



VETERANS EDUCATION SUCCESS

STATEMENT FOR THE RECORD

LEGISLATIVE HEARING ON THE
VETERANS EDUCATION RELIEF AND RESTORATION ACT (S. 2253)

BEFORE THE

COMMITTEE ON VETERANS AFFAIRS

U.S. SENATE

NOVEMBER 18, 2015

Chairman Isakson, Ranking Member Blumenthal, and Members of the Committee:

Veterans Education Success (VES) appreciates the opportunity to share its perspective on VERRA, the Veterans Education Relief and Restoration Act (S. 2253). VES is a non-profit organization focused on protecting the integrity and promise of the GI Bill and other federal educational programs for veterans and servicemembers.

VES supports this important, bipartisan bill, which provides relief to veterans when the school they are attending closes through no fault of their own.

Currently, the Department of Veterans Affairs (VA) lacks the authority to provide relief to veterans at closed schools and, as a result, veterans lose some or all of their GI Bill benefits—a benefit that they earned by service to their country.

School closures are not an abstract concept. The abrupt closure of 28 Corinthian campuses in April 2015 represented a setback to the career goals of more than 400

veterans who were using their Post-9/11 GI Bill educational benefits as a bridge to a better future.

- As required by statute, veterans housing benefits were terminated the very day Corinthian declared bankruptcy and closed its doors. The housing benefit is an indispensable component of the GI Bill, providing the resources for veterans to cover essential living expenses. In many cases, the housing benefit enables veterans to attend school full-time and to focus on their classes without having to worry about how to pay the rent, afford childcare, or put food on the table. Losing the housing benefit, as well as their education plan, on the very day the school closed left some student veterans facing homelessness.
- Because the closure occurred in the middle of a school term, Corinthian veterans received no credit for the courses they were taking. And, most significantly, any credits that they had already earned were rendered worthless. Few if any colleges or universities accept transfer credits from Corinthian.

VA's lack of authority to restore benefits at closed schools leaves veterans with no credits, no degrees, and the real possibility that they will exhaust their benefits if they choose to start over at a new school.

The Veterans Education Relief and Restoration Act provides veterans with an assurance that starting over will not leave them without the necessary benefits to earn a degree. It represents an important first step in helping such veterans realize the full potential of their Post-9/11 benefit. The legislation would provide VA with the authority to:

- Restore entitlement for individuals who pursued a program of education with Post-9/11 educational assistance and failed to receive credit—or lost training time—toward their degree or certificate. It would retroactively apply to veterans at the closed Corinthian campuses.

- Continue monthly educational assistance payments—including the housing allowance—through the end of the term, quarter, or semester in which the school closes, or up to 4 months from the date of the school closure (whichever is sooner), without charge to entitlement, thereby ensuring a student veteran does not suddenly face homelessness.

Moreover, the impact on federal expenditures is likely to be small because VA only incurs additional costs if a veteran affected by a school closure does, in fact, reach a point where he or she is running up against the cap on his or her educational benefits (up to 36 months for veterans who satisfy the threshold for military service). VA estimates that only 3 percent of Post-9/11 beneficiaries actually exhaust their benefit.

Enactment of VERRA will afford veterans a plan forward if their school suddenly closes.

Thank you for considering the views of Veterans Education Success on this important topic.

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