post-9/11 GI Bill claims processing system, the Long-Term Solution, is currently programmed to release awards for tuition and fees no earlier than 14 days prior to the beginning of an enrollment period. As such, VA would need to modify the Long-Term Solution business rules and apply a blended set of rules to prevent the release of a tuition and fee payment prior to 7 days after the beginning of the term and ensure that tuition and fee payments are not released in the event an individual withdraws from a program of education during the first 10 days of the term. The bill would give VA 1 year to implement these major changes that would apply to most Post-9/11 GI Bill claims. VA would need 18 months from the date of enactment of the proposed legislation to complete these modifications.

Unnumbered Bill – Sole Liability in Transfer of Entitlement Cases

The unnumbered bill would amend 38 U.S.C. § 3319(i)(1), regarding liability for overpayments in cases of transferred entitlement, to remove joint liability for overpayments. Currently, a Servicemember or Veteran (transferor) and his or her designated dependent (transferee) are held jointly liable for overpayments of Post-9/11 GI Bill educational assistance when a transferor transfers unused education benefits to a dependent. The amendments would impose on the transferor sole liability for any overpayment of educational assistance under the Post-9/11 GI Bill.

VA does not support the bill as drafted because it would make transferors solely liable for all overpayments created by their dependents under the Post-9/11 GI Bill. Under the bill as drafted, VA would be required to establish debts for tuition and fees, monthly housing allowances, and books and supplies payments against the transferor for changes in enrollment made by their dependents. VA does not believe that it is reasonable to hold the transferor solely liable for debts resulting from somebody else's actions, which may be outside of the transferor's control. Additionally, schools are required to refund tuition and fee payments to the student in accordance with their established refund policies. VA has no authority to require schools to refund payments to the transferor, and schools may well be prohibited from making refunds to parents or spouses of students. We believe that it would be easier for a dependent to resolve overpayments caused by a change in enrollment.

VA also has concerns that the proposed legislation does not address section 3319(l), which allows an eligible dependent to transfer entitlement to another eligible dependent if the transferor dies before the transferred entitlement has been used. The draft legislation does not include language regarding whether or how VA should apply section 3319(l) and assign debts when the transferor (Servicemember or Veteran) has passed away. No mandatory or discretionary costs are associated with this unnumbered bill.

Unnumbered Bill – VET-TEC Apprenticeships and Reserve Members

The unnumbered bill would amend section 116 of the Harry W. Colmery Veterans Educational Assistance Act of 2017, P.L. 115–48 (Colmery Act), requiring the establishment of a high technology pilot program (VET-TEC). When offering contracts to providers of high technology programs while establishing the VET-TEC program, VA is required to give preference to providers that offer tuition reimbursement for students who complete a program and do not find meaningful employment in the field of study of the program within 180 days of completion of the program. This bill would also require VA to give preference to providers that offer tuition reimbursement for students who complete an apprenticeship program and do not find meaningful employment in the field of study of the program within 180 days of completing the apprenticeship and to providers that offer tuition reimbursement for reserve component members who serve on active duty during the 180-day period following completion of a program and do not find meaningful employment in the field of study of the program within 180 days of completing a program plus the number of days the reserve member served on active duty during the 180 day period.

VA supports the proposed legislation, which would expand the preference for qualified providers that offer tuition reimbursement and certain VET-TEC students, thereby providing expanded safeguards to program participants. No mandatory or discretionary costs are associated with this unnumbered bill.

Draft VET-TEC Terminal Leave from the Armed Forces Bill

The bill would amend section 116 of the Colmery Act, requiring the establishment of the VET-TEC program, to expand eligibility for the VET-TEC program to members of the Armed Forces on terminal leave who are entitled to educational assistance under 38 U.S.C. chapter 30, 32, 33, 34, or 35 or 10 U.S.C. chapter 1606 or 1607. Under the draft legislation, members of the Armed Forces who are eligible for the VET-TEC program would not qualify for a housing stipend while in receipt of the basic allowance for housing from the Department of Defense. In offering contracts to providers of high technology programs, VA is required to give preference to providers that offer tuition reimbursement for students who complete a program and do not find meaningful employment in the field of study of the program within 180 days of completion of the program. In the case of VET-TEC participants who were members of the Armed Forces on terminal leave who are serving on active duty when they complete a program, this bill would require VA to give preference to providers who offer tuition reimbursement for these VET-TEC participants if they do not find meaningful employment in the field of study of the program within 180 days of discharge or separation from active duty.

VA supports the proposed legislation. However, VA would need to work with the Department of Defense to establish a data feed to provide the additional information that would allow VA to identify individuals on terminal leave or individuals who are in receipt of a basic allowance for housing from the Department of Defense. Currently, VA receives military service data and eligibility information from the Department of Defense for determining a Servicemember's and Veteran's eligibility for VA educational assistance; however, these data do not include the information necessary to implement the changes proposed by the draft legislation. No mandatory or discretionary costs are associated with this draft bill.

Unnumbered Bill – VET-TEC Improvement Act

This unnumbered bill would amend section 116 of the Colmery Act to expand eligibility for the VET-TEC program to an individual who VA determines will become an eligible Veteran within 180 days of VA making that determination. The individual, however, would not qualify for a housing stipend under the VET-TEC program prior to becoming an eligible Veteran.

The proposed legislation would also eliminate the requirement for a qualified provider to be operational for at least 2 years; expand the definition of a high technology program of education to include a part-time program shorter than 6 months in duration; and exclude enrollment in the VET-TEC program for purposes of the limitation on period of assistance under 38 U.S.C. § 3695.

VA supports the intent of the draft legislation to provide eligibility to transitioning Servicemembers and accelerate the transition process, but we have significant concerns. First, the bill would expand eligibility to the VET-TEC program by requiring VA to treat an individual as an eligible Veteran if VA determines that the individual shall become an eligible Veteran fewer than 180 days after the date of such determination. The draft language does not specify what should happen if the individual fails to become an eligible Veteran within 180 days for any number

reasons, including separation with a less than fully honorable character of service, extension of active duty orders, or reenlistment.

It is unclear if VA would lose the authority to make any future payments to the beneficiary or the school, or whether past tuition payments would become debts against the beneficiary, the school, or neither. Also, if VA were to lose the authority to make future payments, it would prevent the training provider from receiving full reimbursement for tuition and fee charges through no fault of its own; especially in the case of an individual continuing to serve on active duty who may not be available for full-time employment in the field of study in the foreseeable future. VA would be happy to work with committee staff in order to ensure that the proposed legislation is clear and accomplishes the desired intent.

Second, VA is not aware of any issues regarding the requirement for qualified providers to be operational for at least 2 years. By removing this requirement, providers without a proven track record could apply and be accepted as approved providers which may result in a heightened risk to Veterans' learning and employment opportunities because of financial instability resulting in school closure or a bad reputation due to subpar or inconsistent performance.

Precluding VA from considering enrollment in the VET-TEC program as assistance under 38 U.S.C. § 3695 is unnecessary because the VET-TEC program is not one of the programs listed in that section and, accordingly, VA does not charge a Veteran's entitlement for participation in the VET-TEC program. No mandatory or discretionary costs are associated with this unnumbered bill.

Unnumbered Bill – Second Automobile Allowance

This unnumbered bill would amend 38 U.S.C. § 3903 to authorize VA to provide an eligible person with a second automobile or other conveyance if 10 years have elapsed since the date on which the eligible person received his or her first such automobile or conveyance or assistance under chapter 39, and such date was after January 1, 2014.

VA does not object to the proposal to provide eligible service-disabled Veterans with a second automobile or other conveyance assuming Congress appropriates the necessary funding for this provision. Currently, the law only allows Veterans to receive a second automobile or conveyance if the vehicle is destroyed as a result of a natural disaster or other disaster, as determined by the Secretary, and the Veteran does not otherwise receive compensation for the loss from a property insurer. Under the bill, all eligible Veterans who received their first allowance after January 1, 2014, would be allowed to receive a second automobile allowance if 10 years have elapsed since receipt of their first allowance.

According to IHS Markit Company, the average age of light vehicles in the United States in 2019 was 11.8 years.⁴ When considering the average age of vehicles in the United States and the significant level of disability experienced by Veterans who qualify for this allowance, VA considers this proposal as fair and equitable. Mandatory costs associated with this unnumbered bill are estimated to be \$0 in 2021, \$98.7 million over 5 years, and \$387.4 million over 10 years.

Unnumbered Bill – Automobile Allowance Increased Frequency

This unnumbered bill would amend 38 U.S.C. § 3903 to increase the frequency of the automobile allowance for eligible service-disabled Veterans. VA appreciates the apparent intent of Congress to increase the frequency by which eligible service-disabled Veterans may receive the automobile allowance under section 3903. However, it is unclear whether section 3903(a)(1) as proposed to be amended and proposed new paragraph (a)(3) are intended to prohibit a beneficiary who received an allowance before January 1, 2031, from receiving any further allowances during any later period or whether such persons would be eligible for additional allowances after January 1, 2031, if at least 10 years had passed since the prior award. If the former is intended, VA would strongly oppose the bill, as the result of such provisions would be inequitable and would not reflect VA's core values. While we suspect the latter, more Veteran-friendly reading is intended, we recommend clarifying the statutory text if that is the case and would be happy to provide technical assistance.

VA opposes the provision of the bill that affects Veterans' eligibility to receive a second allowance under 38 U.S.C. § 3903(a)(2) if their first vehicle was destroyed as a result of a natural disaster. While the newly proposed subsection (a)(3) would

⁴ 2018–19: IHS Markit Co., Average Age of Cars and Light Trucks in U.S. Rises Again in 2019 to 11.8 Years, IHS Markit Says, available at <https://news.ihsmarkit.com/press-release/automotive/average-age-cars-and-light-trucks-us-rises-again-2019-118-years-ihs-markit-as-of-Sep-17-2019>.

allow such Veterans to receive a second allowance before January 1, 2031, during “any period,” i.e., at any time, if the conditions under subsection (a)(2) are satisfied, it appears to only allow a second allowance for eligible Veterans on or after January 1, 2031, during “any 10-year period.” Thus, it appears that a Veteran who is eligible to receive a second automobile allowance under section 3903(a)(2) on or after January 1, 2031, must not have received the first allowance within 10 years prior. VA does not view the results from this provision as fair or equitable.

VA also notes that this bill would allow an eligible Veteran to receive more than two automobile allowances under proposed section 3903(a)(1) after January 1, 2031, as long as the Veteran does not receive more than one allowance for any 10-year period. However, section 3903(a)(2) would allow an eligible Veteran to receive a second allowance if an automobile or other conveyance previously purchased with assistance under chapter 39 was destroyed due to a natural disaster but, by its current language, would not seem to allow an eligible Veteran to receive a third allowance if an automobile purchased from a second allowance under proposed section 3903(a)(1) was destroyed due to a natural disaster. In other words, a Veteran may be limited to only two allowances under section 3903(a)(2), even though a Veteran may receive multiple allowances under section 3903(a)(1). It is not clear if this was the intent of Congress. No mandatory or discretionary costs are associated with this unnumbered bill because the effective date is beyond the 10-year timeframe for costing.

