We are providing comments on the May 6, 2021, Federal Register Notice (ED-2021-FSA-0005) concerning the re-establishment of the flawed computer matching agreement (CMA) between the U.S. Department of Education (ED) and the U.S. Department of Veterans Affairs (VA). The objective of the CMA is to assist ED with verification of a veteran's status during the processing of applications for financial assistance under title IV of the Higher Education Act of 1965, as amended.

According to information ED provided to Congress, there has been very limited success in identifying veterans under the data matching agreement, and, in fact, ED and VA have failed to successfully match a shocking 85 percent of instances in which applicants indicated on the Free Application for Federal Student Aid (FAFSA) that they were veterans. It seems highly unlikely, if not impossible, that such a high proportion of individuals would falsely claim to be veterans.

Instead, we believe there are several reasons why the CMA match rate is abysmal:

- VA uses the Beneficiary Records Locator Subsystem (BIRLS), which identifies only those veterans who have applied for benefits; that is, it excludes veterans who have not yet submitted applications to receive benefits;
- an individual may identify as a veteran on the FAFSA but have less than an honorable discharge and thus be excluded in the matching process; and
- the BIRLS active-duty service requirement is 24 months, which may exclude some individuals who enlist for a 2-year period but whose actual active-duty service is shorter because it (1) includes basic training and job training, or (2) is not continuous, which could impact individuals serving in the National Guard and Reserves.

In fact, the match rate may be even worse than 15 percent because it reflects only individuals who indicated veteran status on the FAFSA. First, as you know, 99 percent of applicants complete the FAFSA online and the skip pattern introduced over 10 years ago eliminates the veteran status question if other responses show that the applicant qualifies for aid as an independent student. Second, because veterans have a generous educational benefit, many may not apply for federal student aid by completing the FAFSA. Research by Veterans Education Success using ED survey data from the 2015-16 National Postsecondary Student Aid Study shows that fewer than half of veterans received federal loans and, depending on institutional sector, only between 28 percent and 55 percent of veterans received Pell Grants.[1]

Clearly, the low CMA match rate compromises the ability of ED to provide data for the GI Bill Comparison Tool on veteran student loan debt, the subject of a November 2016 MOU between ED and VA. No such data has been published almost 5 years after the MOU was signed.[2] To no avail, Veterans Education Success, the Institute for College Access and Success, and the U.S.

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[1]Ochinko, W. and Kathy Payea (2019). *Veteran Student Loan Debt: Data from NPSAS: 08, 12, 16.* Washington, D.C., Veterans Education Success, January.

[2]U.S. Department of Education, "Federal Agencies Enhance Collaboration to Support Veterans in Higher Education." November 10, 2016, press release available at https://vetsedsuccess.org/wp-content/uploads/2018/10/ed-press-release-more-collaboration-to-help-student-veterans.pdf

Senate Health, Education, Labor, and Pensions Committee have urged ED to remove the skip pattern and allow all veterans to self-identify if they choose to apply for federal student aid.[3]

Moreover, one objective of CMAs between ED and VA is to forgive federal student loans for veterans whose service results in either a 100 percent disability rating by VA or in a determination that a veteran is "individually unemployable" (as low as 70 percent disabled). For these purposes, achieving a 100 percent match rate is crucial. Both ED and VA should ensure that the precedent of this CMA advances its purposes related to expanding the Total and Permanent Disability (TPD) discharge for eligible veterans.

In order to capture the full universe of veterans, the Department of Defense may be a more appropriate source for data matching. For example, the Defense Manpower Data Center (DMDC) has information on individuals who have served but are not currently on active duty. At a minimum, ED should attempt a match using DMDC data to determine if this improves the match rate. Additionally, ED should inquire whether a VA data source other than BIRLS could capture veterans who are not currently receiving benefits.

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[3]See 2017-18 Federal Student Aid Application Comments available at https://www.reginfo.gov