

Memorandum on Advancing Fair Practices by Education and Training Institutions Serving Servicemembers, Veterans, Eligible Spouses, and Other Family Members

November 10, 2016

Memorandum for the Heads of Executive Departments and Agencies

Subject: Advancing Fair Practices by Education and Training Institutions Serving Service Members, Veterans, Eligible Spouses, and Other Family Members

By the authority vested in me as President by the Constitution and the laws of the United States of America, I hereby direct the following:

Section 1. Purpose. This memorandum directs executive departments and agencies (agencies) to perform certain functions to further strengthen the Federal Government's work in promoting fair practices by education and training institutions serving service members, veterans, eligible spouses, and other family members.

Sec. 2. Background. Throughout my Administration, I have prioritized efforts to ensure that we are fulfilling our promises to all those who have served. I have called upon my Administration to do all we can to ensure that our service members, veterans, eligible spouses, and other family members who have given so much to our Nation have the protections, resources, information, and support they need in order to pursue the American dream. Available data show that approximately 200,000 service members transition from military service annually to pursue careers, start businesses, or enroll in postsecondary institutions. Since its enactment, the Post-9/11 Veterans Educational Assistance Act of 2008 (Title V of Public Law 110–252) (Post-9/11 GI Bill) has provided more than 1.7 million individuals with \$68.9 billion in education benefits. In addition, the Department of Defense's Tuition Assistance Program continues to provide service members, veterans, eligible spouses, and other family members access to high-quality education.

On April 27, 2012, I signed Executive Order 13607 (Establishing Principles of Excellence for Educational Institutions Serving Service Members, Veterans, Spouses, and Other Family Members). The "Principles of Excellence" set forth in that order apply to institutions receiving Federal and military educational funding and are designed to strengthen oversight, enforcement, and accountability within Federal military and veterans educational and training benefits programs. Institutions receiving Federal and military educational funding must, among other requirements, 1) provide meaningful information to service members, veterans, eligible spouses, and other family members regarding the cost and quality of educational institutions to assist prospective students in making choices about how to use Federal educational benefits; 2) prevent abusive and deceptive recruiting practices that target the recipients of Federal military and veterans educational benefits; and 3) ensure that they provide high-quality academic and student support services to active-duty service members, reservists, members of the National Guard, veterans, and military families.

Agencies have since made significant strides toward fully implementing the Principles of Excellence. They have released guidelines clarifying obligations under the Principles of Excellence; launched the GI Bill Comparison Tool to allow individuals to calculate estimated Post-9/11 GI Bill benefits, research school attributes, and compare educational institutions; created a centralized complaint system for students receiving Federal military and education benefits to further strengthen the integrity and accountability of these programs; launched "Tuition Assistance DECIDE," a tool that enables service members to search for information about educational costs and outcomes tailored to their circumstances; developed comprehensive veteran-student outcome mea-

tures; and strengthened data and information sharing across agencies to further these goals.

Although thousands of institutions have committed to the Principles of Excellence, more work remains to strengthen oversight, enforcement, and accountability within these benefits programs so that these critical investments are protected and can continue to serve our service members, veterans, their eligible spouses, and other family members. To accomplish these goals, we must continue to improve the coordination of Federal tools and resources, provide new mechanisms to increase collaboration across Federal agencies, identify best practices that can support and inform initiatives to enhance educational and career readiness and success, implement better data-sharing strategies, and develop more streamlined protocols to improve enforcement and information sharing.

Therefore, today I am directing agencies to take additional steps to ensure fair practices in education and training institutions serving veterans and service members by implementing the policies described in this memorandum. In addition, I am directing the creation of an interagency working group to further implement the policies and priorities described in this memorandum.