Conclusion

Mr. Chairman, this concludes my testimony. My colleagues and I are prepared to respond to any questions you or other Members of the Subcommittee may have.

Prepared Statement of Patrick Murray

Chairman Levin, Ranking Member Bilirakis, and members of the Subcommittee, on behalf of the men and women of the Veterans of Foreign Wars of the United States (VFW) and its Auxiliary, thank you for the opportunity to present our views on these important pieces of legislation.

H.R. 5052, Wage Adjustment for Veterans Enrolled in School (WAVES) Act

Most of the feedback the VFW receives regarding the Department of Veterans Affairs (VA) Work-Study program is centered around processing and timely payments. The VFW does not have a specific resolution regarding equitable VA Work-Study wages and State minimum wages, however, we would definitely not oppose a proposal such as this to increase the amount of money in the pockets of student veterans.

Stem Eligibility Extension

As part of the Forever GI Bill, the VFW strongly supported the provision to grant additional months of GI Bill eligibility for student veterans pursuing degrees in Science, Technology, Engineering and Math (STEM). Our nation is making a push to encourage more students to pursue STEM degrees in order to be competitive and outpace other nations around the world. Student veterans should be at the forefront of this initiative. In order to make this a possibility, there needs to be some additional eligibility granted for those pursuing these degrees, because STEM programs often take longer than the traditional 4 years to complete a bachelor's degree. The VFW wants to see student veterans succeed at the highest levels, and extending school eligibility in this case may be necessary to complete these highly important degrees.

The STEM provision when crafted was not perfect and needed some additional amendments since its enactment. The STEM fields identified as eligible were never meant to be a final list, because as time passes additional programs will be identified and added to the list. Medical residency and nursing residency programs are vitally important to help increase the number of health care professionals serving our country. Adding these programs to the STEM eligibility is a common-sense proposal that will ultimately add to our number of health care professionals.

VA Auto Grant

For years the VFW has had a resolution to amend VA's automobile grant for disabled veterans. The auto grant program is an incredibly valuable benefit that disabled veterans need to purchase or upgrade their vehicles. However, the grant is a one-time benefit and cannot be utilized again no matter how many vehicles a vet-

eran may purchase. The VFW supports the proposals to increase the number of times the VA's auto grant program can be utilized by disabled veterans.

The average American replaces a car approximately every 5 years, and while these proposals seek to increase eligibility for once every 10 years, the VFW feels these proposals are a step in the right direction. Ultimately, the VFW would like to see VA's auto grant program available for veterans to use for each new lease of a vehicle, or every 5 years, whichever comes first.

GI Bill Comparison Tool

The VFW is a strong supporter of the GI Bill comparison tool and supports this proposal to add information to this valuable platform. While the GI Bill comparison tool provides important information to students, and could always contain more information such as student loan debt and accurate graduation rates, but the tool itself needs a significant overhaul before it can be truly reliable. The current comparison tool and complaint system does not have the most up to date information about schools displayed. Old information and complaints exist on the tool and there is no formal process for removing negative information. Even if VA enters into multiple data-sharing agreements with other agencies, the GI Bill comparison tool will never be fully accurate unless there is a system in place to remove old data to ensure the current information is the most accurate. In order to do this, the VFW recommends a thorough review of the entire GI Bill comparison tool and a proposal drafted to overhaul the platform, with proper IT resources, in order to make it a living comparison tool that student veterans can rely on at all times.

Class Evaluation Act

Going back to school after military service may be a challenging task for many veterans for a variety of reasons. Student veterans may be juggling school responsibilities in combination with other demanding factors such as work, or families, and worrying about accurate VA payments is a burden we should lift off their shoulders. The VFW supports this proposal to make a requirement related to the payment of VA money in order to standardize payment schedules, potentially lessen overpayments, and remove unnecessary worries of student veterans while they complete their educational endeavors. Simplifying the payment schedule from VA to schools and students is a smart step in rectifying VA payment issues.

Disaster Relief

The VFW supports the proposal to reduce the loan fees paid by veterans affected by major disasters. The VA Home Loan program is an incredibly valuable benefit utilized by millions of veterans during its 75-year history. The home loan program is an earned benefit for veterans, and it should not be diminished due to unforeseen natural disasters. Major disasters strike various areas of the country every year, devastating entire communities. A major hurdle in these communities is the effort of rebuilding, and allowing VA to wipe the loan fees slate clean for certain veterans affected by these disasters will help speed up the recovery process for these families, and hopefully help their surrounding communities. Allowing veterans who lost homes due to devastating natural disasters to revert fees back to the original home loan buyer level, as opposed to a subsequent buyer, is a small measure of relief for veterans in areas hit by disasters.

VA Certificates of Eligibility

The VFW has supported the proposal to make Certificates of Eligibility electronic for years. The option of having the certificate at a veteran's digital fingertips is an option that is long past due. If VA's IT systems cannot make this option a reality, then proper funding for a simple solution should be requested, authorized, and appropriated to make this common-sense fix for a 20th-century problem. Certificates of Eligibility for programs all across VA are requested by outside parties constantly, and an electronic solution is needed. There are certain VA forms that can be accessed through eBenefits, but then those forms need to be sent to various parties. Veterans should be able to log on and see all the benefits and programs to which they are entitled, not only Disability and Compensation eligibility.

Transferability Liability

GI Bill transferability often seems like a fairly straightforward option for service members, but occasionally a recipient of this incredible benefit gets caught up in unintended bureaucracy. The VFW agrees that the transfer recipient of the GI Bill should not be held financially liable if the original service member fails to fulfill his or her service obligation. Once discovered, the use of the benefit should cease, but

the dependent should not be held accountable for repayment, as they were not the party who did not complete an obligation.

To amend title 38, United States Code, to provide for the treatment by the Department of Veterans Affairs of for-profit educational institutions converted to non-profit educational institutions.

The VFW feels this proposal could set up future conflicts between the Department of Veterans Affairs and the Department of Education. The VFW is concerned this could lead to unintended consequences if the two agencies intentionally set up different rules.

VET-TEC Improvements

The VFW supports all three proposals to make changes and improvements for the Veterans Affairs High Technology Education (VET-TEC) Pilot Program. Expanding VET-TEC eligibility for service members still on active duty but on terminal leave would hopefully decrease the number of veterans who face employment gaps after transitioning out of active service. Service members are allowed to participate in certain employment training while in the SkillBridge program before separation, and adding VET-TEC to their options should benefit those service members looking for careers in certain high technology fields.

The VFW supports the change regarding employment 180 days after VET-TEC completion for reserve component personnel only, if activations disrupt their paths to employment. However, the VFW does not want to see this as beginning to ease some of the requirements for the overall VET-TEC program. The entire pilot program is still very new, and we need to be careful that changes such as these are made only if they are absolutely necessary for the veterans or service members.

The VFW also supports the proposal to alter the requirements for VET-TEC students looking to participate in this program on a part-time basis. The VFW also sees this as an important proposal that opens up a larger discussion about veteran education and employment programs. Student veterans sometimes face challenges typical traditional students do not face while attending school. Large numbers of student veterans have families, are employed in some capacity, or are facing multiple other hurdles of adult life that may not be realized yet for a lot of traditional 18–22-year-old students. Student veterans are largely “non-traditional” students who tackle school in a different way, including their class schedule times.

We veterans’ advocates, along with our friends at VA and in Congress, have recognized that the student veteran is more often than not a non-traditional student, yet we keep building education and employment programs based on a traditional full-time model. Then, after research and discussion, these programs are altered to allow for non-traditional students to partake in these programs. Now is the time to look at all student veteran programs to begin the discussion about opening all of them to non-traditional students, particularly with an eye on part-time participation in programs. Any new programs should be built with at least non-traditional students in mind, and possibly with these students in the forefront.

Mr. Chairman, this concludes my testimony. Again, the VFW thanks you and the Ranking Member for the opportunity to testify on these important issues before this subcommittee. I am prepared to take any questions you or the subcommittee members may have.

Prepared Statement of John Kamin



**STATEMENT OF
JOHN KAMIN, ASSISTANT DIRECTOR
NATIONAL VETERANS EMPLOYMENT AND EDUCATION DIVISION
THE AMERICAN LEGION**

BEFORE A HEARING OF THE

**SUBCOMMITTEE ON ECONOMIC OPPORTUNITY
VETERANS' AFFAIRS COMMITTEE
UNITED STATES HOUSE OF REPRESENTATIVES**

ON

"PENDING AND DRAFT LEGISLATION"

FEBRUARY 6, 2020

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STATEMENT OF
MR. JOHN J. KAMIN
ASSISTANT DIRECTOR, VETERANS EMPLOYMENT & EDUCATION
THE AMERICAN LEGION
BEFORE THE
COMMITTEE ON VETERANS AFFAIRS
SUBCOMMITTEE ON ECONOMIC OPPORTUNITY
UNITED STATES HOUSE OF REPRESENTATIVES
ON
PENDING AND DRAFT LEGISLATION

FEBRUARY 6, 2020

Chairman Levin, Ranking Member Bilirakis, and distinguished members of the committee, on behalf of National Commander James W. "Bill" Oxford and the nearly two million members of The American Legion, we thank you for inviting The American Legion to testify today.

The American Legion is directed by millions of active Legionnaires who dedicate their time and resources to the continued service of veterans and their families. As a resolution-based organization, our positions are guided by nearly 100 years of advocacy and resolutions that originate at the grassroots level of our organization. Every time The American Legion testifies, we offer a direct voice from the veteran community to Congress.

H.R. 5052 - Wage Adjustment for Veterans Enrolled in School Act or the "WAVES Act"

To amend title 38, United States Code, to include local government minimum wage requirements in determining the hourly minimum wage applicable for purposes of the work-study allowance under the educational assistance programs administered by the Secretary of Veterans Affairs.

The Department of Veterans Affairs (VA) work-study program provides often critical financial support for veterans utilizing their GI Bill in approved programs of education. The program provides payment (at the federally prescribed minimum wage) to veterans who are assisting veterans affairs officials on campus, school certifying officials (SCOs), VA Educational Liaison Representatives (ELRs) and even State Approving Agencies (SAAs). The program provides much needed income for student veterans who qualify throughout the country. Plus it provides them with exposure to and training in areas of GI Bill administration and oversight that often helps those interested in these fields in securing future employment.

The WAVES Act will provide that these veterans enrolled in programs in high cost of living areas will be paid the applicable state hourly minimum wage when it is higher than that mandated nationally. These veterans living and attending school in these areas will then be better able to complete their programs (some only readily available in such areas) as they will receive support

more in keeping with the actual cost of living where they live. By doing this, VA would increase access to programs and eventual veteran success.

