

VETERANS SUCCESS ON CAMPUS ACT OF 2016

SEPTEMBER 7, 2016.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. MILLER of Florida, from the Committee on Veterans' Affairs, submitted the following

R E P O R T

together with

DISSENTING VIEWS

[To accompany H.R. 5178]

[Including cost estimate of the Congressional Budget Office]

The Committee on Veterans' Affairs, to whom was referred the bill (H.R. 5178) to amend title 38, United States Code, to direct the Secretary of Veterans Affairs to provide educational and vocational counseling for veterans on campuses of institutions of higher learning, and for other purposes, having considered the same, report favorably thereon with an amendment and recommend that the bill as amended do pass.

CONTENTS

	Page
Amendment	2
Purpose and Summary	4
Background and Need for Legislation	5
Hearings	11
Subcommittee Consideration	12
Committee Consideration	12
Committee Votes	13
Committee Oversight Findings	16
Statement of General Performance Goals and Objectives	16
New Budget Authority, Entitlement Authority, and Tax Expenditures	16
Earmarks and Tax and Tariff Benefits	16
Committee Cost Estimate	16
Congressional Budget Office Estimate	16
Federal Mandates Statement	19
Advisory Committee Statement	19
Constitutional Authority Statement	19

Applicability to Legislative Branch	19
Statement on Duplication of Federal Programs	19
Disclosure of Directed Rulemaking	19
Section-by-Section Analysis of the Legislation	19
Changes in Existing Law Made by the Bill as Reported	22
Dissenting Views	33

AMENDMENT

The amendment is as follows:
Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the “Veterans Success on Campus Act of 2016”.

SEC. 2. DEPARTMENT OF VETERANS AFFAIRS PROVISION OF ON-CAMPUS EDUCATIONAL AND VOCATIONAL COUNSELING FOR VETERANS.

(a) IN GENERAL.—Chapter 36 of title 38, United States Code, is amended by inserting after section 3697A the following new section:

“§ 3697B. On-campus educational and vocational counseling

“(a) IN GENERAL.—The Secretary shall provide educational and vocational counseling services for veterans at locations on the campuses of institutions of higher learning selected by the Secretary. Such counseling services shall be provided by employees of the Department who provide such services under section 3697A of this title.

“(b) SELECTION OF LOCATIONS.—(1) To be selected by the Secretary under this section, an institution of higher learning shall provide an appropriate space on the campus of the institution where counseling services can be provided under this section.

“(2) In selecting locations for the provision of counseling services under this section, the Secretary shall seek to select locations where the maximum number of veterans would have access to such services.

“(c) ANNUAL REPORT.—Not later than 180 days after the date of the enactment of this section, and each year thereafter, the Secretary shall submit to Congress a report on the counseling services provided under this section. Such report shall include, for the year covered by the report—

“(1) the average ratio of counselors providing such services to veterans who received such services at each location where such services were provided;

“(2) a description of such services provided;

“(3) the recommendations of the Secretary for improving the provision of such services; and

“(4) any other matters the Secretary determines appropriate.”

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 3697A the following new item:

“3697B. On-campus educational and vocational counseling.”

SEC. 3. CHARGE TO ENTITLEMENT FOR CERTAIN LICENSURE AND CERTIFICATION TESTS AND NATIONAL TESTS UNDER DEPARTMENT OF VETERANS AFFAIRS POST-9/11 EDUCATIONAL ASSISTANCE PROGRAM.

(a) LICENSURE AND CERTIFICATION TESTS.—Section 3315(c) of title 38, United States Code, is amended by striking “shall be determined” and all that follows and inserting “shall be pro-rated based on the actual amount of the fee charged for the test.”

(b) NATIONAL TESTS.—Section 3315A of such title is amended—

(1) in subsection (a), by adding at the end the following new paragraph:

“(3) A national test that evaluates prior learning and knowledge and provides an opportunity for course credit at an institution of higher learning as so described.”; and

(2) in subsection (c), by striking “shall be determined” and all that follows and inserting “shall be pro-rated based on the actual amount of the fee charged for the test.”

(c) EFFECTIVE DATE.—The amendments made by this Act shall apply to a test taken after the date that is 90 days after the date of the enactment of this Act.

SEC. 4. MODIFICATION OF PERCENTAGE INCREASE IN RATES PAYABLE UNDER DEPARTMENT OF VETERANS AFFAIRS EDUCATIONAL ASSISTANCE PROGRAMS.

(a) ALL-VOLUNTEER FORCE.—Section 3015(h)(2) of title 38, United States Code, is amended—

- (1) by striking “fiscal year 2014” and inserting “fiscal year 2025”; and
 - (2) by striking “fiscal year 2013” and inserting “fiscal year 2024”.
- (b) SURVIVORS AND DEPENDENTS.—Section 3564(b) of such title is amended—
- (1) by striking “fiscal year 2014” and inserting “fiscal year 2025”; and
 - (2) by striking “fiscal year 2013” and inserting “fiscal year 2024”.

SEC. 5. EXTENSION OF AUTHORITY FOR VETERANS’ ADVISORY COMMITTEE ON EDUCATION.

Section 3692(c) of such title is amended by striking “December 31, 2016” and inserting “December 31, 2021”.

SEC. 6. TRAINING FOR SCHOOL CERTIFYING OFFICIALS.

(a) TRAINING REQUIREMENT.—The Secretary of Veterans Affairs shall, in consultation with the State approving agencies, set forth requirements relating to training for school certifying officials employed by covered educational institutions offering courses of education approved under chapter 36 of title 38, United States Code. If a covered educational institution does not ensure that a school certifying official employed by the educational institution meets such requirements, the Secretary may disapprove any course of education offered by such educational institution.

(b) DEFINITIONS.—In this section:

- (1) The term “covered educational institution” means an educational institution that has enrolled 20 or more individuals using educational assistance under title 38, United States Code.
- (2) The term “school certifying official” means an employee of an educational institution with primary responsibility for certifying veteran enrollment at the educational institution.
- (3) The term “State approving agency” means a department or agency of a State designated under section 3671 of title 38, United States Code.

SEC. 7. LIMITATION ON USE OF REPORTING FEES PAYABLE TO EDUCATIONAL INSTITUTIONS AND JOINT APPRENTICESHIP TRAINING COMMITTEES.

Section 3684(c) of title 38, United States Code, is amended to read as follows:

“(c)(1) The Secretary may pay to any educational institution, or to the sponsor of a program of apprenticeship, furnishing education or training under either this chapter or chapter 31, 34, or 35 of this title, a reporting fee which will be in lieu of any other compensation or reimbursement for reports or certifications which such educational institution or joint apprenticeship training committee is required to submit to the Secretary by law or regulation.

“(2) Such reporting fee shall be computed for each calendar year by multiplying \$12 by the number of eligible veterans or eligible persons enrolled under this chapter or chapter 31, 34, or 35 of this title, or \$15 in the case of those eligible veterans and eligible persons whose educational assistance checks are directed in care of each institution for temporary custody and delivery and are delivered at the time of registration as provided under section 3680(d)(4) of this title, during the calendar year. The reporting fee shall be paid to such educational institution or joint apprenticeship training committee as soon as feasible after the end of the calendar year for which it is applicable.

“(3) No reporting fee payable to an educational institution under this subsection shall be subject to offset by the Secretary against any liability of such institution for any overpayment for which such institution may be administratively determined to be liable under section 3685 of this title unless such liability is not contested by such institution or has been upheld by a final decree of a court of appropriate jurisdiction.

“(4) Any reporting fee paid to an educational institution or joint apprenticeship training committee after the date of the enactment of the Post-9/11 Veterans Educational Assistance Improvements Act of 2011 (Public Law 111-377)—

“(A) shall be utilized by such institution or committee solely for the making of certifications required under this chapter or chapter 31, 34, or 35 of this title or for otherwise supporting programs for veterans; and

“(B) with respect to an institution that has 75 or more enrollees described in paragraph (2), may not be used for or merged with amounts available for the general fund of the educational institution or joint apprenticeship training committee.

“(5) The reporting fee payable under this subsection shall be paid from amounts appropriated for readjustment benefits.”.

SEC. 8. DEPARTMENT OF VETERANS AFFAIRS INSPECTOR GENERAL HEIGHTENED SCRUTINY OF PROGRAMS OF EDUCATION.

(a) IN GENERAL.—Subchapter II of chapter 36 of title 38, United States Code, is amended by adding at the end the following new section:

“§ 3699. Inspector General heightened scrutiny of programs of education

“(a) HEIGHTENED SCRUTINY REQUIRED.—The Inspector General of the Department shall apply heightened scrutiny to any program of education if any Federal or State agency has made a final judgment or settlement that the program of education used deceptive or misleading practices that are potentially in violation of section 3696 of this title.

“(b) NOTICE TO STUDENTS.—(1) Upon commencement of heightened scrutiny with respect to a program of education under this section, the Secretary shall provide notice of the heightened scrutiny and the reasons for such heightened scrutiny to any individual who—

“(A) is enrolled in a course of education approved under this chapter provided by the program of education; and

“(B) is entitled to educational assistance under the laws administered by the Secretary.

“(2) The Secretary shall provide to any individual who receives notice under this subsection advice that the individual—

“(A) request a copy of the individual’s transcript; and

“(B) seek counseling from an appropriate advisor about transferring any credits earned at the program of education.