Sec. 3. Policy. It is the policy of the Federal Government to provide service members, veterans, eligible spouses, and other family members with the information and support they need in order to make informed decisions about their education and training options throughout the military life cycle, both during their transition from the military to civilian life, and after their separation from the military. It is also the policy of the Federal Government to improve resources for veterans while they are enrolled in school or a training program, and to protect students and taxpayers from the subset of institutions of higher education that engage in fraudulent, deceptive, and other predatory practices that harm students. Compiling accurate and reliable data is a critical part of strengthening this work and achieving better outcomes for service members, veterans, eligible spouses, and other family members, and it

is the policy of the Federal Government to have appropriate mechanisms in place to facilitate data sharing among agencies. These policies build on the following statutes, Presidential directives, and initiatives:

(a) The VOW to Hire Heroes Act of 2011 (Title II of Public Law 112–56) (the “VOW Act”) brought about the first redesign of the Department of Defense’s Transition Assistance Program (TAP) in over 20 years. Seven Federal agencies—the Departments of Defense, Education, Labor, Veterans Affairs, and Homeland Security, the Small Business Administration, and the Office of Personnel Management—and the military branches coordinated efforts to launch the revamped TAP in 2013, in order to serve over 200,000 eligible transitioning service members annually. TAP provides key information, tools, and training to service members, eligible spouses, and eligible dependents to help prepare them for civilian life, whether they are pursuing education, searching for employment, or starting a business.

(b) Public Law 112–249 (commonly referred to as the Improving Transparency of Education Opportunities for Veterans Act of 2012), requires the Department of Veterans Affairs to develop a comprehensive policy to improve outreach and transparency to service members and veterans. The Department of Veterans Affairs memorialized that comprehensive outreach and transparency policy in a report to the Congress in April 2013.

(c) Executive Order 13607 (Establishing Principles of Excellence for Educational Institutions Serving Service Members, Veterans, Spouses, and Other Family Members), signed on April 27, 2012, directs the Departments of Defense, Education, and Veterans Affairs to establish Principles of Excellence to ensure that educational institutions receiving funding from Federal education and training resources, including the Post-9/11 GI Bill and the Tuition Assistance Program, provide meaningful information to service members, veterans, eligible spouses, and other family members when making choices about their Federal educational benefits. This order was a direct response to

reports of aggressive and deceptive recruiting of this population by some educational institutions.

(d) Presidential Study Directive/PSD-9, issued in May 2010, directed the development of a coordinated Federal Government-wide approach to supporting military families. That approach was memorialized in a January 2011 report, "Strengthening Our Military Families: Meeting America's Commitment," that identifies priority areas for addressing the concerns and challenges facing military families, including developing career and educational opportunities for military spouses by increasing access to educational advancement and by reducing barriers to employment caused by different State policies and standards.

(e) The "8 Keys to Veterans' Success" initiative, a voluntary initiative announced in August 2013 by the Departments of Education and Veterans Affairs, identifies specific steps that postsecondary institutions can commit to take to assist service members and veterans to transition to the classroom, complete their postsecondary programs, and obtain career skills that will help them succeed upon graduation.

(f) The Military Credentialing and Licensing Task Force, established in 2012 at my direction by the Department of Defense, focuses on identifying opportunities for service members to earn civilian occupational credentials and licenses without the need for additional training. All branches of the military worked with manufacturing credentialing agencies to enable up to 126,000 service members to gain industry-recognized, nationally portable certifications for high-demand manufacturing jobs.

Sec. 4. Strengthening Interagency Coordination.

(a) Federal Interagency Working Group. There is hereby established an interagency Working Group on Fair Practices in Veterans Education and Training Programs (Working Group), to be co-chaired by the Director of the National Economic Council (NEC) and the Director of the Domestic Policy Council (DPC), or their designees. The Working Group shall also include an agency Co-Chair, to be rotated annually among the Secretaries of

Defense, Labor, Education, and Veterans Affairs, or their designees. The Working Group will coordinate the development and execution of policy proposals to further the goals outlined in this memorandum. The Working Group may consult and engage with other Federal interagency working groups as appropriate to ensure that related activities are coordinated. The Working Group shall meet at least quarterly.

(b) Representation. In addition to the NEC and DPC, the Working Group shall include representatives from:

- (i) the Department of Defense;
- (ii) the Department of Justice;
- (iii) the Department of Labor;
- (iv) the Department of Education;
- (v) the Department of Veterans Affairs;
- (vi) the Department of Homeland Security;
- (vii) the Small Business Administration;
- (viii) the Office of Personnel Management;
- (ix) the National Security Council staff; and
- (x) any other Federal agencies, offices, or initiatives invited to participate by the Co-Chairs.