The American Legion supports H.R. 5052 as currently written.

Draft Legislation

To amend title 38, United States Code, to make an individual eligible for educational assistance under chapter 33 of such title and who transfers such educational assistance to a dependent solely liable for any overpayment of such educational assistance

As a condition of its passage in 2008, the Post-9/11 GI Bill included a provision designed to increase servicemember retention: the opportunity to transfer GI Bill benefits to family members after ten years of service. The authority for configuring this transferability was delegated to each service branch, who are best equipped to leverage the benefit to meet respective retention demands.

Ultimately, this authority has courted controversy in recent years as the Department of Defense has placed additional restrictions on transferability¹, but a less reported concern has been the negative outcome of what happens to the children of servicemembers when the service branches do not properly implement the transfer.

The American Legion was recently made aware of the case of a servicemember who completed the transfer of GI Bill to his daughter with his chain of command's sanction prior to discharge. His daughter then used the GI Bill for her fall and spring freshman semesters. Unbeknownst to her, VA determined that her father did not meet the eligibility to transfer his benefits due to a technicality of service dates. As a result, VA revoked his daughter's GI Bill and sent her a debt collection notice for the previous Fall and Spring tuition. Before her 18th birthday, she owed tens of thousands of dollars to the Department of Veterans Affairs.

Problems with transfer of eligibility for the GI Bill will remain as long as DoD administers a program in which VA holds the purse strings. Unfortunately, some servicemembers will continue to be deprived of transferability that they have earned through service, due to technical misunderstandings between their chain of command and VA.

These are the problems we face today, but it is unacceptable that such burdens be borne by the children. This draft bill would establish that the veteran assume financial liabilities for GI Bill overpayments instead of their dependents. Through *Resolution No. 318: Ensuring the Quality of Servicemember and Veteran Student's Education at Institutions of Higher Education*, The American Legion supports any legislative proposal that improves the Post-9/11 GI Bill.²

The American Legion supports this draft legislation as currently written.

¹ <https://www.navytimes.com/veterans/2018/07/30/lawmakers-demand-pentagon-leaders-drop-plans-to-limit-gi-bill-transfers> "Lawmakers demand Pentagon drops GI Bill transfer limits", July 30, 2018

² American Legion Resolution No. 318 (2016): [Ensuring the Quality of Servicemember and Veteran Student's Education at Institutions of Higher Education](#)

Draft Legislation - VET-TEC Improvement Act

To amend the Harry W. Colmery Veterans Educational Assistance Act of 2017 to expand eligibility for high technology programs of education and the class of providers who may enter into contracts with the Secretary of Veterans Affairs to provide such programs

The Veterans Employment Through Technology Education Courses (VET TEC) is an innovation of the *Colmery Act*, or Forever GI Bill, that matches veterans with leading training providers to develop high-technology skills. Unlike the traditional oversight requirements of accreditation that higher education mandates, VET TEC training providers meet a simple eligibility requirement to be listed as a “preferred” institution: they must refund all tuition and fees if the veteran does not find meaningful employment within 180 days of completing the program.

Despite this straightforward compliance metric, traditional oversight measures have limited industry engagement in the program. In order to apply for this program, providers must be in existence for two years and limit their training to full time coursework. This bill would expand provider eligibility by articulating part-time program requirements, and lowering eligibility to one year of program operability.

The American Legion supports these approaches to expand provider opportunities for veterans, and encourages VA to further develop a robust outreach plan to recruit industry providers.

Through *Resolution No. 318: Ensuring the Quality of Servicemember and Veteran Student's Education at Institutions of Higher Education*, The American Legion supports any legislative proposal that improves the Post-9/11 GI Bill.³

The American Legion supports this draft legislation as currently written.

Draft Legislation

To provide for the eligibility of members of the Armed Forces on terminal leave for the Department of Veterans Affairs high technology education program, and for other purposes

The Veterans Employment Through Technology Education Courses (VET TEC) is VA's first program to help veterans acquire new skills to immediately enter the job market, but it is not the first program to do so in the federal government. That distinction was earned by the Department of Defense nearly six years ago when it established the now prolific SkillBridge program.

Under the SkillBridge program, separating servicemembers can be granted up to 180 days of permissive leave to focus solely on training full-time with approved industry partners after their Field Grade commander provides written authorization and approval. These industry partners offer

³ American Legion Resolution No. 318 (2016): [*Ensuring the Quality of Servicemember and Veteran Student's Education at Institutions of Higher Education*](#)

real-world training and work experience in in-demand fields of work while having the opportunity to evaluate the servicemember's suitability for the work.

Like the VET TEC program, these industry partners must meet a simple but challenging employment requirement to maintain eligibility: achieve an 85% program graduation rate, and report 90% of program graduates receive job offers. Even with this high benchmark, SkillBridge participation has grown to over 2,000 servicemembers in FY 2017.⁴

With the shared outcome of civilian employment, VET TEC providers should be empowered to take advantage of the SkillBridge and offer servicemembers the same eligibility to apply as veterans. This draft bill amends the VET TEC program to do exactly that by establishing eligibility to members of the Armed Forces.

Through *Resolution No. 318: Ensuring the Quality of Servicemember and Veteran Student's Education at Institutions of Higher Education*, The American Legion supports any legislative proposal that improves veteran student's education opportunities.⁵

The American Legion supports this draft legislation as currently written.

Draft Legislation

To provide for an extended time frame for certain students to find employment following completion of Department of Veterans Affairs high technology education program, and for other purposes

The Veterans Employment Through Technology Education Courses (VET TEC) is an innovation of the Forever GI Bill that matches veterans with leading training providers to develop high-technology skills. Unlike the traditional oversight requirements of accreditation that higher education mandates, VET TEC training providers meet a simple eligibility requirement to be listed as a "preferred" institution: they must refund all tuition and fees if the veteran does not find meaningful employment within 180 days of completing the program.

The American Legion believes it is important for VA to address new forms of non-traditional learning as the realm of higher education evolves and is encouraged by the progress VA has made in scaling this five-year pilot. As with any first-generation program, several modifications and improvements have been identified since it first went live in April 2019.

This bill would amend the 180-day employment requirement for training provider participation to account for two exceptions: student veterans who move on to apprenticeships, and student veteran National Guard or reserve servicemembers who are mobilized following the conclusion of VET TEC training. In both cases, resetting the 180-day window to the conclusion of a veterans service

⁴ "Department of Defense Report: Credentialing Program Utilization", as requested on Page 150 of the Senate Report Accompanying S.1519, the National Defense Authorization Act for Fiscal Year 2018, Senate Report 115-125

⁵ American Legion Resolution No. 318 (2016): [*Ensuring the Quality of Servicemember and Veteran Student's Education at Institutions of Higher Education*](#)

requirement is a practical adjustment to ensure that quality training programs are not barred from participation.

Through *Resolution No. 318: Ensuring the Quality of Servicemember and Veteran Student's Education at Institutions of Higher Education*, The American Legion supports any legislative proposal that improves the Post-9/11 GI Bill.⁶

The American Legion supports this draft legislation as currently written.

Draft Legislation - Class Evaluation Act

To amend title 38, United States Code, to provide for a requirement relating to the timing of the payment of educational assistance under the Post- 9/11 Educational Assistance Program of the Department of Veterans Affairs, and for other purposes

This bill is an attempt to ensure overpayments, which often result in hardships for veterans and their families, will be reduced. This bill mandates that School Certifying Officials cannot certify enrollment earlier than 7 days after the beginning of the term, which is often at or after the drop/add date at institutions.

The American Legion is concerned that this bill could have an adverse effect on housing allowance payments by delaying their payment to the veteran. Many institutions today use a “dual certification” system whereby they certify many of their veterans early with zero tuition and fees, which allows them to address the overpayment risk while ensuring that veterans receive their housing allowance in a timely fashion. It is important that this bill does not adversely impact timely payment of housing. We do agree that veterans should never be assessed a late fee in such circumstances beyond his or her control.

The American Legion does not support this draft legislation.

Draft Legislation

To amend title 38, United States Code, to clarify and expand eligibility for the Edith Nourse Rogers STEM Scholarship

A dual degree is when you study two, usually very different, fields at the same time and receive two separate degrees (one per discipline). The history of the dual degree program dates back 60 years as a strategy to attack the problem of balancing liberal and technical studies in order to provide a "useful purpose in the education of engineers so greatly needed in our national economy.”⁷

⁶ American Legion Resolution No. 318 (2016): [Ensuring the Quality of Servicemember and Veteran Student's Education at Institutions of Higher Education](#)

⁷ “The three-two plan of engineering education”, forward by Homer D. Babbidge, Jr (1961) <https://files.eric.ed.gov/fulltext/ED544086.pdf>

The Edith Nourse Rogers STEM Scholarship is a provision of the *Colmery Act, or Forever GI Bill*, that gives extra benefits to students training in the high-demand fields of Science, Technology, Engineering, and Math (STEM). Obtaining a degree in these areas may require more training than other fields. This provision of the Forever GI Bill aims to help cover that difference and give additional incentive for students who choose the careers our society needs most.

This draft bill would expand the Rogers STEM Scholarship program to include nursing residency programs and dual degree programs, and The American Legion believes the latter to be an important component to create sustainable STEM pathways for veterans.

This legislation is a common-sense proposal to expand the aperture of the Rogers STEM Scholarship and better equip our veterans to meet the needs of America's modern workforce.

Through *Resolution No. 318: Ensuring the Quality of Servicemember and Veteran Student's Education at Institutions of Higher Education*, The American Legion supports any legislative proposal that improves the Post-9/11 GI Bill.⁸

The American Legion supports this draft legislation as currently written.

Draft Legislation

To amend title 38, United States Code, to improve the Edith Nourse Rogers STEM Scholarship program

In order to successfully compete on the global stage, America must develop innovative solutions to incentivize and promote involvement in STEM fields. The American Legion believes veterans are primed to meet this challenge, and we are proud to champion the inclusion of the Edith Nourse Rogers STEM Scholarship Program in the Forever GI Bill.

The Rogers STEM Scholarship provides up to nine months of additional Post-9/11 benefits to veterans and Fry Scholars pursuing undergraduate STEM degree or teaching certification. While this is a historic first step incentivizing veterans training in critical occupational fields, its limitation to undergraduate degrees and teaching certificates significantly subdues its effects. This is especially pronounced in healthcare fields that require not only master's degrees, but postgraduate training required to obtain specialization.

This draft bill would move the goal post by expanding eligibility of the Rogers STEM Scholarship to include individuals enrolled in these medical residency programs.