“(c) MONITORING OF ALLEGATIONS.—The Secretary shall monitor allegations of deceptive and misleading practices made against programs of education offering courses of education approved for purposes of this chapter, including Federal and State investigations. The Secretary shall include information about any such allegation on the GI Bill Comparison Tool, or any similar Internet website of the Department.”.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by adding at the end of the items relating to subchapter II the following new item:

“3699. Inspector General heightened scrutiny of programs of education.”.

SEC. 9. DEPARTMENT OF VETERANS AFFAIRS DISAPPROVAL OF COURSES OF EDUCATION OFFERED BY INSTITUTIONS OF HIGHER LEARNING ACCUSED OF CERTAIN DECEPTIVE OR MISLEADING PRACTICES.

Section 3679 of title 38, United States Code, is amended by adding at the end the following new subsection:

“(d)(1) The Secretary shall disapprove a course of education provided by an institution of higher learning if the Secretary determines pursuant to heightened scrutiny applied by the Inspector General under section 3699 of this title that the institution of higher learning has engaged in practices that are in violation of section 3696 of this title.

“(2) The Secretary shall provide counseling services to individuals enrolled in a course of education disapproved under paragraph (1) to assist such individuals in transferring to another institution of higher learning.”.

PURPOSE AND SUMMARY

H.R. 5178, the “Veterans Success on Campus Act of 2016,” was introduced by Representative Brad Wenstrup of Ohio on May 10, 2016. H.R. 5178, as amended, was ordered to be favorably reported to the full House on May 18, 2016. This legislation incorporates the text of H.R. 5178; H.R. 5174, the “Veterans Education Enhancement Act of 2016,” introduced by Representative Aumua Amata Coleman Radewagen on May 10, 2016; and H.R. 5175, the “GI Bill Oversight Act of 2016,” introduced by Representative Mark Takano of California on May 10, 2016.

H.R. 5178, as amended, would: (1) codify the Department of Veterans Affairs (VA) Veterans Success on Campus Program (VSOC); (2) change how a veteran’s G.I. Bill entitlement is charged for licensing and certification tests and national tests so that a veteran is charged at a pro-rated amount instead of an entire month’s entitlement for one test; (3) round down to the nearest dollar, the cost of living adjustment for Survivors’ and Dependents Education Assistance (DEA) and Montgomery G.I. Bill recipients; (4) extend the VA Secretary’s (Secretary) advisory committee on education for five

years; (5) require additional training for School Certifying Officials (SCO) who process G.I. Bill paperwork; and (6) require VA's Office of Inspector General (VAOIG) to provide heightened scrutiny to G.I. Bill eligible schools where a final judgement has been made that they used deceptive or deceiving marketing practices to attract students and would require VA to provide notice to student veterans attending these schools of this final judgement as well as flag the school on VA's G.I. Bill Comparison Tool.

BACKGROUND AND NEED FOR LEGISLATION

Section 2—Department of Veterans Affairs provision of on-campus educational vocational counseling for veterans

VA initiated VSOC as a pilot program in 2009 at the University of South Florida, and the program has since expanded to a total of 94 college campuses nationwide. The mission of the VSOC program is to assist student veterans and their qualified dependents as they attend institutions of higher learning (IHL) through education and employment counseling, VA benefits assistance, and other necessary counseling assistance. Further, VA provides at least one Vocational Rehabilitation and Employment (VR&E) counselor at each VSOC location to help individuals who qualify for VR&E benefits and other G.I. Bill recipients with their education programs, their VA benefits, any necessary health referrals, employment counseling, etc.

The VSOC program is a positive resource for student veterans and their dependents as they attend school either through the G.I. Bill or VR&E, and gives individuals on-campus access to all-encompassing counseling programs. A clear example of the benefits of VSOC was presented in the testimony of Mr. William Hubbard, Vice President of Government Affairs for Student Veterans of America, at an October 22, 2015, Subcommittee on Economic Opportunity oversight hearing entitled, "A Review of VA's VetSuccess on Campus Program" in which he stated:

We frequently hear student veterans identify the VSOC program as a top benefit that they find to be most valuable for their higher education experience. When surveying over 30 student veterans from 12 schools that participate in the VSOC program, the response was overwhelmingly positive.

The Committee is concerned, however, that since VSOC is currently only a program implemented by VA policy and is not a statutorily required program, that there is a possibility of VA ending the program, or that there could be difficulty in funding and expanding the program to more IHLs across the country. Section 2 of H.R. 5178, as amended, would require the Secretary to provide these services at IHLs selected by the Secretary and would codify the VSOC program. Amending title 38, U.S.C., to make VSOC a statutorily required program ensures that VA will continue the program, and as a result of its codification, it is the Committee's intent that VSOC will be expanded to more IHLs in the future if necessary resources are identified. The Committee believes that expanding VSOC to more campuses will grant access to the beneficial services that the program offers to more veterans and provide more

veterans with the resources for a seamless transition from the military into their civilian life as a student veteran.

Section 3—Charge to entitlement for certain licensure and certification tests and national tests under Department of Veterans Affairs post-9/11 educational assistance

As servicemembers transition out of the military and into civilian life, there continues to be concern among veterans' groups and other stakeholders that the civilian sector does not always comprehend the skills that veterans have gained from their service and therefore fails to translate them into civilian skills or abilities. Although this conversation and concern has been more heavily focused on translating military skills into jobs in the civilian sector, groups have also been concerned that veterans are not given the opportunity to translate many of their skills, training credentials, and knowledge that they have gained from their military expertise into school credit. The Committee and other stakeholders believe that it would benefit veterans if they had the ability to undergo an assessment or take a test to demonstrate any skills they gained through their service that could qualify for school credit. The Committee believes that allowing veterans to have the potential to translate their skills for academic reasons could assist the veteran in utilizing their G.I. Bill benefits in a more efficient manner. This would allow veterans to test out of a class if they are eligible based on any training or skills they gained in the military, would reduce any waste of taxpayer money on a class that is unnecessary for them to take, and would expand the options to use their G.I. Bill benefits for additional courses in the future.

Section 3 of H.R. 5178, as amended, would address these concerns by allowing an individual who is entitled to the Post 9/11 G.I. Bill to use their education benefits to pay for a national test that evaluates their prior learning, knowledge, and training and could provide them with appropriate course credit at an IHL. The Committee believes that by recognizing the prior experience and credentials that servicemen and women have as they transition out of the military through a test, could garner them class credit and will give them more opportunities to advance in their degree in a more efficient and meaningful manner.

This Section would also ensure any national tests or licensing and credentialing tests, as well as certain benefits under sections 3315 and 3315A of title 38, U.S.C., are charged against an individual's entitlement at a pro-rated rate. Under current law, licensing and credentialing tests or any national tests, despite their cost, are charged as a full month against a veteran's entitlement. The Post 9/11 G.I. Bill only provides up to 36 months of entitlement, and although the Committee believes that these tests are beneficial for a veteran's educational success, a veteran should not have to lose an entire month's entitlement for a single test that could cost only \$100.

Section 4—Modification of percentage increase in rates payable under Department of Veterans Affairs educational assistance programs

On an annual basis, Congress works to pass a cost of living adjustment (COLA) for veterans' disability compensation benefits to

reflect increased living expenses in the economy. From fiscal year 1990 through fiscal year 2013, the law required a round-down to the nearest dollar of this annual increase. This round-down had been used during this time on a bi-partisan basis to offset the costs associated with improving or expanding veterans' benefits.

Benefits administered for the Montgomery G.I. Bill (MGIB) and Dependents Education Assistance (DEA), under chapters 30 and 35 of title 38, U.S.C., respectively, also receive a COLA increase to maintain the same growth as the economy. Section 3015(h)(1) of title 38, U.S.C., requires the Secretary to provide a percentage increase annually that is equal to the growth in the average cost of undergraduate tuition in the United States for the prior academic year as determined by the National Center for Education. Section 3564(a) requires this same growth for survivors' and dependents using chapter 35 education benefits, so that the percentage increase is equal to the percentage growth of the Consumer Price Index for the prior 12 months. Both of these sections also required a COLA round-down to the next lower whole dollar amount until the end of fiscal year 2013.

The Committee notes that over the past 21 years, the U.S. House of Representatives has passed a COLA round-down 35 times, and until 2013, the annual COLA bill also included language requiring the round-down. It is also important to note that since the lapse of the COLA round-down for MGIB and DEA benefits in 2013, this round-down has been used twice in legislation as an offset to costs of bills that improved benefits and service to veterans—H.R. 671, the “Ruth Moore Act,” introduced by Rep. Chellie Pingree (D-ME) in the 113th Congress and H.R. 2256, the “Veterans Information Modernization Act,” introduced by Rep. Dan Benishek (R-MI) in 2015. Further, both bills were reported out of Committee unanimously by voice vote, and both bills also passed out of the House unanimously, irrespective of the inclusion of this COLA round-down.

Section 4 of H.R. 5178, as amended, would strike fiscal year 2013 from both sections for MGIB and DEA benefits and extend the round-down to the next lower whole dollar amount until the end of fiscal year 2024.

Section 5—Extension of authority for Veterans' Advisory Committee on Education

The Federal Advisory Committee Act of 1972 (P.L. 92-463) was enacted by Congress to formalize the value of the Executive Branch to create advisory committees and enlist the input of individuals when executing federal statutes and regulations. These advisory committees and the individuals on them are tasked with ensuring that the intent of the law is being properly followed. VA currently has 25 advisory committees, 15 of which are statutorily required and 10 of which were created by the Secretary as policies and programs have been created within the Department.

