



VETERANS EDUCATION SUCCESS®

December 7, 2020

U.S. Department of Veterans Affairs
Education Services
810 Vermont Avenue NW
Washington DC 20420
Via electronic submission to EDUSTAENG.VBAVACO@va.gov

Re: Advisory Committee on Education

Dear Members of the Advisory Committee,

Veterans Education Success is a non-profit organization that works to advance higher education success for all military-affiliated students and provides free counseling and legal assistance to students using their GI Bill and military benefits.

In addition to the information and recommendations that we shared in our June 22, 2020 letter to the Committee – including the necessity of strict standards for evaluating schools' corrective actions under 38 USC 3696 – we offer the following for your consideration.

VA Should Clarify the Approval Criteria for GI Bill Programs

Veterans actively rely on VA's program approval as a "stamp of approval" by VA. The veterans we serve are often angry that VA put its "stamp of approval" on a school which the veteran discovered was low-quality or fraudulent. Unfortunately, there are too many programs like ITT Tech and Corinthian Colleges that are hurting veterans and should never have been approved. There should be some minimum standards in place before a program is approved. Currently, initial approval is quite lax, and VA can act to define, through regulatory action, the program approval requirements of Chapters 34 and 35.

Specifically, 38 USC § 3676 (approval of nonaccredited courses) has some restrictions, but many are undefined. We urge VA to clarify some of these terms through regulation, including

- The definition of "quality" in (c)(1), which could incorporate clear student outcome metrics already used by the Education Department, including:
 - Student earnings after leaving the school
 - Student debt
 - Cohort default rates
 - How much of tuition a school spends on the veteran's instruction
 - Graduation rates -- if combined with graduates' earnings and debt levels -- may provide a helpful view of the education's success. That said, we caution VA not to rely too heavily on graduation rates because that could inadvertently encourage "diploma mills" in which everyone graduates yet nobody learns what they came to learn.

- Licensure pass rates: Programs designed to lead to a licensed occupation (like nurses, psychologists, electricians, lawyers) should be able to demonstrate their graduates have an acceptable pass rate on licensing exams to be eligible for the GI Bill.
- The definition of teacher qualifications in (c)(4), which should be clarified to ensure a program should employ teachers who have the appropriate advanced degree in the area they are teaching (such as a law degree if teaching law or a PhD or MA if teaching the humanities). Teachers of certificate programs should have relevant field experience and licensure. Teachers in licensed occupations (such as nursing) must have that license and experience;
- The definition of “financially sound” in (c)(9), which could easily be defined by reference to US Education Department standards;
- The ban on deceptive advertising in (c)(10), which should be clarified to ban any school that has faced legal or regulatory concerns over its advertising in the prior 5 years; and
- The definition of “good character” in (c)(12), which should be clarified to ban administrators and teachers who have faced legal or regulatory action or any action by a licensing board.

These could be implemented without burdening the SAAs by simply requiring schools to report, and attest, to SAAs their compliance with these metrics and standards.

Fully Implement the “Career Ready Student Veterans Act”

Despite a 2016 statute, some programs that are approved for GI Bill benefits lack the proper programmatic accreditation or state recognition, such that they leave students ineligible for the job they trained for. Congress [enacted](#) the Career Ready Student Veterans Act (Section 409 of [Public Law 114-315](#))¹ in 2016 to address this problem, but programs that do not meet this criteria are still being approved for the GI Bill.

Out of the 59 degree programs approved for GI Bill that our 2015 research report, [“The GI Bill Pays for Degrees that Do Not Lead to a Job,”](#)² identified as not preparing graduates for state licensure or certification, 32 of those programs *were still enrolling GI Bill beneficiaries in 2018*, despite Congress’ passage of the 2016 law, according to our follow up report, [“Despite a 2016 Statute, The GI Bill Still Pays for Degrees that Do Not Lead to a Job.”](#)³ For example, there were law schools approved for GI Bill that lack the proper accreditation by the American Bar Association (ABA), which is necessary to become a licensed lawyer in almost every state. We appreciate the action VA took in January 2020 to disapprove GI Bill eligibility for three California law schools that were not ABA-accredited and in February 2020 VA to disapprove 16 programs at Ashford that failed to meet the Career Ready Student Veterans Act. However, other programs remain GI Bill-approved when they fail the law’s standard, including non-ABA

¹ Section 409 of P.L. 114-315, the Jeff Miller and Richard Blumenthal Veterans Healthcare and Benefits Improvement Act of 2016, <https://www.congress.gov/114/plaws/publ315/PLAW-114publ315.htm>.

² Walter Ochinko, *The GI Bill Pays for Degrees that Do Not Lead to a Job*, Veterans Education Success (Sept. 2015), <https://vetsedsuccess.org/the-gi-bill-pays-for-degrees-that-do-not-lead-to-job/>.