⁸ American Legion Resolution No. 318 (2016): [*Ensuring the Quality of Servicemember and Veteran Student's Education at Institutions of Higher Education*](#)

Through *Resolution No. 318: Ensuring the Quality of Servicemember and Veteran Student's Education at Institutions of Higher Education*, The American Legion supports any legislative proposal that improves the Post-9/11 GI Bill.⁹

The American Legion supports this draft legislation *as currently written*.

Draft Legislation

To amend title 38, United States Code, to provide for the treatment by the Department of Veterans Affairs of for-profit educational institutions converted to non-profit educational institutions

The American Legion believes that all educational and training programs in all sectors of education should be held to a high standard of quality and administration. For the past several years, Congress has mandated that for-profit institutions receive a slightly higher degree of oversight and certainly veterans who have been unfairly targeted or been the victims of certain bad actors in this sector are examples of why this has been needed. Indeed, the precipitous failure of such for-profit institutions as ITT, Corinthian, and more recently, Argosy, justify taking additional steps to protect our veterans and their families. As such, for-profit schools have received additional oversight in years past.

The American Legion believes that even after these institution receive approval to operate as non-profit establishments, which is becoming a trend, they deserve increased oversight for an additional period of time. However, given the costs of that oversight and the other federal and state agencies, (accreditors, Department of Education, Internal Revenue Service, etc.), we recommend that VA (and SAAs) only be required to provide more rigorous oversight of newly approved converted non-profit institutions for a period not to exceed 5 years, rather than the 10 years included in the bill. After that time, SAAs possess the authority to require additional reasonable criteria, to include requiring an institution to meet the higher standards of CFR 22. 3676.

The American Legion supports this draft legislation *with the recommended change*.

Draft Legislation

To direct the Secretary of Veterans Affairs to provide electronic certificates of eligibility to persons who are entitled to educational assistance under certain educational assistance programs of the Department of Veterans Affairs

Certificates of eligibility (COEs) are critical to veterans and the educational institutions they attend. They provide documentary evidence of a veteran's right to participate in the GI Bill educational programs. Already, healthcare information and eligibility is digitally available to patients across the nation and digital access to COE's will not only inform veterans of their benefit

⁹ American Legion Resolution No. 318 (2016): [*Ensuring the Quality of Servicemember and Veteran Student's Education at Institutions of Higher Education*](#)

but encourage use of the same. Likewise, veterans can easily supply educational institutions, in which they enroll, a copy of the document, thus ensuring those institutions of their eligibility in the program and needed information, which will allow institutions to provide better advising to the veteran. We would also point out that the Secretary's VA Committee on Education listed this as their first recommendation in 2019. They stated:

"The Committee recognizes that gaining access to education benefits begins with the GI Bill Certificate of Eligibility (COE). The Committee recommends VA work with DOD to ensure every separating servicemember is provided with a COE upon retirement/separation. This recommendation will align with emerging VA policies, concerning the provision of Certificates of Eligibility to Institutions of Higher Learning by student-veterans, that are based on the Veterans Benefits and Transition Act of 2018 (Public Law 115-407) which was signed into law on December 31, 2018."

Years after leaving service, many veterans often don't know if they have GI Bill eligibility or how much they have. With the implementation of the Forever GI Bill, providing digital access to a copy of the COE is critical. It will ensure the veteran is aware of the status of their GI Bill benefits, create a VA record that will be available for review whenever the veteran applies for benefits (no expiration date for many), and might help provide VA contact information for eligible Veterans to allow for ongoing communications.

Through *Resolution No. 318: Ensuring the Quality of Servicemember and Veteran Student's Education at Institutions of Higher Education*, The American Legion supports any legislative proposal that improves the Post-9/11 GI Bill.¹⁰

The American Legion supports this draft legislation as currently written.

Draft Legislation

To amend title 38, United States Code, to require the Secretary of Veterans Affairs to collect and include certain student outcome information in the GI Bill comparison tool of the Department of Veterans Affairs, and for other purposes

The GI Bill comparison tool has been a successful innovation that has been incredibly helpful to veterans in choosing the best institutions to meet their educational needs while simultaneously encouraging institutions to provide quality instruction and adequate resources to ensure veteran success. The American Legion offered input and consultation in helping VA develop the tool to make it as useful as possible to academic-minded veterans.

Information provided in the comparison tool includes veteran enrollment data, school participation in the Principles of Excellence program, graduation rates, and caution flags to warn veterans of information of which they should be aware. Though an excellent source of information, the tool is

¹⁰ American Legion Resolution No. 318 (2016): [*Ensuring the Quality of Servicemember and Veteran Student's Education at Institutions of Higher Education*](#)

not without its limitations, with the major one being that it provides little in the way of outcome data to allow veterans to make the best informed choice.

This bill will mandate that VA enter into a Memorandum of Understanding with the Department of Education and the Internal Revenue Service to ensure meaningful information regarding student outcomes at institutions with programs approved for the GI Bill will be available to student veterans. These outcomes will include such critical data as persistence rate, average number of years to complete a degree or certificate, average salary for graduates and graduation rate.

The American Legion supports this bill, as it is critical to enhancing the ability of veterans to choose the proper educational programs to ensure their success. We would suggest that VA make clear on the comparison tool website whether the information refers to the entire student population or veteran students only. Also, educational institutions should be able to freely review this information and provide their concerns as to accuracy and presentation to the Department of Veterans Affairs.

The American Legion supports this draft legislation as *currently written*.

Draft Legislation

To amend title 38, United States Code, to authorize the Secretary of Veterans Affairs to provide or assist in providing a second vehicle adapted for operation by disabled individuals to certain eligible persons

Currently, veterans with certain service-connected disabilities are eligible for one-time grants toward the purchase of an automobile or for financial assistance to purchase adaptive equipment for an existing automobile to make it safe or legal for the veteran's use.

Section 3903(a) of title 38 stipulates that "no eligible person shall be entitled to receive more than one automobile or other conveyance under the provisions of this chapter, and no payment shall be made under this chapter for the repair, maintenance, or replacement of an automobile or other conveyance. Additionally, Section 3903(a)(2) authorizes the Secretary of Veterans Affairs to provide or assist in providing an eligible person with a second automobile, or other conveyance in the event the vehicle or conveyance previously provided was destroyed as a result of a natural or other disaster, and through no fault of the eligible person.

This policy places grave limitations on certain families of disabled veterans whose economic situation places them at a disadvantage. The law does not account for the age of the vehicle, required modifications, and the effect of mechanical issues not caused by a natural disaster. Furthermore, the current law does not account for the time it would take to receive approval for and to purchase a replacement vehicle in the event of the one vehicle being destroyed.

The draft bill would allow VA to provide or assist in providing an eligible veteran with a second automobile or other conveyance if 10 years have elapsed since the date on which the veteran received the first such automobile, other conveyance, or relevant assistance.

American Legion Resolution No. 16: *Department of Veterans Affairs Automobile Allowance Program* (2017) calls on Congress to pass legislation to permit veterans to receive automobile allowance grants every 10 years from the original application for the benefit or when a medical professional provides documentation indicating certain adaptations or improvements in current adaptations are required.¹¹ This bill is in keeping with our resolution.

The American Legion supports this draft legislation as currently written.

Draft Legislation

To amend title 38, United States Code, to increase the frequency of benefits under the automobile assistance program of the Department of Veterans Affairs

Currently, veterans with certain service-connected disabilities are eligible for one-time grants toward the purchase of an automobile, or for financial assistance to purchase adaptive equipment for an existing automobile, to make it safe or legal for the veteran's use.

However, veterans may live in excess of a half century beyond the initial receipt of the automobile allowance grant, and would likely be required to purchase numerous vehicles during their lifetime. In addition, the veteran's service-connected conditions may increase in severity, requiring additional adaptations to vehicles.

American Legion Resolution No. 16: *Department of Veterans Affairs Automobile Allowance Program* (2017) calls on Congress to pass legislation to permit veterans to receive automobile allowance grants every 10 years from the original application for the benefit or when a medical professional provides documentation indicating certain adaptations or improvements in current adaptations are required.¹² This bill is also in keeping with our resolution.

The American Legion supports this draft legislation as currently written.

Draft Legislation

To amend title 38, United States Code, to reduce the loan fees paid by certain veterans who have been affected by major disasters and are obtaining a new loan guaranteed, insured, or made by the Secretary of Veterans Affairs, and for other purposes

According to a Congressional Research Report (CRS), "The Department of Veterans Affairs (VA) has assisted veterans with homeownership since 1944, when Congress enacted the loan guaranty program to help veterans returning from World War II purchase homes. The loan guaranty program

¹¹ American Legion Resolution No. 16 (2017): [*Department of Veterans Affairs Automobile Allowance Program*](#)

¹² American Legion Resolution No. 16 (2017): [*Department of Veterans Affairs Automobile Allowance Program*](#)

assists veterans by insuring mortgages made by private lenders, and is available for the purchase or construction of homes as well as to refinance existing loans.”¹³

The costs of VA direct and loan guaranty programs are supported, in part, by fees paid by the borrowers. The amount of a borrower’s fee is based on several factors, one of which is whether the borrower is accessing the guaranty for the first time or entering into a subsequent loan. Fees on initial loans are less than on subsequent loans.¹⁴

This draft bill would allow veterans living in major disaster areas (as declared by the President) to secure another property when it has been destroyed through natural disaster, using VA home loan program as if it were an initial loan rather than a subsequent loan.

Natural disasters are extremely challenging for the people directly affected. Allowing veterans the ability to rebuild their lives, in part, by availing themselves of VA home loan program at the lowest possible cost, is an important way Congress can help them to eventually recover and go on to rebuild their quality of life.¹⁵

On a concluding note, however, The American Legion reiterates its long held opposition to VA home loan funding fees.¹⁶ The aforementioned CRS report provides a short history of the matter:

“Veterans were not always charged fees as part of the loan guaranty transaction and, in general, fees were not required prior to 1982. When the loan guaranty program was created, it was considered a benefit or entitlement for veterans. However, in 1982, VA administrator wrote a letter to the Speaker of the House, together with draft legislation, suggesting that VA require veterans to pay a 0.5% fee on the principal balance of each loan. The letter expressed concern regarding the “costs to the taxpayers of operating the program,” and noted that “paying claims on the approximately 3.7 percent of the loans resulting in foreclosure are significant.” Despite objections from veterans groups, Congress instituted the fee as part of the Omnibus Budget Reconciliation Act of 1982 (P.L. 97-253). The fee was to be in effect for transactions entered into from FY1983 through FY1985, with an exemption for veterans with service-connected disabilities. Congress continued the fee beyond FY1985, and after the fee was raised to 1% as part of the Deficit Reduction Act of 1984 (P.L. 98-369), Congress began to institute the more complicated fee schedule that exists today, with fees varying based on amount of down payment and whether the veteran received a loan guaranty or direct loan.”¹⁷

Funding fees collected each year virtually always exceed the costs of operating the program with the excess monies used to pay for other federal government programs and expenses. The latest examples of one or more houses of Congress passing bills “temporarily” raising the fees that

¹³ Libby Perl (2018) *VA Housing: Guaranteed Loans, Direct Loans, and Specially Adapted Housing Grants* (CRS Report No. R42504). Retrieved from: <https://fas.org/sgp/crs/misc/R42504.pdf>

¹⁴ Ibid (page 27)

¹⁵ American Legion Resolution No. 377: [Support for Veteran Quality of Life](#)

¹⁶ American Legion Resolution No. 314: [Support Elimination of the VA Home Loan Funding Fee](#)

¹⁷ Libby Perl (2018) *VA Housing: Guaranteed Loans, Direct Loans, and Specially Adapted Housing Grants* (CRS Report No. R42504). Pages 27-28. Retrieved from: <https://fas.org/sgp/crs/misc/R42504.pdf>

veterans pay for home loans in order to fund other veterans benefits are The Blue Water Navy Vietnam Veterans Act and the Ryan Kules Specially Adaptive Housing Improvement Act.¹⁸ This is an abhorrent practice that needs to stop.