The Veterans' Advisory Committee on Education is a statutorily required committee originally created in the Veterans' Readjustment Benefits Act of 1966 (P.L. 89-358), which has been amended over the years as the G.I. Bill has transformed and other education benefits have been enacted into law. This committee is responsible for advising the Secretary on how to best administer any education

benefits under chapters 30, 32, 33, 35, and 36 of title 38, U.S.C., and chapter 1606 of title 10, U.S.C. Since this advisory committee was originally created in 1966, it has continued to have its authority extended over the years so that it could continue its function and advisement role.

According to VA, as of February 2016, it has issued \$60.2 billion in Post 9/11 G.I. Bill benefits since the program's inception in August 2009—this amount does not account for education benefits also issued by the Department under chapters 30, 32, 35, and 36 of title 38, U.S.C., or chapter 1606 of title 10, U.S.C. The Committee believes that with the ever-growing amount of funding provided by VA for education benefits and as the higher education system continues to change and develop, the Veterans' Advisory Committee on Education is still needed to ensure proper recommendations are being made to the Secretary and Congress. Section 5 of H.R. 5178, as amended, therefore, would extend the authority of the Veterans' Advisory Committee on Education to December 31, 2021 to ensure that the Secretary continues to receive insight and advice on the efficiency of the administration of education benefits to servicemembers, veterans, reservists and eligible dependents.

Section 6—Training for school certifying officials

VA education benefits are administered through the collaboration of multiple individuals, from the VA claims processors down to each IHL. Each IHL has an SCO who is responsible with verifying and certifying a G.I. Bill-eligible individual's attendance at the school and enrollment information. The SCO then sends this information to VA each semester so VA can issue the proper payments to both the school and the individual. An SCO is expected to understand all of the VA education benefits for which veterans or their dependents may be eligible, and must know how to properly certify each individual so that VA can pay them their living and book stipend as well as ensure that the school receives their tuition payments in a timely manner.

The Committee has often found that an SCO is tasked with handling G.I. Bill benefits in addition to other financial advisory roles at the IHL, which could overburden them if they are not properly trained to certify title 38 education assistance benefits. In recent years, the Committee has found that, due to other VA priorities when processing education benefits as well as the additional workload placed on the State Approving Agencies (SAAs) who are tasked with training SCOs during their on-site visits to an IHL, many SCOs are not consistently receiving the proper training they need to do their job. According to a 2015 Government Accountability Office (GAO) report entitled, "Post 9/11 G.I. Bill: Additional Actions Needed to Help Reduce Overpayments and Increase Collections," VA lacks the authority to require training for SCOs despite how complicated it can be to properly process veterans' information.¹ Furthermore, the report found that due to the complexity of administering Post 9/11 G.I. Bill benefits, VA paid out approximately \$28 million in overpayments to schools and students in fiscal year 2014. Subsequently, Dr. Joe Wescott, Legislative Director for the National Association of State Approving Agencies, testified

¹ <http://www.gao.gov/products/GAO-16-42>.

at an April 16, 2016, Subcommittee on Economic Opportunity legislative hearing, stating:

We do not think it is unreasonable to conclude that the reduction in on-site training during SAA supervisory visits has played a role in the percentage of G.I. Bill overpayments due to certifying official errors, as discussed in the GAO report from October 2015 entitled “Additional Actions Needed to Help Reduce Overpayments and Increase Collections.

The Committee recognizes the need and importance for mandatory training for SCOs to ensure that a program, as expensive as the Post 9/11 G.I. Bill, is administered properly at all levels. Further, the Committee believes that it is critical that schools should also understand the merits of requiring their SCOs to go through training if the IHL is going to continue to receive G.I. Bill funds. Therefore, H.R. 5178, as amended, would require the Secretary, in consultation with the SAAs, to set forth training requirements for SCOs and would allow the Secretary to disapprove any IHL that does not meet these requirements. The Committee believes that increasing training and understanding of how to efficiently and correctly input and process veterans’ information at the school level will decrease overpayments as well as benefit veterans as they utilize their education assistance benefits so they are able to receive payments in a more timely manner.

Section 7—Limitation on use of reporting fees payable to educational institutions and joint apprenticeship training committees

Under section 3684 of title 38, U.S.C., VA is required to pay each IHL in which a veteran is enrolled, a fee for each individual an SCO certifies and processes information for VA for education assistance benefits. These fees are known as reporting fees and are meant to be used by the schools to help pay for the administrative costs of an SCO when they certify veterans and eligible dependents for benefits, as well as help finance SCOs to attend VA-conducted training. The Committee has heard concerns from SCOs that the reporting fees paid to the schools for the work the SCOs do, are often placed into the school’s general fund, which then pays for other programs at the IHL. The Committee believes that these fees should remain solely for the administrative costs of certifying veterans’ benefits and for the training of the SCOs and not for other missions and programs of the schools that are not related to veterans or the benefits they receive from VA.

Section 7 of H.R. 5178, as amended, would reiterate the intent of section 3684(c) of title 38, U.S.C., requiring VA to issue reporting fees to G.I. Bill approved schools and that these fees be used by the schools only for SCO training and administrative costs of certifying education assistance benefits. Section 7 would also amend section 3684(c) of title 38, U.S.C., to prohibit any institution with more than 75 students from merging any of the reporting fees received from VA into the school’s general fund. The Committee understands that smaller institutions with fewer G.I. Bill certified students may not have separate funds for the SCOs and may put all fees into a general fund while still utilizing the reporting fees

for the requirements of section 3684 of title 38, U.S.C. The Committee, however, wants to ensure that any school with more than 75 G.I. Bill certified students does not allow the reporting fees to go into the institution's general fund and must be a separate fund for the SCOs and the cost of administering education benefits. The Committee hopes that by reiterating the requirements of section 3684 of title 38, U.S.C., and by placing this new requirement on schools to not include money received from VA into their general fund, will further improve training and the administration of VA education assistance benefits.

Section 8—Department of Veterans Affairs Inspector General heightened scrutiny of programs of education

As mentioned above, according to the Department, VA has paid approximately \$60.2 billion dollars in Post-9/11 GI Bill benefits for college and technical training to more than 1.5 million students from August 2009 to February 2016. The Committee believes that most education programs receiving these funds do an excellent job educating our nation's veterans, but unfortunately, there have been several examples of schools that recruit veterans to low-quality, high-cost education programs merely to access their GI Bill dollars. The VA has current statutory authority under Section 3696(a) of title 38, U.S.C., to revoke G.I. Bill eligibility for IHLs when it is determined that they have used "advertising, sales, or enrollment practices of any type which are erroneous, deceptive, or misleading." However, VA does not have the resources to investigate every school that may be utilizing inappropriate practices to recruit and retain students at their schools.

Fortunately, several other Federal agencies, as well as the States, are also responsible for eradicating deceptive practices among schools receiving government funds. The Department of Education, Federal Trade Commission, Consumer Financial Protection Bureau, Department of Justice, and other agencies, in addition to several State Attorneys General and states' Departments of Education are able to investigate IHLs when necessary and take actions against them when appropriate. In some cases, these agencies have made determinations or allegations that a school misled students in violation of Federal or State policy, but because VA and the SAAs have continued to approve the school, student veterans continued to expend their limited G.I. Bill benefits at the school. For example, the VA failed to take action under section 3696 of title 38, U.S.C., when the Department of Education suspended and then revoked eligibility for Corinthian Colleges, Inc., to receive Title IV education benefits, although the approval of several campuses were withdrawn or suspended based on action of several SAAs. Soon thereafter, Corinthian Colleges went bankrupt, and student veterans who had been attending lost the time, effort, and limited G.I. Bill eligibility they had expended at a school that no longer existed. While the Committee does not believe that VA must revoke approval of a school following every final finding or settlement against a school for deceptive or misleading practices, the Committee does want there to be full transparency between schools, VA, and student veterans, as well as their eligible dependents, when these instances occur.

Section 8 of H.R. 5178, as amended, would require the VAOIG to apply heightened scrutiny when another Federal agency or a State agency makes a final judgement or settlement that an education program has used deceptive or misleading practices that potentially violate section 3696(a) of title 38, U.S.C. The VAOIG has flexibility to determine application of “heightened scrutiny,” but in general, the goal is to require the VAOIG to take a look at a school’s records when another Federal agency, or a State, finds that the school has used deceptive or misleading practices, to examine whether the school’s eligibility for VA education assistance benefits may be impacted.

This Section would also require VA to notify student veterans that their school is facing heightened scrutiny under these circumstances in addition to VA’s current practice of adding a caution flag to the G.I. Bill Comparison Tool in these instances. Section 8 would also require VA to recommend to impacted G.I. Bill users that they request a copy of their transcript from the school’s registrar and seek counseling from a college advisor or other entity to understand their options to transfer earned credits to another G.I. Bill eligible IHL. This knowledge will empower student veterans to choose the best use of their hard-earned VA education benefits.

Section 8 would also require the VA to monitor both State and Federal allegations of deceptive and misleading practices at schools that offer courses of education approved for G.I. Bill benefits. The goal is to increase awareness of the efforts of other government agencies and improve their communication to prevent fraud and abuse by schools that receive any government funding. VA should not have to reinvent the wheel each time it suspects a school may not be serving student veterans. This provision would be an additional tool to eliminate the silo effect among separate government agencies that are all concerned about the same problem: identifying schools that prioritize marketing to and recruiting students who receive government education funding, rather than prioritizing the quality of the education they offer or the graduation and employment outcomes that will best serve those students.