Sec. 5. Fair Practices for Education and Training Institutions Serving Service Members and Veterans. Building on the policies that are detailed in section 3 of this memorandum, and to the extent permitted by law, the relevant agencies shall develop and implement actions and initiatives as set forth below to promote fair practices in education and training institutions serving service members, veterans, eligible spouses, and other family members to ensure that they are treated fairly in using their Federal education benefits. These actions and initiatives should help ensure better educational outcomes by enhancing front-end counseling programs and improving online consumer tools to help students make informed decisions regarding education programs; executing data linking agreements among Federal agencies to improve information sharing on student outcome measures; and developing new measures to combat continued deceptive and predatory practices by certain institutions of higher education.

(a) The Department of Education shall establish a pilot program and a corresponding evaluation, in consultation with the Departments of Defense, Veterans Affairs, and Homeland Security (with respect to the United States Coast Guard, as appropriate), to test how improved personalized information, tools, and counseling resources for transitioning service members can promote informed choices for those enrolling in postsecondary education and training. The agencies shall collaborate on the design and evaluation of this pilot, and use technical assistance, data, and resources from the TAP, Chapter 31 Vocational Rehabilitation and Employment Services of the Department of Veterans Affairs, Chapter 36 Career and Education Counseling Services of the Department of Veterans Affairs, and other outreach, loan counseling, grant programs, or research initiatives of the agencies to meet this need. The Departments of Defense, Education, Veterans Affairs, and Homeland Security shall enter into an agreement that sets forth the terms for launching this pilot program and evaluation not later than 180 days from the date of this memorandum. This agreement shall specify an appropriate cost-sharing arrangement consistent with applicable appropriations laws and other legal requirements.

(b) The Departments of Defense, Labor, Education, and Veterans Affairs, with other Working Group members as appropriate, shall develop a plan to establish a data linkage across agencies. The data-linkage plan shall include aggregated information and shall enable individuals to view information about career experiences of beneficiaries before and after their education and training programs; compare beneficiaries' outcome information to those of eligible non-participating veterans; enable more transparent information about other beneficiaries' educational attainment, student debt levels, and loan default rates; and identify educational paths under the Post-9/11 GI Bill that yield the best return on investment in the civilian workforce. The data-linkage plan shall include an appropriate cost-sharing arrangement that is consistent with applicable appropriations laws and other legal requirements. This

plan shall be established not later than 180 days from the date of this memorandum.

(c) The Department of Education and the Department of Veterans Affairs shall take steps to strengthen existing online consumer awareness and educational benefits tools, including the Department of Education's College Scorecard and the Department of Veterans Affairs' GI Bill Comparison Tool, to facilitate access to school performance information, consumer protection information, and key Federal financial aid documents. Consistent with the Paperwork Reduction Act and other applicable statutes, these strengthened tools shall provide accessible and reliable national data on students' outcomes at specific colleges, including aggregated information on former students' earnings, graduates' student debt, and borrowers' repayment rates. Additionally, strengthening these tools shall improve dissemination of public information regarding institutions pertaining to investigations conducted or punitive action taken by Federal or State agencies concerning such institutions. These tools shall be updated not later than 180 days from the date of this memorandum, and shall be further updated at least annually thereafter.

(d) The Working Group shall promote the enhancement and implementation of military apprenticeship programs. The military services have taken numerous steps to strengthen and enhance the ability of service members to obtain skills and credentials that can serve them after their military career. Beginning in 2012, the Military Credentialing and Licensing Task Force conducted pilot credentialing programs in transportation and logistics, healthcare support, mechanical work, information technology, and manufacturing that proved very successful. These efforts need to be further institutionalized and amplified. To this end, the Secretary of Defense is directed to:

(i) in consultation with the Secretary of Labor, the Secretary of Education, and the Secretary of Homeland Security (with respect to the United States Coast Guard, as appropriate), develop a plan to enhance and implement military apprenticeship programs that provide opportunities for

service members to improve their job skills and obtain industry-recognized credentials and certificates of completion for registered apprenticeship programs while on active duty. Strengthening the connections between military training, education, and transition activities registered apprenticeship programs could significantly improve employment opportunities for service members after separation from the service and help employers find qualified workers from this skilled workforce. This plan shall be prepared not later than 180 days from the date of this memorandum; and

(ii) consider ways to expand the current United Services Military Apprenticeship Program to include all of the services, to increase its use among the services currently included, and to increase the number of service members who gain valuable training and industry-recognized credentials through registered apprenticeship programs. The Secretary of Defense is also directed to consider establishing targets for the number of apprenticeships in each service. The Secretary of Defense shall include an update on these considerations in the plan referenced in section 5(d)(i) of this memorandum.

(e) The Working Group shall work to enhance opportunities for service members to obtain credentials and licenses that are recognized by civilian employers in an effort to expand employment opportunities for those service members after separation from service, and to reduce barriers to employment caused by state occupational licensing requirements for military spouses and for service members transitioning to civilian jobs.

To these ends, the Secretary of Defense and the Secretary of Homeland Security (with respect to the United States Coast Guard, as appropriate), in consultation with the Secretary of Labor, the Secretary of Education, and the Secretary of Veterans Affairs, shall:

(i) strengthen the opportunities available for service members under the current program to assist members of the Armed Forces in obtaining professional credentials, as set forth at 10 U.S.C. 2015. These efforts should include working with the Congress to remove program restrictions under which members of the Armed Forces may only obtain credentials that relate to skills and training incident to the performance of the service member's military duties (where consistent with each of the armed service branches' operational needs), and to simplify the requirements relating to credentialing programs to increase the range of credentialing opportunities while maintaining quality assurance. These important changes would enhance the program's flexibility by empowering service members to obtain credentials related to occupations that are in-demand in the civilian economy but that may not directly relate to the specific military duties of the service member, with the effect of significantly expanding the service member's civilian employment opportunities;

(ii) explore the development and use of performance measures for the military credentialing and licensing program set forth at 10 U.S.C. 2015. Such performance measures would be designed to assess the effectiveness of the program, enhance accountability, and strengthen coordination with other Federal job training and education programs. The Secretary of Defense is directed to consider the feasibility of applying to the program performance measures that are applicable to other Federal job training programs, including measures such as credential attainment, entry into civilian employment, and aggregated information on earnings of service members who attained credentials in the military. The Secretary of Defense also may consider other appropriate performance measures, such as the impact of civilian credential attainment on the annual perfor-

mance reviews of service members who have completed civilian credentials while on active duty. The Secretary of Defense may carry out pilot or demonstration projects to determine how Federal agencies may collaborate with each other and, where appropriate, the States, to exchange data needed for compiling performance measures on separating service members who obtained civilian credentials while on active duty. Any pilot or demonstration projects the Secretary of Defense chooses to carry out should be accompanied by an evaluation component sufficient to determine whether and how to take the pilot or demonstration project to scale;

(iii) develop a plan to strengthen the 10 U.S.C. 2015 credentialing program, which shall include recommendations to implement performance measures and to work with the Congress to broaden and simplify the program as described above, and they shall provide an update on such plan to the Co-Chairs of the Working Group within 180 days of the date of this memorandum; and

(iv) expand efforts to reduce barriers to employment for military spouses and transitioning service members caused by restrictive state occupational licensing requirements. The Federal Government has taken numerous steps to quantify and reduce employment barriers caused by occupational licensing requirements, including by publishing the February 2012 report "Supporting Our Military Families: Best Practices for Streamlining Occupational Licensing Across State Lines," and the July 2015 report "Occupational Licensing: A Framework for Policymakers." The VOW Act also authorized the Assistant Secretary for Veterans' Employment and Training at the Department of Labor to carry out a demonstration project that engages States in efforts to streamline veterans' credentialing and licensing, and outcomes from that demonstration project were published in a

September 2015 report. The Working Group shall expand on these efforts by coordinating and cooperating with States in implementing strategies demonstrated to be successful in removing barriers to veterans' licensing and certification, and by conducting additional research as appropriate into how to further reduce barriers caused by state occupational licensing requirements.