The American Legion supports this draft legislation *as currently written*.

CONCLUSION

Chairman Levin, Ranking Member Bilirakis, and distinguished members of the subcommittee, The American Legion thanks you for your leadership and for allowing us the opportunity to explain the position of our nearly two million members. Questions concerning this testimony can be directed to Mr. Jeffrey Steele, Senior Legislative Associate, in The American Legion's Legislative Division at (202) 861-2700, or jsteele@legion.org.

¹⁸ Katy O'Donnell. [Congress sparks veterans' ire with mortgage fee hike](#). Politico. October 10, 2019.

Prepared Statement of Justin Monk

Chairman Levin, Ranking Member Bilirakis, and Members of the Subcommittee: Thank you for inviting Student Veterans of America (SVA) to submit our testimony on pending legislation before the subcommittee.

With a focused mission on empowering student veterans, SVA is committed to providing an educational experience that goes beyond the classroom. Through a dedicated network of more than 1,500 on-campus chapters in all 50 states and 4 countries representing more than 750,000 student veterans, SVA aims to inspire yesterday's warriors by connecting student veterans with a community of like-minded chapter leaders. Every day these passionate leaders work to provide the necessary resources, network support, and advocacy to ensure student veterans can effectively connect, expand their skills, and ultimately achieve their greatest potential.

Edward Everett, our Nation's 20th Secretary of State, and the former President of Harvard University was famously quoted as stating, "Education is a better safeguard of liberty than a standing army." While we have the finest military that the world has ever known, the sentiment remains; the importance of education to our Nation's national security remains paramount.

We appreciate the opportunity to share our views on many of the bills which will directly impact student veterans, their families, and survivors. While many of the proposed bills being discussed today are technical fixes or adjustments to existing benefits, many would require IT changes to Department of Veterans Affairs' (VA) existing IT infrastructure. In addition to considering the substance of these bills, we strongly encourage consideration of the requisite funding needs to ensure successful implementation.

Draft legislation, To amend title 38, United States Code, to make an individual eligible for educational assistance under chapter of such title and who transfers such educational assistance to a dependent solely liable for any overpayment of such educational assistance

This proposed legislation would remove liability for overpayments made by VA for transferred education benefits in cases of the transferring individual not completing the agreed upon service contract granting transfer authority.

SVA supports this draft legislation. It addresses an uncommon but serious situation that may arise from the existing statute. To illustrate, consider the circumstance where a dependent, typically a spouse, is using transferred education benefits in good faith, but due to the transferring individual's failure to complete the necessary service agreement those benefits are revoked. Any unused benefit is returned to the veteran and any used benefit is considered an improper overpayment by the Department of Veterans Affairs (VA).¹

Based on current law, the scenario above would result in both the transferring individual and the dependent being held "jointly and severally liable" for the debt.² In our view this is unreasonable. The dependent used these benefits in good faith and the overpayment is caused through no fault of their own. Obviously, but importantly, there is way a dependent can fulfill the necessary obligation to maintain those benefits. They are wholly at the mercy of the behavior of the transferring individual. Thus, the responsibility should be left with the transferring individual.

We appreciate Subcommittee staff incorporating our earlier concerns regarding the removal of all liability for overpayments from dependents. Scenarios such as the above are distinct from the more common occurrences, such as enrollment changes at a school causing an overpayment. In those cases, and similar ones, the liability should rest with the person using the benefit. We appreciate committee staff's willingness to address this and look forward to final text.

Draft legislation, the VET-TEC Improvement Act

This draft legislation proposes to make certain eligibility expansions to the ongoing Veteran Employment Through Technology Education Courses (VET TEC) pilot program for both individuals and program providers.

SVA is supportive of this draft legislation and, generally, of efforts to expand VET TEC to meet the demands of veterans across the country. The program is an excellent opportunity for veterans to develop their skills in some of the most high-de-

¹38 U.S. Code § 3319—Authority to transfer unused education benefits to family members, <https://www.law.cornell.edu/uscode/text/38/3319>

²Id.

mand fields today and we are supportive of Congress' efforts to improve the field of offerings for veteran education and training.

With that stated, our one concern is the trend of establishing new, innovative, and exciting pilot programs only to adjust or amend them a year or two later. We understand these pilots are typically for new ideas, so it stands to reason there may be some common-sense adjustments that need to be made following their enactment. However, doing so necessarily introduces noise into the data set. Once the pilot has run its course, and we begin to parse through the results to determine whether to continue the program, it becomes difficult – and sometimes impossible – to separate the original design from the amended. We would encourage Congress to consider the impact to the results of a study before amending a pilot.

H.R. 5052, the Wage Adjustment for Veterans Enrolled in School, or WAVES Act

This bill proposes to bring aspects of VA's work-study program into parity with the Federal work-study (FWS) program by ensuring student veterans are paid the prevailing wage among Federal, State, or Local law.

SVA fully supports this draft bill. According to Federal Student Aid Handbook, "FWS employers must pay students at least the Federal minimum wage in effect at the time of employment. If a State or local law requires a higher minimum wage, the school must pay the FWS student that higher wage."³ This draft language would simply bring VA work-study into wage parity with existing FWS guidance and provide student veterans the same economic opportunities already given to other students.

Further, based on feedback we received at our last two Leadership Institutes, a leadership training program for the top student veteran leaders, there are a few areas of improvement we would like to see addressed as VA continues to modernize their work-study program. The feedback repeatedly discussed the paper-based model as antiquated, cumbersome, and lethargic on getting paychecks to student veterans. The method is an unreliable source of income. Transitioning to a web-based system that mirrors some of the successes of ED's work-study program is overdue. In fact, we would like to thank this Subcommittee for their efforts to address this specific issue with last year's H.R. 3535, the GI Bill Work-Study Improvement Act of 2019.⁴ We hope to see renewed discussion around this bill's merits as we see it as a bipartisan, common-sense solution to this issue.

Additionally, the lack of parity between ED work-study employment options and options under VA work-study, which are limited to positions directly related to VA, is a source of frustration to SVA chapters. It is understandable there is a propensity to have VA funds spent on VA needs, but Congress should examine ways student veterans can take part in opportunities available to other students under ED work-study that better align with career goals.

Draft legislation, the Class Evaluation Act

This legislation proposes to delay GI Bill payments to schools until 7 days after the start of a school term.

As the Government Accountability Office (GAO) report from October 2015 makes clear, VA has an ongoing issue with overpayments made on behalf of the GI Bill.⁵ This report illustrates how significant these debts are, how negatively they impact student veterans, and how quickly they must be addressed to avoid further disruption of veterans' lives. Compounding this problem is VA's method of correcting these overpayments. VA recoups GI Bill overpayments directly from students, even though the school received the tuition money.⁶ In previous testimony, we outlined the 200,000 overpayment notices VA sends out each year and the significant financial burden it places on veterans and their families.⁷ SVA fully supports the struc-

³ The Federal Student Aid Handbook, Chapter 2, Federal Work-Study Program, p. 6–49. <https://ifap.ed.gov/fsahandbook/attachments/1920FSAHdbkVol6Ch2.pdf>

⁴ Congress.gov, H.R. 3535—the GI Bill Improvement Act of 2019, <https://www.Congress.gov/bill/116th-congress/house-bill/3535?q=%7B%22search%22%3A%5B%22h.r.+3535%22%5D%7D&s=1&r=1>

⁵ POST-9/11 GI BILL: Additional Actions Needed to Help Reduce Overpayments and Increase Collections, <https://www.gao.gov/products/GAO-16-42>

⁶ Cornell Law School, Legal Information Institute. 38 U.S. Code § 3680. <https://www.law.cornell.edu/uscode/text/38/3680>

⁷ Student Veterans of America. Testimony for Legislative Hearing on the Topic of "Pending Legislation" May 22, 2019. Senate Committee on Veterans' Affairs. <https://www.veterans.senate.gov/imo/media/doc/5.22.19%20-%20SVA.pdf>

tural and procedural changes that must take place within VA to prevent these overpayments from occurring.

While SVA supports this bill's intent, we believe mandating a delay in GI Bill benefit payments might compound VA's ability to make timely benefit payments to students and schools. We encourage this Subcommittee to host additional conversations with ED on the feasibility of implementing a batch payment model like ED has been using for decades. The Department of Education processes payments to schools prior to the start of the semester based on historical enrollment data from previous years. It is an effective process that allows schools and ED to operate without jeopardizing the financial situation of schools or students.

We suggest studying the feasibility of incorporating lessons learned from ED and its use of batch payments as a potential way of alleviating some of the front-end work VA must do to certify both MHA payments and tuition payments. We acknowledge there are foundational differences between how the ED and VA function, and that batch payments may not be the correct solution, but greater cross-agency communication and collaboration can still provide valuable insight.

Overpayments are a significant issue with the current model of payment VA employs and SVA encourages Congress and VA to continue discussions on how best to serve our student veterans and educational institutions while still meeting the needs of VA.

Draft legislation, To amend title 38, United States Code, to provide for the treatment by the Department of Veterans Affairs of for-profit educational institutions converted to non-profit educational institutions

This bill proposes a 10-year window for VA to conduct oversight of for-profits institutions that convert to non-profit status.

Thanks to tireless advocacy from student and consumer rights' groups, leaders in Congress, and a growing awareness by the public of predatory practices of some institutions, many of the worst providers in higher education have come under increased scrutiny in recent years. In response to this increased awareness and scrutiny, there is a worrying trend of proprietary institutions converting to nonprofit status to avoid some of VA's requirements while maintaining the same predatory behavior. To better protect student veterans, Congress should enact standards of oversight to prevent bad actors from taking advantage of nonprofit status by creating protections against hiding fraud, waste, and abuse.

