



VETERANS EDUCATION SUCCESS

STATEMENT FOR THE RECORD
COMMITTEE HEARING ON LEGISLATION
SUBMITTED TO THE
COMMITTEE ON VETERANS AFFAIRS
U.S. HOUSE OF REPRESENTATIVES

July 23, 2020

Chairman Takano, Ranking Member Roe, and Members of the Committee:

Veterans Education Success is a non-profit organization with a mission to advance higher education success for veterans, service members, and military families, and to protect the integrity and promise of the GI Bill and other federal education programs.

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

We support the Committee's work on HR 7111, the Veterans Economic Recovery Act of 2020 and appreciate the opportunity to offer suggestions to further strengthen the bill.

Section 2: COVID-19 Veteran Rapid Retraining Assistance Program

Tuition:

We appreciate the Committee's payment structure under section 2(d) to make sure programs are actually training veterans for employment by paying the educational institution in increments based on the completion of the program and finding employment in the field.

School Eligibility:

- *Accreditor Action:* We appreciate the Committee's inclusion of the common-sense provision in paragraph (c)(2) to exclude programs that have received a "show cause" order from an accreditor during the last five years. We encourage the Committee to

similarly exclude programs on “probation” by their accreditor, as this is another serious action by accreditors signaling serious problems at the school.

- *Be wary of for-profit programs:* We recommend the Committee limit the approved schools under paragraph (c) to public and nonprofit schools because for-profit short-term programs are associated with the worst student outcomes and a high level of law enforcement concern. In our [issue brief](#), we analyzed Department of Education data and found that, less than half of graduates at Title IV-participating schools that enroll GI Bill beneficiaries earned more than a high school graduate 10 years after enrolling.

Similarly, the New America Foundation recently [found](#):

“The labor market returns of a certificate program are, on average, [substantially lower](#) than the returns to an associate degree. While some very-short programs carry more value for graduates, many more have virtually [no effect](#) on wages. For instance, a recent [study](#) found that whether students graduated from a certificate program or dropped out, on average, they wound up earning the same low wage of less than \$10 an hour as a full-time worker.”

The Committee could consider limiting program eligibility to community colleges that are connected to local employer demand, similar to the Trade Adjustment Assistance Community College and Career Training (TAACCT) program that was implemented after the last recession and resulted in an [almost 30 percent increase](#) in students’ improved employment situation than comparison students.

- *Ensure Taxpayer Funds are Spent on the Veteran’s Education:* Another safeguard would be to limit eligible institutions to those that spend at least 30% of tuition on instruction. How much a college spends on instruction is [documented](#) to directly impact student outcomes and is an important measure of the quality of education and students’ ability to obtain employment. It would also help Congress ensure taxpayer funds meant to educate veterans are actually spent educating the veteran.

Section 4: Expansion of Eligible Class of Providers of High Technology Programs of Education for Veterans

We appreciate the Committee’s inclusion of language in paragraph (6) to ensure instructor expertise in the VET TEC program. As we [documented](#) to the Department of Veterans Affairs (VA), the high tech education being offered through VET TEC may be subpar, and we have additional recommendations to strengthen the program.

Currently, the program raises some red flags. For example, one of VA’s “preferred providers” in VET TEC is, according to students, not adequately informing veterans of education benefits during enrollment, threatening students who do complain, and providing subpar education, including hiring students as faculty.

A student reported:

“Galvanize... barely touches on any development fundamentals, while staffed with instructors that only have a superficial understanding of what they're teaching ...Instructors could only give cookie cutter responses to the problems students faced, and often did not fully understand the problem themselves.... The school is staffed by other Galvanize graduates with little to no industry experience, offering a facade of mentorship and guidance. Hiring students gives them ‘industry experience’, padding Galvanize's success numbers and gaining cultural influence, growing the business and further diluting the industry.

The ratio of 6 instructional hours a week to 48 hours of independent work time is far too skewed – especially when the content being provided is often through videos or step by step guides (content that is abundantly available, and for free). [I]t became very clear that Galvanize's business is marketing ploys and mass production.”

Galvanize’s own student agreement offers to hire the students: “[u]pon graduation, or after you complete your residency employment with Galvanize if applicable, you will be provided an option to stay on as a Galvanize member for six 6 months.”

Please note this is a “preferred provider” in the VET TEC program. If this is one of VA’s “preferred providers,” we caution the Committee that more quality control is needed.

We urge the Committee to:

- Limit school participation to nonprofit and public programs that are ranked highly by reputable high-tech employers; and
- Require VA to report on student outcomes before tripling the budget from \$15 million to \$45 million.

We would urge the Committee to be skeptical about increasing the budget three-fold prior to receiving a report from VA about its student outcomes.

Conclusion

We share the Committee’s belief that it is paramount that veterans retraining for high-demand occupations are attending worthwhile programs that will put them on the path for meaningful employment.

We thank the Committee for its work on HR 7111. Veterans Education Success sincerely appreciates the opportunity to express our views before the Committee today. Pursuant to Rule XI2(g)(4) of the House of Representatives, Veterans Education Success has received no federal grants in Fiscal Year 2020 nor in the previous two years.