Section 9—Department of Veterans Affairs disapproval of courses of education offered by institutions of higher learning accused of certain deceptive or misleading practices

Section 9 of H.R. 5178, as amended, would require the Secretary to disapprove a course of education if the Secretary determines that the VAOIG’s findings show that an IHL has used advertising, sales, or enrollment practices which are erroneous, deceptive, or misleading, in violation of section 3696(a) of title 38, U.S.C. In effect, while Section 8 of this bill would provide a new mechanism for VA to determine whether a school has used deceptive practices, Section 9 would simply require VA to implement current law. Section 9 would also require VA to provide counseling services to any Post-9/11 G.I. Bill beneficiary enrolled in a program of education that has been disapproved, to help him or her transfer to a quality IHL.

HEARINGS

On April 14, 2016, the Subcommittee on Economic Opportunity conducted a legislative hearing on various draft bills and bills in-

roduced during the 114th Congress, including the drafts of H.R. 5174, H.R. 5175, and H.R. 5178, all of which are included in H.R. 5178, as amended.

The following witnesses testified:

The Honorable Jeff Miller, U.S. House of Representatives, 1st District of Florida; The Honorable David McKinley, U.S. House of Representatives, 1st District of West Virginia; The Honorable Paul Cook, U.S. House of Representatives, 8th District of California; The Honorable Martha McSally, U.S. House of Representatives, 2nd District of Arizona; Mr. Curtis L. Coy, Deputy Under Secretary for Economic Opportunity, Veterans Benefits Administration, U.S. Department of Veterans Affairs, who was accompanied by Ms. Carin Otero, Associate Deputy Assistant Secretary for HR Policy and Planning, Office of Human Resources and Administration, U.S. Department of Veterans Affairs; Mr. Sam Shellenberger, Deputy Assistant Secretary for Operations, Veterans' Employment and Training Service, U.S. Department of Labor; Mr. Davy Leghorn, Assistant Director of the Veterans Employment and Education Division, The American Legion; Dr. Joseph W. Wescott, Legislative Director, National Association of State Approving Agencies; Mr. Walter Ochinko, Policy Director, Veterans Education Success; Mr. Jared Lyon, President & CEO, Student Veterans of America; and Mr. Aleks Morosky, Deputy Director of the National Legislative Service, Veterans of Foreign Wars of the United States.

A Statement for the Record was submitted by the following:

Office of Inspector General, U.S. Department of Veterans Affairs.

SUBCOMMITTEE CONSIDERATION

On May 11, 2016, the Subcommittee on Economic Opportunity met in open markup session, a quorum being present, and ordered H.R. 5174, as amended, H.R. 5175, and H.R. 5178 favorably forwarded to the full Committee. During consideration of the bills, the following amendments were considered:

An amendment offered by Representative Mark Takano of California to H.R. 5174, to remove the provision that would require a decrease to the cost of living adjustment for Chapter 35 and Montgomery G.I. Bill recipients. The amendment was not agreed to and failed by voice vote.

A second amendment offered by Representative Mark Takano of California to H.R. 5174, to clarify that an individual's basic allowance for housing stipend would only be reduced for a student whose rate of pursuit drops to less than full time. The amendment was agreed to and passed by voice vote.

A motion by Representative Mark Takano to favorably forward H.R. 5174, H.R. 5175, as amended, and H.R. 5178, to the full Committee was agreed to by voice vote.

COMMITTEE CONSIDERATION

On May 18, 2016, the full Committee met in open markup session, a quorum being present, and ordered H.R. 5178, as amended,

favorably reported to the House of Representatives by voice vote. During consideration of the bill, the following amendments were considered:

An amendment in the nature of a substitute offered by Representative Brad Wenstrup of Ohio, which combined the text of H.R. 5174, as amended, H.R. 5175, and H.R. 5178. The amendment in the nature of a substitute was agreed to by the full Committee by a recorded vote of 14 yeas, 9 noes, and 1 Member not voting.

An amendment to the amendment in the nature of substitute offered by Representative Mark Takano of California, which would have removed the provision that would require a decrease to the cost of living adjustment for Chapter 35 and Montgomery G.I. Bill recipients. The amendment to the amendment in the nature of a substitute was not agreed to by the full Committee by a recorded vote of 10 yeas, 13 noes, and 1 Member not voting.

A motion by Representative Doug Lamborn of Colorado to favorably report H.R. 5178, as amended, to the U.S. House of Representatives was adopted by voice vote.

COMMITTEE VOTES

In compliance with clause 3(b) of rule XIII of the Rules of the House of Representatives, the results of the recorded votes that were taken on amendments or in connection with ordering H.R. 5178, as amended, reported to the House, are as follows:

An amendment in the nature of a substitute offered by Representative Brad Wenstrup of Ohio, which combined the text of H.R. 5174, as amended, H.R. 5175, and H.R. 5178. The amendment in the nature of a substitute was agreed to by the Full Committee by a recorded vote of 14 yeas, 9 noes, and 1 Member not voting.

An amendment to the amendment in the nature of substitute offered by Representative Mark Takano of California, which would have removed the provision that would require a decrease to the cost of living adjustment for Chapter 35 and Montgomery G.I. Bill recipients. The amendment to the amendment in the nature of a substitute was not agreed to by the full Committee on a recorded vote of 10 yeas, 13 noes, and 1 Member not voting.

COMMITTEE ON VETERANS' AFFAIRS

RECORDED VOTE 1

H.R. 5178

Date: May 18, 2016
 Amendment offered by Mr. Takano to the Amendment in the Nature of a Substitute to
 H.R. 5178
 Not Agreed to: 10 yeas and 13 nays.

Representative	Yea	Nay	Not Voting	Representative	Yea	Nay	Not Voting
Mr. Miller, Chairman	X			Ms. Brown, Ranking Member	X		
Mr. Lamborn	X			Mr. Takano	X		
Mr. Bilirakis			X	Ms. Brownley	X		
Mr. Roe	X			Ms. Titus	X		
Mr. Benishak	X			Mr. Ruiz	X		
Mr. Huelskamp	X			Ms. Kuster	X		
Mr. Coffman	X			Mr. O'Rourke	X		
Mr. Wenstrup	X			Miss Rice	X		
Mrs. Waterski	X			Mr. Walz	X		
Mr. Abraham	X			Mr. McNerney	X		
Mr. Zeldin	X						
Mr. Costello	X						
Mrs. Radewagen	X						
Mr. Bost	X						
				Vote Total:	10	13	1

COMMITTEE ON VETERANS' AFFAIRS

RECORDED VOTE 2

H.R. 5178

Date: May 18, 2016
 Amendment offered by Mr. Wenstrup Amendment in the Nature of a Substitute to H.R.
 5178

Agreed to: 14 yeas and 9 nays.

Representative	Yea	Nay	Not Voting	Representative	Yea	Nay	Not Voting
Mr. Miller, Chairman	X			Ms. Brown, Ranking Member			X
Mr. Lamborn	X			Mr. Takano			X
Mr. Bilirakis				Ms. Brownley			X
Mr. Roe	X			Ms. Titus	X		
Mr. Benishak	X			Mr. Ruiz			X
Mr. Huelskamp	X			Ms. Kuster			X
Mr. Coffman	X			Mr. O'Rourke			X
Mr. Wenstrup	X			Miss Rice			X
Mrs. Walorski	X			Mr. Walz			X
Mr. Abraham	X			Mr. McNerney			X
Mr. Zeldin	X						
Mr. Costello	X						
Mrs. Radewagen	X						
Mr. Bost	X						
Vote Total:					14	9	1

COMMITTEE OVERSIGHT FINDINGS

In compliance with clause 3(c)(1) of rule XIII and clause (2)(b)(1) of rule X of the Rules of the House of Representatives, the Committee's oversight findings and recommendations are reflected in the descriptive portions of this report.

STATEMENT OF GENERAL PERFORMANCE GOALS AND OBJECTIVES

In accordance with clause 3(c)(4) of rule XIII of the Rules of the House of Representatives, the Committee's performance goals and objectives are that the Secretary will use these provisions to improve education programs and opportunities provided to veterans and their dependents through the G.I. Bill, while also improving oversight of schools where veterans and their dependents are using their G.I. Bill benefits.

NEW BUDGET AUTHORITY, ENTITLEMENT AUTHORITY, AND TAX EXPENDITURES

In compliance with clause 3(c)(2) of rule XIII of the Rules of the House of Representatives, the Committee adopts as its own the estimate of new budget authority, entitlement authority, or tax expenditures or revenues contained in the cost estimate prepared by the Director of the Congressional Budget Office pursuant to section 402 of the Congressional Budget Act of 1974.

EARMARKS AND TAX AND TARIFF BENEFITS

H.R. 5178, as amended, does not contain any Congressional earmarks, limited tax benefits, or limited tariff benefits as defined in clause 9 of rule XXI of the Rules of the House of Representatives.

COMMITTEE COST ESTIMATE

The Committee adopts as its own the cost estimate on H.R. 5178, as amended, prepared by the Director of the Congressional Budget Office pursuant to section 402 of the Congressional Budget Act of 1974.