SVA supports this draft bill's intent, but we believe there are better methods available to address our concerns. In fact, the House recently passed an example of this in H.R. 4625, the Protect the GI Bill Act, which includes robust language giving VA significant authority across all institution types to act when institutions operate outside of the best interests of their students. It establishes higher requirements for approval of title 38 benefits, broader approval and disapproval authority, and improves communication between ED and VA. It echoes our position that any adequate response to the clear need for greater oversight of the conversion process will include expanded authorities for VA to act in conjunction with and independent of other agencies.

To better explain the need for greater authorities at VA, consider that there are two issues at hand: the regulatory weakness that currently exists between ED and the Internal Revenue Service (IRS) and VA's long-standing lack of authority to act on bad actors in the nonprofit space.⁸ Solving the former is treating the symptoms of the problem, solving the latter is treating the root cause. Inserting VA directly into the void between ED and IRS narrowly addresses one issue, but not the other.

Existing statutes governing VA's approval process hamstringing the agency from acting on bad actors in the public and not-for-profit proprietary space because, once these programs are accredited by an ED-approved agency, VA must deem them approved for title 38 benefits.⁹ Short of an accreditor withdrawing accreditation from an institution, VA is largely prohibited from acting on bad behavior. In turn, this creates a haven for bad actors in the for-profit space seeking to get out from under VA's more-stringent regulations – especially the 90–10 rule.

Meanwhile, the Department of Education currently relies on the IRS label in determining nonprofit status. It is unreasonable to expect ED to be able to rely wholly on the IRS to improve their monitoring of the nearly 1.5 million organizations they

⁸Shireman, Robert. The Covert For-Profit: How College Owners Escape Oversight Through a Regulatory Blind Spot. The Century Foundation. Retrieved from: <https://tcf.org/content/report/covert-for-profit/agreed=1>

⁹Cornell Law School, Legal Information Institute. 38 U.S. Code § 3672. <https://www.law.cornell.edu/uscode/text/38/3672>

exempt.¹⁰ According to the Government Accountability Office (GAO), the IRS reexamines less than 1 percent of nonprofits annually.¹¹ Beyond the IRS designation, there is no routine effort to ensure a school is following the basic expectations of nonprofits after a conversion.¹²

We encourage Congress to continue looking for ways to provide additional oversight of the conversion process and look forward to working with members of this Subcommittee on furthering protections for student veterans.

Draft legislation, To amend title 38, United States Code, to require the Secretary of Veterans Affairs to collect and include certain student outcome information in the GI Bill comparison tool of the Department of Veterans Affairs, and for other purposes

This draft legislation proposes VA enter into an agreement with the Department of Education (ED) and the Internal Revenue Service (IRS) to provide additional student outcome data for veterans and dependents.

SVA supports this draft legislation. We strongly believe improving the quantity and quality of information available to veterans allows them to make more-informed decisions about where to use their education benefits.¹³ There are, however, improvements that would make the process of considering education options significantly better. Additionally, increased IT budget resources should be devoted to implementing important congressional mandates, and the GI Bill Comparison Tool is no exception.

Since inception in 2014, the GI Bill Comparison Tool has proved to be an invaluable source of information for veterans trying to understand the value of their GI Bill as they considered different education options. However, there is a lack of coordination between ED and VA with the College Navigator, College Scorecard, and GI Comparison Tool, reducing the overall delivery of powerful data to veterans.^{14, 15, 16} The Comparison Tool has unique and important data, necessitating a separate tool from ED's current options, but the underlying data is not being shared effectively, leaving prospective students an incomplete view of their options.

The data running the Comparison Tool are largely restricted to VA's internally available data, which are also limited, notably excluding many student veterans who run out of benefits prior to graduation or elect alternative funding sources. Noting those current limitations, SVA appreciates the continued availability of the raw data powering the GI Bill Comparison Tool, which affords external entities to run complementary research and analysis to support additional feedback to VA and policymakers.

There are several additional improvements we believe would make the tool a more effective and complete information source for students. SVA fully acknowledges the proposed improvements will require dedicated IT funds and we hope to see dedicated funds included for these projects in future budgets.

The tool currently lacks an effective side-by-side comparison function. Students primarily use the tool for its "look up" function for familiar institutions as that is effectively the best option the tool currently offers. Student veterans should also be able to rate their schools, thereby affording future student veterans direct consumer feedback like Amazon's verified user rating system. In 2013, Public Law 112-249 mandated the statutory requirement for VA to launch, "centralized mechanism for

¹⁰Urban Institute, National Center for Charitable Statistics, Core Files (2005, 2010, and 2015); and the Internal Revenue Service Business Master Files, Exempt Organizations (2006-16)

¹¹U.S. Government Accountability Office, "Tax-Exempt Organizations: Better Compliance Indicators and Data, and More Collaboration with State Regulators Would Strengthen Oversight of Charitable Organizations," December 2014, <http://www.gao.gov/assets/670/667595.pdf>.

¹²Shireman, Robert. The Covert For-Profit: How College Owners Escape Oversight Through a Regulatory Blind Spot. The Century Foundation. Retrieved from: <https://tcf.org/content/report/covert-for-profit/?agreed=1>

¹³Student Veterans of America. Testimony for Legislative Hearing on the Topic of "Pending Legislation" March 07, 2019. Senate and House Committees on Veterans' Affairs. <https://www.veterans.senate.gov/imo/media/doc/5%20-%20SVA%20Testimony%2003.07.19.pdf>

¹⁴College Navigator, National Center for Education Statistics, US Department of Education, <https://nces.ed.gov/collegenavigator/>, Accessed 01 March 2019

¹⁵College Scorecard, US Department of Education, <https://collegescorecard.ed.gov/>, Accessed 03 February 2020

¹⁶GI Bill Comparison Tool, US Department of Veterans Affairs, <https://collegescorecard.ed.gov/>, Accessed 03 February 2020

¹⁷Public Law 112-249, "Comprehensive Veterans Education Information Policy", <https://www.govinfo.gov/content/pkg/PLAW112publ249/pdf/PLAW-112publ249.pdf>

tracking and publishing feedback from students,” like ‘Amazon reviews,’ yet this functionality is still missing.¹⁷

Finally, we encourage VA to develop a mechanism to maintain closed schools within the tool, versus having them merely disappear. This disappearance of schools from the tool also applies to the associated data, leaving significant gaps in the overall picture.

In addition to the legislation above, SVA supports the draft legislation amending title 38 to clarify and expand eligibility for the Edith Nourse Rogers STEM Scholarship, and the draft legislation requiring electronic certificates of eligibility be provided to those entitled to VA educational assistance. We echo the stated benefits extolled by VA about this change in their Fiscal Year 2020 Budget Submission and, as we have stated previously, request any additional IT update be accompanied by a matching funding increase. It is unreasonable to hold VA accountable for the numerous updates and improvements demanded of them while simultaneously failing to provide the resources necessary to complete them.¹⁸ We encourage Congress to continue working with VA and others to better understand the IT requirements for these proposed bills and future changes.

The success of veterans in higher education is no mistake or coincidence. Research consistently demonstrates this unique population of non-traditional students is far outpacing their peers in many measures of academic performance.¹⁹ Further, this success in higher education begets success in careers, in communities, and promotes family financial stability, holistic well-being, and provides the all-volunteer force with powerful tools for recruitment and retention.

We thank the Chairman, Ranking Member, and the Subcommittee members for your time, attention, and devotion to the cause of veterans in higher education. As always, we welcome your feedback and questions, and we look forward to continuing to work with this Committee and the entire Congress to ensure the success of all generations of veterans through education.

Information Required by Rule XI2(g)(4) of the House of Representatives

Pursuant to Rule XI2(g)(4) of the House of Representatives, Student Veterans of America has not received any Federal grants in Fiscal Year 2018, nor has it received any Federal grants in the two previous Fiscal Years.

Justin Monk, Policy Associate, Government Affairs

Justin advocates on behalf of student veterans, their families, and military-connected students to empower them through higher education and beyond.

After graduating from Wake Forest University in 2010, and Appalachian State University in 2012, Justin moved back home to Texas to work and be closer to family. In 2016, he accepted an offer to come to Washington, DC and pursue his dream of policy work on Capitol Hill. He started as an intern and worked his way up to a Legislative Fellowship before leaving Capitol Hill to lead the Federal policy portfolio for an environmental startup. Later, having come from a family of veterans, Justin took the opportunity to work on behalf of those who have served by joining Student Veterans of America.

In every position, he has advocated for more responsible stewardship of taxpayer funds and common-sense, proactive solutions for infrastructure and investments. He now brings his desire to help others to SVA where he works to improve student outcomes and preserve earned benefits for student veterans everywhere.

Prepared Statement of Morgan D. Brown

Chairman Levin, Ranking Member Bilirakis, and members of the Subcommittee, Paralyzed Veterans of America (PVA) would like to thank you for the opportunity to discuss our views on pending legislation impacting the Department of Veterans Affairs (VA) that is before the Subcommittee. No group of veterans understand the full scope of benefits and care provided by VA better than PVA's members—veterans

¹⁷Public Law 112–249, “Comprehensive Veterans Education Information Policy”, <https://www.govinfo.gov/content/pkg/PLAW112publ249/pdf/PLAW-112publ249.pdf>

¹⁸Department of Veterans Affairs, Fiscal Year 2020 Budget Submission, Volume III. https://www.va.gov/budget/docs/summary/fy2020VA_budget_volumeIII_benefits_Burial_Programs_AndDepartmental_Administration.pdf

¹⁹Cate, C.A., Lyon, J.S., Schmeling, J., & Bogue, B.Y. (2017). National Veteran Education Success Tracker: A Report on the Academic Success of Student Veterans Using the Post-9/11 GI Bill. Student Veterans of America, Washington, DC, http://nvest.studentveterans.org/wp-content/uploads/2017/03/NVEST-Report_FINAL.pdf.

who have incurred a spinal cord injury or disorder. Several of these bills will help to ensure veterans receive much needed aid and support.

PVA provides comment on the following bills included in today's hearing.

Discussion Draft, "to amend title 38, United States Code, to reduce the loan fees paid by certain veterans who have been affected by major disasters and are obtaining a new loan guaranteed, insured, or made by the Secretary of Veterans Affairs, and for other purposes."

As written, this legislation reduces VA loan fees paid by those affected by major disasters. The bill also allows a veteran's next home loan following the disaster to be treated as an initial loan. PVA wholeheartedly supports this effort to avoid unwarranted VA loan fees, especially among those whom have lost their homes to a natural disaster.

Discussion Draft, "to direct the Secretary of Veterans Affairs to provide electronic certificates of eligibility to persons who are entitled to educational assistance under certain educational assistance programs of the Department of Veterans Affairs."

This pending legislation would require by August 1, 2021, anyone who is eligible for VA education benefits to be able to obtain an electronic copy of their eligibility. PVA supports this effort to update the current process and reduce the amount of time eligible students wait for their school to receive proof of eligibility status.