(f) The Secretary of Veterans Affairs, in consultation with the Secretary of Labor and the Secretary of Education, shall develop a legislative proposal to amend the Post-9/11 GI Bill to ensure that veterans who use their Post-9/11 GI Bill entitlement to take credentialing and licensing tests are charged against entitlement based on the actual costs of each test, and not a minimum of a full month of entitlement (as current law provides). The Secretary of Veterans Affairs should also develop legislative proposals to allow entitlements to be used to cover the costs of other tests or assessment processes that evaluate prior learning and knowledge or provide an opportunity for course credit at an institution of higher learning. These legislative proposals shall be developed and presented to the Co-Chairs of the Working Group not later than 180 days from the date of this memorandum.

(g) The Working Group shall develop standard protocols across agencies to ensure that nongovernmental websites are not deceptively and fraudulently marketing educational services and benefits to program beneficiaries. This effort shall include establishing procedures to protect the term "GI Bill" and other military or veterans-related terms. These protocols and procedures shall be developed within 120 days from the date of this memorandum.

(h) The Department of Defense, the Department of Justice, the Department of Education, the Department of Veterans Affairs, and other interested Working Group members shall establish an enforcement subcommittee of the Working Group to focus on improving the handling of service member and veteran-student complaints; deterring false or misleading advertising by educational institutions or

others concerning their education benefits; advancing protocols for removing non-compliant schools from the Principles of Excellence, or developing other appropriate measures to protect the integrity and accuracy of information about this initiative; and developing a common set of early-warning protocols and accountability measures to improve performance by educational institutions on behalf of service members and veterans. This subcommittee shall be established not later than 120 days from the date of this memorandum. This subcommittee shall coordinate with the interagency oversight task force on career colleges and for-profit educational institutions, established by the Department of Education in May 2015, to avoid overlap and duplication of efforts.

Sec. 6. Federal Agency Implementation Plan. Within 120 days of the issuance of this memorandum, the Working Group shall establish an implementation plan setting forth specific actions that are needed to further the policy objectives identified in this memorandum and that are permitted by law. The implementation plan shall identify the steps necessary to implement the policies and meet the deadlines identified in section 5 of this memorandum. In addition, the implementation plan may identify other agency-specific actions not included in

this memorandum that the Working Group should undertake to further promote fair practices in education and training institutions serving service members, veterans, eligible spouses, and other family members.

Sec. 7. General Provisions. (a) This memorandum shall be implemented consistent with applicable law and subject to the availability of appropriations.

(b) Nothing in this memorandum shall be construed to impair or otherwise affect:

- (i) the authority granted by law to an executive department, agency, or the head thereof; or
- (ii) the functions of the Director of the Office of Management and Budget relating to budgetary, administrative, or legislative proposals.

(c) This memorandum is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity by any party against the United States, its departments, agencies, or entities, its officers, employees, or agents, or any other person.

BARACK OBAMA

Letter to the Speaker of the House of Representatives Transmitting Budget Amendments for Fiscal Year 2017 November 10, 2016

Dear Mr. Speaker:

I ask the Congress to consider the enclosed Fiscal Year (FY) 2017 Budget amendments for national security activities at the Department of Defense (DOD), the Department of State (State), and the U.S. Agency for International Development (USAID) to fund Overseas Contingency Operations (OCO).

These amendments would provide \$5.8 billion for DOD OCO activities to support the Afghan National Defense and Security Forces, and to degrade and ultimately defeat the Islamic State of Iraq and the Levant (ISIL), in-

cluding through military operations as part of Operation Inherent Resolve. For State and USAID, a total of \$5.8 billion would support the Administration's counter-ISIL and counterterrorism objectives, including the efforts to implement the diplomatic engagement, governance, and stabilization components of my Administration's counter-ISIL strategy, strengthen embassy security, and respond to relief and recovery needs, as well as provide additional humanitarian assistance for areas liberated from ISIL and other unforeseen needs.

Overall, these amendments would increase the OCO funding requested for FY 2017 by