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

Pursuant to clause 3(c)(3) of rule XIII of the Rules of the House of Representatives, the following is the cost estimate for H.R. 5178, as amended, provided by the Congressional Budget Office pursuant to section 402 of the Congressional Budget Act of 1974:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, August 19, 2016.

Hon. JEFF MILLER,
*Chairman, Committee on Veterans' Affairs,
House of Representatives, Washington, DC.*

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for H.R. 5178, the Veterans Success on Campus Act of 2016.

If you wish further details on this estimate, we would be pleased to provide them. The CBO staff contact is David Newman.

Sincerely,

MARK P. HADLEY
(For Keith Hall, *Director*).

Enclosure.

H.R. 5178—Veterans Success on Campus Act of 2016

Summary: H.R. 5178 would reduce the cost-of-living adjustment (COLA) for recipients of certain education benefits that are administered by the Department of Veterans Affairs (VA). The bill also would increase the total amount of education benefits that are available under the Post-9/11 GI Bill. In total, the bill would reduce net direct spending by \$18 million over the 2017–2026 period, CBO estimates.

Pay-as-you-go procedures apply because enacting the legislation would affect direct spending. Enacting the bill would not affect revenues.

CBO estimates that enacting the legislation would not increase net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2027.

H.R. 5178 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would impose no costs on state, local, or tribal governments.

Estimated cost to the Federal Government: The estimated budgetary effect of H.R. 5178 is shown in the following table. The costs of this legislation fall within budget function 700 (veterans benefits and services).

	By fiscal year, in millions of dollars—											2017–2021	2017–2026
	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026			
INCREASES OR DECREASES (–) IN DIRECT SPENDING													
COLA Round Down:													
Estimated Budget Authority	–1	–1	–1	–2	–2	–2	–3	–3	–3	–3	–3	–7	–21
Estimated Outlays	–1	–1	–1	–2	–2	–2	–3	–3	–3	–3	–3	–7	–21
Payments for Tests:													
Estimated Budget Authority	*	*	*	*	*	*	*	*	*	*	*	1	3
Estimated Outlays	*	*	*	*	*	*	*	*	*	*	*	1	3
Total Changes:													
Estimated Budget Authority	–1	–1	–1	–2	–2	–2	–3	–3	–3	–3	–3	–6	–18
Estimated Outlays	–1	–1	–1	–2	–2	–2	–3	–3	–3	–3	–3	–6	–18

Note: Details do not add to totals because of rounding; COLA = Cost-of-Living Adjustment; * = less than \$500,000.

Basis of estimate: CBO assumes that the bill will be enacted near the start of fiscal year 2017. Enacting H.R. 5178 would affect the education benefits available under three programs administered by VA. The bill would reduce the cost-of-living adjustment (COLA) for two programs and would increase the total benefits available under the Post-9/11 GI Bill for some beneficiaries who take certain tests.

COLA round down: The monthly benefits paid under the educational assistance program for survivors and dependents and the Montgomery GI Bill are increased annually by changes in the cost

of living. Under section 4 of the bill, the amount of those adjusted payments would be rounded down to the next whole dollar for fiscal years 2017 through 2024. Based on CBO’s projected payments for each year, CBO estimates that enacting section 4 would reduce direct spending by \$21 million over the 2017–2026 period.

Payments for tests: Section 3 would change the method that VA uses to reimburse veterans for licensing and certification tests, or for national testing programs such as the SAT, an admissions test for colleges. Beneficiaries can be reimbursed up to \$2,000 per test under current law and veterans education benefits are reduced by one month for every \$1,833 or less paid for such tests, rounded to the nearest nonzero whole month. (That amount is adjusted annually for inflation.) The average amount VA pays per test is about \$600.

Under section 3, those benefits would be reduced by a fraction of a month based on the actual costs of the tests. On the basis of data from VA, CBO estimates that beneficiaries who take such tests would be eligible for an additional two-thirds of a month of benefits if the bill was enacted. However, VA would only make additional payments for students who exhaust their benefit under current law.

Very few beneficiaries are reimbursed for such tests—about 3,200 in 2015. Furthermore, VA will pay the full monthly benefit for veterans and service members whose remaining entitlement is less than a month. That continuation policy does not apply to spouses and children with transferred education benefits, who account for about 20 percent of people who use those benefits. On that basis, CBO estimates that each year about 250 people would receive an additional \$1,000 in education benefits under section 3. Payments would be less than \$500,000 each year and would total \$3 million over the 2017–2026 period, CBO estimates.

Pay-As-You-Go considerations: The Statutory Pay-As-You-Go Act of 2010 establishes budget-reporting and enforcement procedures for legislation affecting direct spending or revenues. The net changes in outlays that are subject to those pay-as-you-go procedures are shown in the following table.

CBO ESTIMATE OF PAY-AS-YOU-GO EFFECTS FOR H.R. 5178 AS ORDERED REPORTED BY THE HOUSE COMMITTEE ON VETERANS’ AFFAIRS ON MAY 18, 2016

	By fiscal year, in millions of dollars—												
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2016–2021	2016–2026
NET INCREASE OR DECREASE (–) IN THE [ON BUDGET] DEFICIT													
Statutory Pay-As-You-Go Impact	0	–1	–1	–1	–2	–2	–2	–3	–3	–3	–3	–6	–18

Increase in long-term direct spending and deficits: CBO estimates that enacting the legislation would not increase net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2027.

Intergovernmental and private sector impact: H.R. 5178 contains no intergovernmental or private-sector mandates as defined in UMRA and would impose no costs on state, local, or tribal governments.

Estimate prepared by: Federal Costs: David Newman; Impact on State, Local, and Tribal Governments: Jon Sperl; Impact on the Private Sector: Paige Piper/Bach.

Estimate approved by: H. Samuel Papenfuss, Deputy Assistant Director for Budget Analysis.

FEDERAL MANDATES STATEMENT

The Committee adopts as its own the estimate of Federal mandates regarding H.R. 5178, as amended, prepared by the Director of the Congressional Budget Office pursuant to section 423 of the Unfunded Mandates Reform Act.

ADVISORY COMMITTEE STATEMENT

No advisory committees within the meaning of section 5(b) of the Federal Advisory Committee Act would be created by H.R. 5178, as amended.

STATEMENT OF CONSTITUTIONAL AUTHORITY

Pursuant to Article I, section 8 of the United States Constitution, H.R. 5178, as amended, is authorized by Congress' power to "provide for the common Defense and general Welfare of the United States.

APPLICABILITY TO LEGISLATIVE BRANCH

The Committee finds that H.R. 5178, as amended, does not relate to the terms and conditions of employment or access to public services or accommodations within the meaning of section 102(b)(3) of the Congressional Accountability Act.

STATEMENT ON DUPLICATION OF FEDERAL PROGRAMS

Pursuant to section 3(g) of H. Res. 5, 114th Cong. (2015), the Committee finds that no provision of H.R. 5178, as amended, establishes or reauthorizes a program of the Federal Government known to be duplicative of another Federal program, a program that was included in any report from the Government Accountability Office to Congress pursuant to section 21 of Public Law 111-139, or a program related to a program identified in the most recent Catalog of Federal Domestic Assistance.

DISCLOSURE OF DIRECTED RULEMAKING

Pursuant to section 3(i) of H. Res. 5, 114th Cong. (2015), the Committee estimates that H.R. 5178, as amended, contains no directed rule making that would require the Secretary to prescribe regulations.

SECTION-BY-SECTION ANALYSIS OF THE LEGISLATION

Section 1. Short title

Section 1 cites the short title of H.R. 5178, as amended, to be the "Veterans Success on Campus Act of 2016."

Section 2. Department of Veterans Affairs provision of on-campus education and vocational counseling for veterans

Section 2(a) would amend chapter 36 of title 38, U.S.C., to create a new section entitled, “§ 3697B. On-campus educational and vocational counseling.” This section would require the Secretary to provide educational and vocational counseling services, as stipulated in section 3697A of title 38, U.S.C., on college campuses for veterans. This section would also require the Secretary to select the locations where these services would be provided at campuses where the maximum number of veterans would have access to and be eligible for such services. It would also require that no later than 180 days following enactment, and annually after that, the Secretary shall provide a report on the counseling services provided to veterans under this section, including: (1) the average ratio of counselors providing services at each location; (2) a description of the services provided; (3) the Secretary’s recommendations for improving the counseling services; and (4) other matters the Secretary determines appropriate.

Section 2(b) would make a clerical amendment to the table of sections for chapter 35 of title 38, U.S.C., to include this new section 3687A.

Section 3. Change to entitlement for certain licensure and certification tests and national tests under Department of Veterans Affairs post-9/11 educational assistance program

Section 3(a) would amend section 3315(c) of title 38, U.S.C., by striking that an individual’s entitlement shall be charged for a whole month for one licensure and certification test, and inserting that an individual’s entitlement shall be pro-rated based on the actual amount of the fee charged for the test.

Section 3(b) would amend section 3315A of title 38, U.S.C., to allow an individual to be entitled to educational assistance under chapter 33 of title 38, U.S.C., for a national test that evaluates prior learning and knowledge and provides an opportunity for course credit at an IHL. This Section would further amend section 3315A of title 38, U.S.C., by striking that an individual’s entitlement shall be charged for a whole month for one national test, and inserting that an individual’s entitlement shall be pro-rated based on the actual amount of the fee charged for the test.