Discussion Draft, "to amend title 38, United States Code, to provide for a requirement relating to the timing of the payment of educational assistance under the Post-9/11 Educational Assistance Program of the Department of Veterans Affairs, and for other purposes."

This draft bill requires VA to make payments to schools no sooner than 7 days after the first day of the quarter, semester, or term. PVA supports this effort to reduce overpayments to schools by allowing students to adjust their schedules during the add/drop period and receive their syllabi to help determine if their course load is appropriate. It will also deter predatory school practices of convincing student veterans to just attend 1 day of class in order for payment to be received rather than focusing on the academic success of their students. We also support the requirement for VA to disapprove a course of education unless the school agrees to waive any late fees due to payment timing.

Discussion Draft, "to amend title 38, United States Code, to provide for the treatment by the Department of Veterans Affairs of for-profit educational institutions converted to non-profit educational institutions."

This draft measure directs the VA Secretary to treat for-profit schools that have converted to no-profits after January 1, 2016, as if they are for-profits for the next 10 years following the change. PVA supports this effort to ensure those using VA educational benefits are protected from educational institutions who convert to non-profit status to evade certain regulatory requirements and operate in the interest of their shareholders rather than the interest of their students.

H.R. 5052, the "WAVES Act"

This legislation requires students using VA work-study to be paid the higher of the hourly wage under the Fair Labor Standards Act of 1938, the law of the State where the work is performed, or a comparable local law. PVA supports this effort to ensure students using VA work-study programs receive fair compensation for their work.

Discussion Drafts, "to improve and expand eligibility for the "Edith Nourse Rogers STEM Scholarship Program."

These two drafts clarify, improve, and expand the eligibility for the Edith Nourse Rogers STEM scholarship for students pursuing these degrees. We appreciate the Subcommittee's interest in improving this program. These bills would help ensure VA education users are able to receive additional tuition to support degree completion and expand the program to cover medical and nursing residencies. We suggest that these drafts be merged into a single piece of legislation to facilitate passage.

Discussion Draft, "H. R. __, To increase the frequency of benefits under the automobile assistance program of the Department of Veterans Affairs."

Discussion Draft, "H. R. __, To authorize the Secretary of Veterans Affairs to provide or assist in providing a second vehicle adapted for operation by disabled individuals to certain eligible persons."

VA's Automobile Assistance Grant program was originally established in August 1946 to assist severely disabled WWII veterans with the purchase of an automobile or other conveyance. Changes were made in subsequent years to include similar veterans from other eras or allow modest increases to the grant itself, but little has been done to ensure the program, as it currently exists, is meeting the needs of disabled veterans—particularly those with catastrophic disabilities whom PVA represents. The draft bills before the Subcommittee would provide what catastrophically disabled veterans need most—financial help to ensure they can purchase and maintain safe and reliable transportation to sustain their independence and get to medical appointments.

Representative Cisneros' draft bill would allow a second automobile grant beginning January 1, 2031, and subsequent grants in 10-year increments thereafter.

Representative Meuser's draft legislation would provide a second automobile grant. As written, veterans who received their original grant on or after January 1, 2014, could receive a second grant once 10 years had elapsed. It is our understanding that Representative Meuser, plans to introduce a modified bill that does not include the "look-back" provision and sets October 1 of this year as the first date of eligibility for all catastrophically disabled veterans who received their first automobile grant 10 or more years ago.

PVA believes that the ideal legislation would aid veterans who used their first grant 10 or more years ago to receive a grant for a new automobile as soon as possible and allow additional grants after a requisite period has lapsed. We recommend 10-year increments because government agencies and industry standards place an average vehicle's useful life in that timeframe. Additionally, vehicles that have been modified structurally, including modifications to accommodate the weight of veterans and their wheelchairs, can have a decreased lifespan.

Current law allows VA to provide financial assistance to eligible veterans through an automobile grant as indexed for inflation. For Fiscal Year 2020, the amount of the grant is \$21,488.29. This one-time award is used toward the purchase of a new or used automobile to accommodate a veteran or service member with certain disabilities that resulted from a condition incurred or aggravated during active military service.

However, on average, the cost to replace modified vehicles is more than double the value of the current auto grant and several thousand more when the vehicle is used. These substantial costs, coupled with inflation, present a financial hardship for many disabled veterans who need to replace their primary mode of transportation once it reaches the end of its useful service life.

The cost of replacing modified vehicles purchased through the VA automobile grant program presents a financial hardship for veterans who must bear the full replacement cost once the adapted vehicle has exceeded its useful life. The divergence of a vehicle's depreciating value and the increasing cost of living only compounds this hardship.

Since vehicles do not last a person's lifetime, veterans should have the ability to purchase a vehicle, once every 10 years, without having to shoulder the burden of the full cost of a vehicle themselves. Therefore, we ask Congress to establish multiple automobile grants, for veterans to use once every 10 years, equaling the current grant maximum in effect at the time of vehicle replacement.

Another factor to consider as you deliberate if more than one grant is warranted is a veteran's physical condition. Younger veterans who are injured may retain or be able to recover a fair degree of their strength and mobility after the injury that makes them eligible for the grant program. A car may be suitable for these veterans at this point in their lives. In time, however, their physical condition will deteriorate. A car purchased for transportation by a manual wheelchair user eventually becomes useless for the veteran who is now forced to purchase a minivan or similar transportation that can accommodate a motorized wheelchair.

Access to an adapted vehicle is essential to the mobility and health of catastrophically disabled veterans who need a reliable means of transportation to get them to and from work and their medical appointments. There is a safety aspect in the need for additional grants as well. Because of the high cost to procure replacement vehicles, many veterans retain vehicles beyond their reliability point which places them, and those around them, at risk when the vehicle they are operating is unsafe or unreliable. The thought of a catastrophically disabled veteran stranded on the side of the road in an inoperable vehicle should concern us all.

If given the chance for a second or subsequent grants, veterans might also be inclined to take advantage of some of the new assistive technologies that have recently become available like backup cameras, lane assist, and adaptive cruise control. These assistive technologies would help some veterans maintain their driving

independence and make all eligible veterans and those with and around them much safer.

PVA would once again like to thank the Subcommittee for the opportunity to submit our views on some of the legislation being considered today. We look forward to working with the Subcommittee on this legislation and would be happy to answer any questions.

Information Required by Rule XI 2(g) of the House of Representatives

Pursuant to Rule XI 2(g) of the House of Representatives, the following information is provided regarding Federal grants and contracts.

Fiscal Year 2020

Department of Veterans Affairs, Office of National Veterans Sports Programs & Special Events—Grant to support rehabilitation sports activities—\$253,337.

Fiscal Year 2019

Department of Veterans Affairs, Office of National Veterans Sports Programs & Special Events—Grant to support rehabilitation sports activities—\$193,247.

Fiscal Year 2018

Department of Veterans Affairs, Office of National Veterans Sports Programs & Special Events—Grant to support rehabilitation sports activities—\$181,000.

Disclosure of Foreign Payments

Paralyzed Veterans of America is largely supported by donations from the general public. However, in some very rare cases we receive direct donations from foreign nationals. In addition, we receive funding from corporations and foundations which in some cases are U.S. subsidiaries of non-U.S. companies.

STATEMENT FOR THE RECORD

Prepared Statement of Veterans Education Success

Chairman Levin, Ranking Member Bilirakis, and Members of the Subcommittee: Veterans Education Success is a non-profit organization with a mission to advance higher education success for veterans, service members, and military families, and to protect the integrity and promise of the GI Bill and other Federal education programs.

In addition to research, providing free case work to students having trouble with GI Bill or impacted by predatory schools, and elevating the voices of students to share with policymakers both their positive and negative experiences in higher education, we are focused on addressing ways to increase the continued academic success of military-connected students in their pursuit of their academic goals.

We appreciate the opportunity to share our perspective on the pending legislation before the Subcommittee:

H.R. 5052: WAVES Act

We support this amendment to the WAVES Act which mandates that student veterans participating in a VA work-study program earn the higher amount between the Federal, State, and local minimum wage laws where the student goes to school and works. It is a sensible provision that allows students to receive the proper compensation.

Draft Legislation “Class Evaluation Act”

Veterans Education Success strongly supports this bill, which would require VA to wait at least 7 days after the first day of each quarter, semester, or term to make payments of Post 9/11 Educational Assistance payments to a school and denies payment to a school if the student withdraws within the first 10 days. This important bill would allow students to settle their schedule and class load before payments are made to the school, thereby mitigating many overpayment issues due to schedule changes and other reasons. It would also provide a grace period for military-connected students as they navigate the “add/drop period” at the beginning of a term giving them the chance to figure out how many classes they can manage during a semester, rather than signing up for too many credits.

As we testified on July 17 of last year,¹ this bill represents a critical step needed to stop the rampant problem of GI Bill “overpayments,” in which VA has paid out more in tuition and fees than the student’s course load requires. The US Government Accountability Office reported that GI Bill overpayments cost \$416 million in Fiscal Year 202014, affecting 1 in 4 GI Bill students.² A major cause of GI Bill overpayments is the way VA pays out the full term of GI Bill after a veteran sits for just 1 day of class. Should a student using GI Bill benefits withdraw from classes after that first day, the school has already accrued the entire term of GI Bill funds, creating an “overpayment” of GI Bill funds by VA.

Moreover, by disbursing the entire term of GI Bill tuition to a school after a student sits for just 1 day of class, VA inadvertently incentivizes predatory schools to use deceptive tactics to convince military-connected students to sit for just 1 day. This “Just 1 Day” mentality leads unscrupulous schools to focus primarily on convincing a veteran to enroll, rather than on the academic success of their students. Many such schools explicitly adopt a business model called “churn,” in which they plan for students to drop out quickly, so they focus on quick and short enrollments.

¹ See Testimony of Col. Robert F. Norton, USA-Ret., Senior Advisor, Veterans Education Success, before the House Veterans Affairs Committee (July 17, 2019), available at <https://vetsedsuccess.org/our-testimony-for-july-17-house-veterans-economic-opportunity-subcommittee-hearing-on-proposed-legislation/>.

² U.S. Government Accountability Office, *Post 9/11 GI Bill: Additional Actions Needed to Help Reduce Overpayments and Increase Collections*, October 2015, available at <https://www.gao.gov/assets/680/673230.pdf>

This causes significant waste, fraud, and abuse of a student's hard-earned education benefits and taxpayer dollars. Passage of this bill would stop schools from receiving a veteran's entire term of GI Bill benefits after just 1 day of classes.

This Act also prohibits schools from fining students due to this change, which we agree is correct; schools should not be allowed to assign students any late fees based on VA's processing. We note the Committee previously enacted Section 103 of Public Law 115-407, which forbids schools from forcing GI Bill students to pay penalties or late fees and from denying students' access to classes, libraries, and facilities if the VA payment is late.