³ Walter Ochinko, *Despite a 2016 Statute, The GI Bill Still Pays for Degrees that Do Not Lead to a Job*, Veterans Education Success (April 2018), <https://vetsedsuccess.org/ves-report-despite-a-2016-statute-the-gi-bill-still-pays-for-degrees-that-do-not-lead-to-a-job/>.

accredited law schools.⁴ We recommend VA train and work more closely with SAAs to ensure they are implementing the law on a consistent basis.

Provide Veterans the Information They Need to Make an Informed College Choice

Countering the aggressive marketing by predatory colleges necessitates VA provide warnings and dramatically improve the GI Bill Comparison Tool to preserve the integrity of the GI Bill.

VA should educate GI Bill students about what a “Master Promissory Note” means, because too many veterans wind up with student loans they did not understand.

The GI Bill Comparison Tool contains important information for both prospective students and researchers, but it is clunky and not user-friendly. We understand VBA has taken on a modernization project and urge VA to ensure the new Tool includes:

- Side-by-side comparisons of schools.
- Searches by major or degree sought and by geographic area.
- Updated student outcome metrics from the Education Department.
- A “Risk Index” to enable students to avoid risky schools and improved “Caution Flags” to show government or accreditor action against the school.
- Student complaints received by VA (showing all complaints, not just closed ones).
- Show closed schools like ITT Tech on the data dashboard.
- Give students the option to make the narrative portion of their complaint public.

Automate the Existing GI Bill Restoration

Due to COVID, thousands of Americans have become unemployed and, unfortunately, veterans were not immune to this. The veteran unemployment rate jumped from 3.8% in March of 2020 and hit a high of 11.8% the following month. As of October, the veteran unemployment rate is still at a high of 5.9%. Given the COVID crisis, many veterans are struggling financially.

At the same time, VA has experienced [low uptake](#) on applications for GI Bill restoration for veterans who attended schools that closed between January 1, 2015 and August 16, 2017 -- including ITT Tech and Corinthian, which had high enrollment of GI Bill students. It is probable that many veterans who were defrauded by ITT Tech and Corinthian, having attended a low-quality school and not finished that training, are most certainly still struggling, out of work, and in need of training that will help them find viable long-term recession proof career options. Given that VBA has careful records that document a student’s attendance at the schools and eligibility for the restoration (e.g., were enrolled within 120 days of the school’s closure), we believe it would be beneficial for VA to restore their GI Bill without requiring unnecessary hoops for the veteran to jump through.

⁴ For example, San Joaquin College of Law is [approved](#) for GI Bill funds and according to the GI Bill Comparison Tool currently has 10 GI Bill students attending, yet is not ABA [accredited](#).

Grant Equitable Relief for GI Bill “Retroactive Readjustments”

Veterans who come to Veterans Education Success with VA collections for GI Bill overpayments largely fall into two main overpayment situations: overpayments for enrollment changes, and “retroactive readjustments” of GI Bill benefits awarded to a veteran.

A “retroactive readjustment” means that VA adjusts a veteran’s GI Bill eligibility after the veteran has used the benefit. We have helped beneficiaries whose GI Bill entitlement has been retroactively lowered, sometimes years after the individual has completed his degree. We have helped many with retroactive readjustments in the tens of thousands of dollars, and some as high as \$100,000.

If the veteran lied to or misled VA in some way, then it is understandable for VA to request reimbursement. Absent that, and with enrollment certified by VA officials every semester, thus it is unfair to retroactively change a veteran’s GI Bill eligibility when he or she has already finished the classes. In these cases, veterans rely on a promise that the GI Bill would pay for their classes, VA comes back to the veteran after the classes are completed to say it was a mistake, and the veteran needs to come up with tens of thousands of dollars.

Retroactive adjustment of GI Bill benefits can also take place when a school moves from a higher-cost housing allowance “code” to a lower-cost one. A defect in the Long Term Solution (LTS) system, which pays GI Bill benefits, is that if a school moves it will trigger an overpayment notice for any student who has ever attended that school, even if they attended it when it was in the higher-cost area. VA employees must notice this error and manually correct it. Sometimes they are successful and, like all humans, sometimes they are not. This, however, is an unfair burden to place on the veteran.

VA has the authority under 38 USC § 503 to grant equitable relief in these situations, and should grant equitable relief to forgive these debts.

Veterans Education Success would be pleased to assist the Committee by sharing additional research and historical information, as well as making our researchers and policy experts available to speak with the Committee in developing recommendations. Please feel free to contact Aniela Szymanski at aniela@vetsedsuccess.org or 702-234-5956.

Sincerely,

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