Section 3(c) would make the changes made in sections 3(a) and 3(b) effective for any test taken after 90 days of enactment.

Section 4. Modification of percentage increase in rates payable under Department of Veterans Affairs education assistance programs

Section 4(a) would amend section 3015(h)(2) of title 38, U.S.C., by striking fiscal year 2014 and inserting fiscal year 2025 and by striking fiscal year 2013 and inserting 2024 to extend the round down for chapter 30 educational assistance to the next whole dollar amount.

Section 4(b) would amend section 3564(b) of title 38, U.S.C., by striking fiscal year 2014 and inserting fiscal year 2025 and by striking fiscal year 2013 and inserting 2024 to extend the round down for chapter 35 educational assistance to the next whole dollar amount.

Section 5. Extension of authority for veterans' advisory committee on education

This section would amend section 3692(c) in title 38, U.S.C., by striking December 31, 2016, and inserting December 31, 2021. This amendment would extend the Secretary's advisory committee on education for five more years.

Section 6. Training for school certifying officials

Section 6(a) would require the Secretary, in consultation with the SAAs, to set forth training requirements for SCOs employed at IHLs where courses are approved under chapter 36 of title 38, U.S.C. Section 6(a) would also allow the Secretary to disapprove any course at an IHL if the school does not ensure the SCO meets the training requirements.

Section 6(b) makes the following definitions for the amendments made in Section 6(a): a "covered individual" means an educational institution that has enrolled 20 or more individuals at the IHL who are using education assistance provided under title 38, U.S.C.; the term "school certifying official" means an employee of an IHL with the primary responsibility of certifying veteran enrollment at the IHL; and the term "State approving agency" means a department or agency of a State designated under section 3671 of title 38, U.S.C.

Section 7. Limitation on use of reporting fees payable to education institutions and joint apprenticeship training committees

Section 7 would amend section 3684(c) of title 38, U.S.C., to include in the requirements of what reporting fees may be used for at an IHL or joint apprenticeship training committee with 75 or more enrollees eligible for chapters, 31, 34, 25, or 36 of title 38, U.S.C., that none of the fees may be used for or merged with amounts available for the IHL's or the joint apprenticeship training committee's general fund.

Section 8. Department of veterans affairs inspector general heightened scrutiny of programs of education

Section 8(a) would amend subchapter II of chapter 36 of title 38, U.S.C., to create a new section entitled, "§ 3699. Inspector General heightened scrutiny of programs of education." This Section would require the VAOIG to apply heightened scrutiny to any IHL if any Federal or State agency has made a final judgement or settlement that the IHL used deceptive or misleading practices that are potentially in violation of section 3696 of title 38, U.S.C. This Section would also require the Secretary, after the VAOIG applies heightened scrutiny to an IHL, to notify any students enrolled at the IHL and who are entitled to educational assistance under title 38, U.S.C., of the heightened scrutiny and the reasons for the heightened scrutiny. The Secretary would also be required to provide advice to any individual who receives notice of the heightened scrutiny applied under this subsection, that the individual should request a copy of their transcript and seek counseling from an appropriate advisor about transferring any credits they earned while attending that IHL. Lastly, Section 8(a) would require the Secretary to monitor any allegations of deceptive and misleading practices made against IHLs, and shall include information about any alle-

gation on the G.I. Bill Comparison Tool or any similar VA Internet website.

Section 8(b) would make a clerical amendment to the table of sections for chapter 36 of title 38, U.S.C., to include this new section 3699.

Section 9. Department of Veterans Affairs disapproval of courses of education offered by institutions of higher learning accused of certain deceptive or misleading practices

Section 9 would amend section 3679 of title 38, U.S.C., by adding a new subsection that would require the Secretary to disapprove a course of education provided by an IHL if the Secretary determines that pursuant to the heightened scrutiny applied by the VAOIG under section 3699 of title 38, U.S.C., an IHL engaged in practices that are in violation of section 3696 of title 38, U.S.C. This Section would also require the Secretary to provide counseling services to individuals enrolled in a course of education that is disapproved under this Section to assist them in transferring their credits to another IHL.

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3(e) of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3(e) of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, and existing law in which no change is proposed is shown in roman):

TITLE 38, UNITED STATES CODE

* * * * *

PART III—READJUSTMENT AND RELATED BENEFITS

* * * * *

CHAPTER 30—ALL-VOLUNTEER FORCE EDUCATIONAL ASSISTANCE PROGRAM

* * * * *

SUBCHAPTER II—BASIC EDUCATIONAL ASSISTANCE

* * * * *

§ 3015. Amount of basic educational assistance

(a) The amount of payment of educational assistance under this chapter is subject to section 3032 of this title. Except as otherwise provided in this section, in the case of an individual entitled to an educational assistance allowance under this chapter whose obligated period of active duty on which such entitlement is based is three years, a basic educational assistance allowance under this subchapter shall be paid—

(1) for an approved program of education pursued on a full-time basis, at the monthly rate of—

(A) for months occurring during the period beginning on August 1, 2008, and ending on the last day of fiscal year 2009, \$1,321; and

(B) for months occurring during a subsequent fiscal year, the amount for months occurring during the previous fiscal year increased under subsection (h); or

(2) at an appropriately reduced rate, as determined under regulations which the Secretary shall prescribe, for an approved program of education pursued on less than a full-time basis.

(b) In the case of an individual entitled to an educational assistance allowance under section 3011 or 3018 of this title whose obligated period of active duty on which such entitlement is based is two years, a basic educational assistance allowance under this chapter shall (except as provided in the succeeding subsections of this section) be paid—

(1) for an approved program of education pursued on a full-time basis, at the monthly rate of—

(A) for months occurring during the period beginning on August 1, 2008, and ending on the last day of fiscal year 2009, \$1,073; and

(B) for months occurring during a subsequent fiscal year, the amount for months occurring during the previous fiscal year increased under subsection (h); or

(2) at an appropriately reduced rate, as determined under regulations which the Secretary shall prescribe, for an approved program of education pursued on less than a full-time basis.

(c)(1) The amount of basic educational allowance payable under this chapter to an individual referred to in paragraph (2) of this subsection is the amount determined under subsection (a) of this section.

(2) Paragraph (1) of this subsection applies to an individual entitled to an educational assistance allowance under section 3011 of this title—

(A) whose obligated period of active duty on which such entitlement is based is less than three years;

(B) who, beginning on the date of the commencement of such obligated period of active duty, serves a continuous period of active duty of not less than three years; and

(C) who, after the completion of that continuous period of active duty, meets one of the conditions set forth in subsection (a)(3) of such section 3011.

(d)(1) In the case of an individual who has a skill or specialty designated by the Secretary concerned as a skill or specialty in

which there is a critical shortage of personnel or for which it is difficult to recruit, the Secretary concerned, pursuant to regulations to be prescribed by the Secretary of Defense, may, at the time the individual first becomes a member of the Armed Forces, increase the rate of the basic educational assistance allowance applicable to such individual to such rate in excess of the rate prescribed under subsections (a), (b), and (c) of this section as the Secretary of Defense considers appropriate, but the amount of any such increase may not exceed \$950 per month.

(2) In the case of an individual who after October 7, 1997, receives an enlistment bonus under section 308a or 308f of title 37, receipt of that bonus does not affect the eligibility of that individual for an increase under paragraph (1) in the rate of the basic educational assistance allowance applicable to that individual, and the Secretary concerned may provide such an increase for that individual (and enter into an agreement with that individual that the United States agrees to make payments pursuant to such an increase) without regard to any provision of law (enacted before, on, or after the date of the enactment of this paragraph) that limits the authority to make such payments.

(e)(1)(A) Except as provided in subparagraph (B) of this paragraph and subject to paragraph (2) of this subsection, in the case of an individual who on December 31, 1989, was entitled to educational assistance under chapter 34 of this title, the rate of the basic educational assistance allowance applicable to such individual under this chapter shall be increased by the amount equal to one-half of the educational assistance allowance that would be applicable to such individual under such chapter 34 (as of the time the assistance under this chapter is provided and based on the rates in effect on December 31, 1989) if such chapter were in effect.

(B) Notwithstanding subparagraph (A) of this paragraph, in the case of an individual described in that subparagraph who is pursuing a cooperative program on or after October 9, 1996, the rate of the basic educational assistance allowance applicable to such individual under this chapter shall be increased by the amount equal to one-half of the educational assistance allowance that would be applicable to such individual for pursuit of full-time institutional training under chapter 34 (as of the time the assistance under this chapter is provided and based on the rates in effect on December 31, 1989) if such chapter were in effect.

(2) The number of months for which the rate of the basic educational assistance allowance applicable to an individual is increased under paragraph (1) of this subsection may not exceed the number of months of entitlement to educational assistance under chapter 34 of this title that the individual had remaining on December 31, 1989.

(f) In the case of an individual for whom the Secretary of Defense made contributions under section 3222(c) of this title and who is entitled to educational assistance under section 3018A, 3018B, or 3018C of this chapter, the Secretary shall increase the rate of the basic educational assistance allowance applicable to such individual in excess of the rate provided under subsection (a) of this section in a manner consistent with, as determined by the Secretary of Defense, the agreement entered into with such individual pursuant to

the rules and regulations issued by the Secretary of Defense under section 3222(c) of this title.