Draft legislation to direct the Secretary of Veterans Affairs to provide electronic certificates of eligibility to persons who are entitled to educational assistance.

We strongly support this provision. It will update the current process and allow for eligible student veterans to easily access information that is vital to them furthering their education.

Draft Legislation to make an individual eligible for educational assistance under chapter 33 of such title and who transfers such educational assistance to a dependent solely liable for any overpayment of such educational assistance.

Veterans Education Success supports this bill, which clarifies that the original recipient of the educational benefit is responsible and held liable for any overpayment debt that may occur after transferring the benefit to a dependent. We have seen, firsthand, dependents who have utilized the GI Bill, only to be hit with thousands of dollars of debt due to issues with the original beneficiary's qualifications for the GI Bill.

One student we are currently helping is an ex-spouse of a service member who transferred his benefits to her while they were still married. After they had separated and divorced, he was kicked out of the military for bad behavior, ultimately impacting his GI Bill benefit. She was unaware and believed her GI Bill was in good standing. Through no fault of her own, she now owes a large debt to the VA which she was not aware of until it went into collections because the notices were being sent to her ex-spouses' house and not to her. This provision protects other military-connected students in similar situations from receiving life-altering overpayment debts due to no fault of their own.

Draft Legislation to provide for an extended timeframe for certain students to find employment following completion of Department of Veterans Affairs high technology education program

AND

Draft Legislation "Vet-Tech Improvement Act."

We have concerns with these bills in their present form, which would weaken the bipartisan bicameral consensus agreement in the 2017 Colmery Act (the "Forever GI Bill"), enacted with unanimous support, on minimum quality controls for programs that wish to be eligible for VA educational funds for high technology programs, like coding boot camps. The bipartisan bicameral agreement on minimum quality controls for coding boot camps and other high technology programs must be kept in place and not weakened. A coding boot camp that cannot place its graduates in anything better than an unpaid apprenticeship is not serving students well. Nor is it wise to open up VA funding to new, unqualified programs that have not demonstrated they can provide quality training. Similarly, approving part-time short-term programs runs counter not only to the bicameral bipartisan agreement of 2017 but to reams of research that demonstrate that short-term programs produce substandard student outcomes. For example, student outcome data at Title IV-participating trade schools that enroll GI Bill beneficiaries in certificate programs showed that less than half of the students earned more than a high school graduate 10 years after enrolling.³

There are a wide range of coding boot camps and other high-tech programs available. Some are well-respected and well-regarded by high-tech employers. And some are widely considered to be "jokes" by these employers. During the 2017 negotiations, Committee staff consulted with several high-tech employers who explained the great disparity in quality among high tech education programs. It is not fair to

³ See Veterans Education Success, "Weak Return on Investment at Trade Schools that Enroll GI Bill Beneficiaries" (2019), available at <https://vetsedsuccess.org/weak-return-on-investment-at-trade-schools-that-enroll-gi-bill-beneficiaries/>.

students to approve their participation in programs that are not well-respected and well-regarded by the industry they are hoping to be employed by.

We urge the Committee not to undermine the bipartisan bicameral agreement of 2017 on quality controls for coding boot camps and other high-tech programs. We look forward to working with the Committee staff to amend these bills.

Draft Legislation to provide for the eligibility of members of the Armed Forces on terminal leave for the Department of Veterans Affairs high technology education program, and for other purposes.

We do not oppose expanding the eligibility for the high technology program to members of the Armed Forces who are on terminal leave. For all intents and purposes the service member has finished her/his service and this allows her/him to start her/his training at an earlier date that to support a smooth transition from military service into the civilian workforce.

If a veteran is on terminal leave and receiving a basic allowance from the Department of Defense, then it makes sense that the veteran would not also receive BAH from the VA while attending a VET TEC program during this timeframe.

Draft Legislation to clarify and expand eligibility for the Edith Nurse Rogers STEM Scholarship

AND

Draft Legislation to improve the Edith Nurse Rogers STEM Scholarship program.

We appreciate the Committee's work to ensure that students pursuing STEM degrees who need additional years of tuition support are able to receive it.

We further appreciate the Committee's work to clarify that the program includes students pursuing dual degrees as well as covers medical and nursing residencies in both of these draft bills. Student veterans pursuing their medical residencies or nursing degree are extremely valuable to the community and including them as eligible for this scholarship is vital to ensuring their success.

We urge the Committee to merge these two bills.

Draft Legislation to provide for the treatment by the Department of Veterans Affairs of for-profit educational institutions converted to non-profit educational institutions.

We support this legislation that would direct the Secretary to treat for-profit schools that convert to nonprofit status as if they are for-profit for a number of years following their conversion.

Veterans Education Success has spoken to whistleblowers from for-profits schools who have shared how some are converting to escape regulatory requirements – like the 90/10 rule. Additionally, schools that convert sometimes use their new status to mislead their students by advertising that they are nonprofit when in actuality they are operating as a covert for-profit entity. Grand Canyon University, for example, was just recently denied its non-profit status by the Education Department because it operates in the interest of its shareholders and not the students.⁴

This bill would help monitor the conversion process of for-profit entities looking to avoid some of the regulations put in place to protect students. It would ensure that schools do not set up their nonprofit in a way that allows for regulatory avoidance and financial conflicts of interest similar to what happened with Grand Canyon University.⁵

We note that the Senate is also considering similar language in the bipartisan S. 2857, Protect Veterans' Education and Taxpayer Spending Act of 2019,⁶ which concerns closing the 90/10 loophole and includes a period of oversight of for-profit schools converting to nonprofit or public status.

Draft legislation to require VA to collect and include student outcome data on the GI Bill Comparison Tool.

The GI Bill Comparison Tool can and should be a key resource for GI Bill eligible individuals to be able to consider their options and make an informed college choice. We supported the creation of the Comparison Tool in 2012, including its inclusion

⁴ Department of Education's Determination Letter of Nonprofit Status for Grand Canyon University, November 6, 2019, available at <https://www.documentcloud.org/documents/6548639-GCUDecision.html>.

⁵ Bob Shireman, The Century Foundation, "The Covert For-Profit," September 22, 2015, available at <https://tcf.org/content/report/covert-for-profit/>.

⁶ S. 2857—Protect Veterans' Education and Taxpayer Spending Act of 2019, available at <https://www.Congress.gov/bill/116th-congress/senate-bill/2857/text>.

in Executive Order 13607 and Public Law 112–249, and have worked over the years to help VA improve this critical tool.

At the moment, students using the Comparison Tool face a key lack of knowledge because the Tool provides almost no data for students to understand the basic facts about a school and whether it serves students well or not. We support this bill and offer several suggestions below to improve the bill. These suggestions involve disaggregating some of the data because (1) the needs and characteristics of the three cohorts differ, (2) individuals are seeking and earning different types of credentials (certificates, associate's, bachelor's, and advanced degrees), and (3) some individuals complete while others do not.

We have also identified additional metrics that provide useful data, including repayment rates, the percentage of completers and non-completers in deferment or forbearance, median Pell Grants received, and Federal student loan repayment plans in which GI Bill beneficiaries are enrolled. Finally, the MOU should specify that the data be provided on an annual basis.

For the data to be meaningful, it will have to take into account the fact that each type of credential takes a minimum of up to 9 months, 2 years, or 4 years to complete and often times longer. Thus, a GI Bill beneficiary who enrolled in 2011–12 would likely not earn a bachelor's degree until at least 2015 or even later.⁷ The Secretary of Education and the IRS Commissioner will have to determine how best to account for these differences in order to show the progression of GI Bill students over time. Simply knowing that the graduation or non-completion rates in a given year would not allow the information to be used to evaluate the return-on-investment from this hard-earned benefit.

We believe the following recommendations would strengthen the utility of outcome data on veterans, servicemembers, and eligible family members using the GI Bill.

Page 2 of Draft Bill:

- Line 12: require that the information be provided annually and strike “shall provide the Secretary the following information” Replace with: “...shall provide to the Secretary annually outcome information about individuals using the GI Bill.”
- Line 15: specify that the data shall be reported separately for each cohort. “The following data shall be provided separately for each cohort—veterans, members of the Armed Forces, or dependents of veterans or members of the Armed Forces.”
- Line 16: after line 16 insert “Retention rate.”
- Line 20: require reporting separately on the number of each type of degree. “Number of completed credentials, disaggregating certificates, associates, bachelors, and post-baccalaureate degrees.”
- Line 22–23: revise to make consistent with line 20. “Average number of years to complete each type of credential.”
- Line 24: Since unemployment is defined as those seeking work, revise to require data on employment rates. “Employment rates of...”

Page 3 of Draft Bill:

- Line 1: revise to read “Median earnings for graduates” because some individuals don’t earn wages on a salaried basis.
- Line 4: require median debt data separately for graduates and individuals who did not complete. “Median amount of Federal student loan debt, separately for graduates and for individuals who attended but did not complete.”
- After line 4: insert new measure—“Median amount of Federal Pell Grants, separately for graduates and individuals who attended but did not complete.”
- Line 5: revise to read—“Student loan cohort default rate.”
- After line 5: insert two new measures—
 - o “Student loan repayment rate and the proportion in deferment or forbearance, separately for graduates and individuals who attended but did not complete”

⁷For example, research by Veterans Education Success found that about 41 percent of veterans graduated in 2015–16 enrolled for the first time in 2005 or earlier. These proportions varied based on the degree pursued. For example, 50 percent of veterans who earned Bachelor's degrees in 2015–16 first enrolled in 2005 or earlier, compared to 36 percent of Associate's degree and 33 percent of certificate program graduates. See pp. 12–13 of Ochinko, Walter and Kathy Payea, Veterans Education Success, *Postsecondary Non-Completion Among Veterans: Contributing Factors and Implications* (Nov. 2018).

o “Student loan repayment plans, separately for graduates and individuals who attended but did not complete.”

It is also worth noting that information of GI Bill student outcomes will be more valuable if Congress enacts the *College Transparency Act* because this bill will provide a frame of reference to understand how outcomes of GI Bill students differ in comparison to non-veteran students or other subgroups of students such as “independent” students who, like most veterans are older and no longer financially dependent on their parents.

We would like to State that in order to ensure these vital pieces of legislation to be implemented in an effective and expeditious manner, the Veterans Benefits Administration (VBA) must have a functioning modern IT-system. We hope Congress will continue to put at the forefront the importance of giving the VBA the necessary funding to address and update its IT-system to ensure student veterans are put first and not needlessly harmed by old IT infrastructure.

Veterans Education Success sincerely appreciates the opportunity to express our views on legislation before the Subcommittee today. Pursuant to Rule XI2(g)(4) of the House of Representatives, Veterans Education Success has received no Federal grants in Fiscal Year 2020 nor in the previous two years.