(g) In the case of an individual who has made contributions authorized by section 3011(e) or 3012(f) of this title, effective as of the first day of the enrollment period following receipt of such contributions from such individual by the Secretary concerned, the monthly amount of basic educational assistance allowance applicable to such individual under subsection (a), (b), or (c) shall be the monthly rate otherwise provided for under the applicable subsection increased by—

(1) an amount equal to \$5 for each \$20 contributed by such individual under section 3011(e) or 3012(f) of this title, as the case may be, for an approved program of education pursued on a full-time basis; or

(2) an appropriately reduced amount based on the amount so contributed, as determined under regulations which the Secretary shall prescribe, for an approved program of education pursued on less than a full-time basis.

(h)(1) With respect to any fiscal year, the Secretary shall provide a percentage increase in the rates payable under subsections (a)(1) and (b)(1) equal to the percentage by which—

(A) the average cost of undergraduate tuition in the United States, as determined by the National Center for Education Statistics, for the last academic year preceding the beginning of the fiscal year for which the increase is made, exceeds

(B) the average cost of undergraduate tuition in the United States, as so determined, for the academic year preceding the academic year described in subparagraph (A).

(2) Any increase under paragraph (1) in a rate with respect to a fiscal year after fiscal year 2004 and before **[fiscal year 2014]** *fiscal year 2025* shall be rounded down to the next lower whole dollar amount. Any such increase with respect to a fiscal year after **[fiscal year 2013]** *fiscal year 2024* shall be rounded to the nearest whole dollar amount.

* * * * *

CHAPTER 33—POST-9/11 EDUCATIONAL ASSISTANCE

* * * * *

SUBCHAPTER II—EDUCATIONAL ASSISTANCE

* * * * *

§ 3315. Licensure and certification tests

(a) **IN GENERAL.**—An individual entitled to educational assistance under this chapter shall also be entitled to payment for licensing or certification tests described in section 3452(b).

(b) **LIMITATION ON AMOUNT.**—The amount payable under subsection (a) for a licensing or certification test may not exceed the lesser of—

(1) \$2,000;

(2) the fee charged for the test; or

(3) the amount of entitlement available to the individual under this chapter at the time of payment for the test under this section.

(c) CHARGE AGAINST ENTITLEMENT.—The charge against an individual’s entitlement under this chapter for payment for a licensing or certification test [shall be determined at the rate of one month (rounded to the nearest whole month) for each amount paid that equals—]

[(1) for the academic year beginning on August 1, 2011, \$1,460; or

[(2) for an academic year beginning on any subsequent August 1, the amount for the previous academic year beginning on August 1 under this subsection, as increased by the percentage increase equal to the most recent percentage increase determined under section 3015(h).] shall be pro-rated based on the actual amount of the fee charged for the test.

§ 3315A. National tests

(a) IN GENERAL.—An individual entitled to educational assistance under this chapter shall also be entitled to educational assistance for the following:

(1) A national test for admission to an institution of higher learning as described in the last sentence of section 3452(b).

(2) A national test providing an opportunity for course credit at an institution of higher learning as so described.

(3) A national test that evaluates prior learning and knowledge and provides an opportunity for course credit at an institution of higher learning as so described.

(b) AMOUNT.—The amount of educational assistance payable under this chapter for a test described in subsection (a) is the lesser of—

(1) the fee charged for the test; or

(2) the amount of entitlement available to the individual under this chapter at the time of payment for the test under this section.

(c) CHARGE AGAINST ENTITLEMENT.—The number of months of entitlement charged an individual under this chapter for a test described in subsection (a) [shall be determined at the rate of one month (rounded to the nearest whole month) for each amount paid that equals—]

[(1) for the academic year beginning on August 1, 2011, \$1,460; or

[(2) for an academic year beginning on any subsequent August 1, the amount for the previous academic year beginning on August 1 under this subsection, as increased by the percentage increase equal to the most recent percentage increase determined under section 3015(h).] shall be pro-rated based on the actual amount of the fee charged for the test.

* * * * *

CHAPTER 35—SURVIVORS’ AND DEPENDENTS’ EDUCATIONAL ASSISTANCE

* * * * *

SUBCHAPTER VI—MISCELLANEOUS PROVISIONS

* * * * *

§ 3564. Annual adjustment of amounts of educational assistance

(a) With respect to any fiscal year, the Secretary shall provide a percentage increase in the rates payable under sections 3532, 3534(b), and 3542(a) of this title equal to the percentage by which—

(1) the Consumer Price Index (all items, United States city average) for the 12-month period ending on the June 30 preceding the beginning of the fiscal year for which the increase is made, exceeds

(2) such Consumer Price Index for the 12-month period preceding the 12-month period described in paragraph (1).

(b) Any increase under subsection (a) in a rate with respect to a fiscal year after fiscal year 2004 and before [fiscal year 2014] *fiscal year 2025* shall be rounded down to the next lower whole dollar amount. Any such increase with respect to a fiscal year after [fiscal year 2013] *fiscal year 2024* shall be rounded to the nearest whole dollar amount.

* * * * *

CHAPTER 36—ADMINISTRATION OF EDUCATIONAL BENEFITS

SUBCHAPTER I—STATE APPROVING AGENCIES

Sec.

3670. Scope of approval.

* * * * *

SUBCHAPTER II—MISCELLANEOUS PROVISIONS

* * * * *

3697B. *On-campus educational and vocational counseling.*

* * * * *

3699. *Inspector General heightened scrutiny of programs of education.*

SUBCHAPTER I—STATE APPROVING AGENCIES

* * * * *

§ 3679. Disapproval of courses

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

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

(c)(1) Notwithstanding any other provision of this chapter and subject to paragraphs (3) through (6), the Secretary shall disapprove a course of education provided by a public institution of higher learning if the institution charges tuition and fees for that

course for covered individuals who are pursuing the course with educational assistance under chapter 30 or 33 of this title while living in the State in which the institution is located at a rate that is higher than the rate the institution charges for tuition and fees for that course for residents of the State in which the institution is located, regardless of the covered individual's State of residence.

(2) For purposes of this subsection, a covered individual is any individual as follows:

(A) A veteran who was discharged or released from a period of not fewer than 90 days of service in the active military, naval, or air service less than three years before the date of enrollment in the course concerned.

(B) An individual who is entitled to assistance under section 3311(b)(9) or 3319 of this title by virtue of such individual's relationship to a veteran described in subparagraph (A).

(3) If after enrollment in a course of education that is subject to disapproval under paragraph (1) by reason of paragraph (2)(A) or (2)(B) a covered individual pursues one or more courses of education at the same public institution of higher learning while remaining continuously enrolled (other than during regularly scheduled breaks between courses, semesters or terms) at that institution of higher learning, any course so pursued by the covered individual at that institution of higher learning while so continuously enrolled shall also be subject to disapproval under paragraph (1).

(4) It shall not be grounds to disapprove a course of education under paragraph (1) if a public institution of higher learning requires a covered individual pursuing a course of education at the institution to demonstrate an intent, by means other than satisfying a physical presence requirement, to establish residency in the State in which the institution is located, or to satisfy other requirements not relating to the establishment of residency, in order to be charged tuition and fees for that course at a rate that is equal to or less than the rate the institution charges for tuition and fees for that course for residents of the State.

(5) The Secretary may waive such requirements of paragraph (1) as the Secretary considers appropriate.

(6) Disapproval under paragraph (1) shall apply only with respect to educational assistance under chapters 30 and 33 of this title.

(d)(1) The Secretary shall disapprove a course of education provided by an institution of higher learning if the Secretary determines pursuant to heightened scrutiny applied by the Inspector General under section 3699 of this title that the institution of higher learning has engaged in practices that are in violation of section 3696 of this title.

(2) The Secretary shall provide counseling services to individuals enrolled in a course of education disapproved under paragraph (1) to assist such individuals in transferring to another institution of higher learning.

SUBCHAPTER II—MISCELLANEOUS PROVISIONS

* * * * *

§ 3684. Reports by veterans, eligible persons, and institutions; reporting fee

(a)(1) Except as provided in paragraph (2) of this subsection, the veteran or eligible person and the educational institution offering a course in which such veteran or eligible person is enrolled under chapter 31, 34, 35, or 36 of this title shall, without delay, report to the Secretary, in the form prescribed by the Secretary, such enrollment and any interruption or termination of the education of each such veteran or eligible person. The date of such interruption or termination will be the last date of pursuit, or, in the case of correspondence training, the last date a lesson was serviced by a school.

(2)(A) In the case of a program of independent study pursued on less than a half-time basis in an educational institution, the Secretary may approve a delay by the educational institution in reporting the enrollment or reenrollment of an eligible veteran or eligible person until the end of the term, quarter, or semester if the educational institution requests the delay and the Secretary determines that it is not feasible for the educational institution to monitor interruption or termination of the veteran's or eligible person's pursuit of such program.

(B) An educational institution which, pursuant to subparagraph (A) of this paragraph, is delaying the reporting of the enrollment or reenrollment of a veteran shall provide the veteran with notice of the delay at the time that the veteran enrolls or reenrolls.

(3)(A) Subject to subparagraph (B) of this paragraph, an educational institution offering courses on a term, quarter, or semester basis may certify the enrollment of a veteran who is not on active duty, or of an eligible person, in such courses for more than one term, quarter, or semester at a time, but not for a period extending beyond the end of a school year (including the summer enrollment period).

(B) Subparagraph (A) of this paragraph shall not apply with respect to any term, quarter, or semester for which the veteran or eligible person is enrolled on a less than half-time basis and shall not be construed as restricting the Secretary from requiring that an educational institution, in reporting an enrollment for more than one term, quarter, or semester, specify the dates of any intervals within or between any such terms, quarters, or semesters.

(b) The Secretary, prior to making payment of a reporting fee to an educational institution, as provided for in subsection (c) of this section, shall require such institution to certify that it has exercised reasonable diligence in determining whether such institution or any course offered by such institution approved for the enrollment of veterans or eligible persons meets all of the applicable requirements of chapters 31, 34, 35, and 36 of this title and that it will, without delay, report any failure to meet any such requirement to the Secretary.

[(c) The Secretary may pay to any educational institution, or to the sponsor of a program of apprenticeship, furnishing education or training under either this chapter or chapter 31, 34, or 35 of this title, a reporting fee which will be in lieu of any other compensation or reimbursement for reports or certifications which such educational institution or joint apprenticeship training committee is required to submit to the Secretary by law or regulation. Such re-

porting fee shall be computed for each calendar year by multiplying \$12 by the number of eligible veterans or eligible persons enrolled under this chapter or chapter 31, 34, or 35 of this title, or \$15 in the case of those eligible veterans and eligible persons whose educational assistance checks are directed in care of each institution for temporary custody and delivery and are delivered at the time of registration as provided under section 3680(d)(4) of this title, during the calendar year. The reporting fee shall be paid to such educational institution or joint apprenticeship training committee as soon as feasible after the end of the calendar year for which it is applicable. No reporting fee payable to an educational institution under this subsection shall be subject to offset by the Secretary against any liability of such institution for any overpayment for which such institution may be administratively determined to be liable under section 3685 of this title unless such liability is not contested by such institution or has been upheld by a final decree of a court of appropriate jurisdiction. Any reporting fee paid an educational institution or joint apprenticeship training committee after the date of the enactment of the Post-9/11 Veterans Educational Assistance Improvements Act of 2011 shall be utilized by such institution or committee solely for the making of certifications required under this chapter or chapter 31, 34, or 35 of this title or for otherwise supporting programs for veterans. The reporting fee payable under this subsection shall be paid from amounts appropriated for readjustment benefits.】

(c)(1) The Secretary may pay to any educational institution, or to the sponsor of a program of apprenticeship, furnishing education or training under either this chapter or chapter 31, 34, or 35 of this title, a reporting fee which will be in lieu of any other compensation or reimbursement for reports or certifications which such educational institution or joint apprenticeship training committee is required to submit to the Secretary by law or regulation.

(2) Such reporting fee shall be computed for each calendar year by multiplying \$12 by the number of eligible veterans or eligible persons enrolled under this chapter or chapter 31, 34, or 35 of this title, or \$15 in the case of those eligible veterans and eligible persons whose educational assistance checks are directed in care of each institution for temporary custody and delivery and are delivered at the time of registration as provided under section 3680(d)(4) of this title, during the calendar year. The reporting fee shall be paid to such educational institution or joint apprenticeship training committee as soon as feasible after the end of the calendar year for which it is applicable.

(3) No reporting fee payable to an educational institution under this subsection shall be subject to offset by the Secretary against any liability of such institution for any overpayment for which such institution may be administratively determined to be liable under section 3685 of this title unless such liability is not contested by such institution or has been upheld by a final decree of a court of appropriate jurisdiction.

(4) Any reporting fee paid to an educational institution or joint apprenticeship training committee after the date of the enactment of the Post-9/11 Veterans Educational Assistance Improvements Act of 2011 (Public Law 111-377)—

(A) shall be utilized by such institution or committee solely for the making of certifications required under this chapter or chapter 31, 34, or 35 of this title or for otherwise supporting programs for veterans; and

(B) with respect to an institution that has 75 or more enrollees described in paragraph (2), may not be used for or merged with amounts available for the general fund of the educational institution or joint apprenticeship training committee.

(5) The reporting fee payable under this subsection shall be paid from amounts appropriated for readjustment benefits.

(d) Not later than 90 days after the date of the enactment of this subsection, the Secretary shall ensure that the Department provides personnel of educational institutions who are charged with submitting reports or certifications to the Secretary under this section with assistance in preparing and submitting such reports or certifications.

* * * * *

§ 3692. Advisory committee

(a) There shall be a Veterans' Advisory Committee on Education formed by the Secretary which shall be composed of persons who are eminent in their respective fields of education, labor, and management and of representatives of institutions and establishments furnishing education to eligible veterans or persons enrolled under chapter 30, 32, 33, or 35 of this title and chapter 1606 of title 10. The committee shall also, to the maximum extent practicable, include veterans representative of World War II, the Korean conflict era, the post-Korean conflict era, the Vietnam era, the post-Vietnam era, and the Persian Gulf War. The Assistant Secretary of Education for Postsecondary Education (or such other comparable official of the Department of Education as the Secretary of Education may designate) and the Assistant Secretary of Labor for Veterans' Employment and Training shall be ex officio members of the advisory committee.

(b) The Secretary shall consult with and seek the advice of the committee from time to time with respect to the administration of this chapter, chapters 30, 32, 33, and 35 of this title, and chapter 1606 of title 10. The committee may make such reports and recommendations as it considers desirable to the Secretary and the Congress.

(c) The committee shall remain in existence until [December 31, 2016] *December 31, 2021*.

* * * * *

§ 3697B. On-campus educational and vocational counseling

(a) *IN GENERAL.*—The Secretary shall provide educational and vocational counseling services for veterans at locations on the campuses of institutions of higher learning selected by the Secretary. Such counseling services shall be provided by employees of the Department who provide such services under section 3697A of this title.

(b) *SELECTION OF LOCATIONS.*—(1) To be selected by the Secretary under this section, an institution of higher learning shall provide an

appropriate space on the campus of the institution where counseling services can be provided under this section.

(2) In selecting locations for the provision of counseling services under this section, the Secretary shall seek to select locations where the maximum number of veterans would have access to such services.

(c) ANNUAL REPORT.—Not later than 180 days after the date of the enactment of this section, and each year thereafter, the Secretary shall submit to Congress a report on the counseling services provided under this section. Such report shall include, for the year covered by the report—

(1) the average ratio of counselors providing such services to veterans who received such services at each location where such services were provided;

(2) a description of such services provided;

(3) the recommendations of the Secretary for improving the provision of such services; and

(4) any other matters the Secretary determines appropriate.

* * * * *

§ 3699. Inspector General heightened scrutiny of programs of education

(a) HEIGHTENED SCRUTINY REQUIRED.—The Inspector General of the Department shall apply heightened scrutiny to any program of education if any Federal or State agency has made a final judgment or settlement that the program of education used deceptive or misleading practices that are potentially in violation of section 3696 of this title.

(b) NOTICE TO STUDENTS.—(1) Upon commencement of heightened scrutiny with respect to a program of education under this section, the Secretary shall provide notice of the heightened scrutiny and the reasons for such heightened scrutiny to any individual who—

(A) is enrolled in a course of education approved under this chapter provided by the program of education; and

(B) is entitled to educational assistance under the laws administered by the Secretary.

(2) The Secretary shall provide to any individual who receives notice under this subsection advice that the individual—

(A) request a copy of the individual's transcript; and

(B) seek counseling from an appropriate advisor about transferring any credits earned at the program of education.

(c) MONITORING OF ALLEGATIONS.—The Secretary shall monitor allegations of deceptive and misleading practices made against programs of education offering courses of education approved for purposes of this chapter, including Federal and State investigations. The Secretary shall include information about any such allegation on the GI Bill Comparison Tool, or any similar Internet website of the Department.

* * * * *

DISSENTING VIEWS

We oppose Section 4 of H.R. 5178, as amended, because it would reinstate a lapsed round-down of certain veterans' education benefits payments, thus placing the burden on student veterans and their dependents to pay for broader veterans' programs. Under current law, the amount of the Chapter 30 Montgomery GI Bill-Active Duty (MGIB) monthly stipend increases annually in accordance with the increase in the average cost of undergraduate tuition in the United States. Also under current law, the amount of the Chapter 35 Survivors' and Dependents' Educational Assistance (DEA) program monthly stipend increases annually in accordance with the consumer price index. From FY 2005 to FY 2013, the increases were rounded down to the next lower whole dollar amount, but Congress chose not to extend the round-downs before they lapsed. Section 4 of H.R. 5178, as amended, would reinstate the round-downs for both MGIB and DEA until FY 2024.

The Veterans of Foreign Wars (VFW) shared our opposition to the cuts at the Economic Opportunity Subcommittee legislative hearing on April 14, 2016, stating that "VFW opposes round-downs, as they require veterans to pay for their earned benefits." We share the VFW's principled view that veterans should not have to pay for programs that serve them through cuts in their hard-earned benefits, no matter how small.

At the Economic Opportunity Subcommittee markup on May 11, 2016, Representative Mark Takano introduced an amendment to strike Section 3 of H.R. 5174, which contained the round-down of Chapters 30 and 35 benefits. The amendment failed by voice vote.

At the Full Committee markup on May 18, 2016, Representative Takano again introduced his amendment to strike the round-down, now found in Section 4 of the Amendment in the Nature of a Substitute to H.R. 5178. That amendment failed along party lines, with a roll call vote of 10 Democrats to 13 Republicans.

MARK TAKANO,
Acting Ranking Member.
JULIA BROWNLEY.

○