PRESS RELEASE: Senate Passes Important “VETS Credit Act” Unanimously, Bill Heads to the President for Signature

Today, we celebrate the unanimous passage of the Veterans Eligible to Transfer School (VETS) Credit Act in the U.S. Senate Monday night – a bill that will ensure student veterans whose schools close can get their GI Bill restored without facing VA red tape. The House of Representatives also voted in support of the bill, by a vote of 412-1, in May of this year, and the bill now moves on to the President for signature.

Over the past year, notable school closures including the Center for Excellence in Higher Education, Stratford University, Quest College, and Cazenovia College have left student veterans with more questions than answers and wondering what to do next. As they determine their next steps, a critical and obvious question students have is, “How much GI Bill do I have left?” VA was refusing to answer whether veterans at closed schools could get their GI Bill benefits restored unless those students had already enrolled at a new school.

But, understandably, students aren’t comfortable signing enrollment papers at a new school if they aren’t sure how much money they’ll have available to pay for it. This is a particularly important question for veterans whose schools closed, because under federal law they are entitled to get their entire GI Bill restored if their school closed.

In August 2021, we wrote a memorandum to the U.S. Department of Veterans Affairs (VA) to establish our concern over the language on its GI Bill Restoration Page but VA declined to change its interpretation and requirement.

“VA should not be making it harder for student veterans to use their benefits and get back on track to their educational goals with unnecessary requirements,” said Will Hubbard, Vice President for Veterans & Military Policy at Veterans Education Success. He continued, “VA should be finding ways to ease the burden of veterans coming from a school closure situation instead of adding statutorily unsupported hurdles.”

Under this legislation (soon to be law, assuming President Biden’s signature), veterans simply have to sign a declaration that they understand that if they transfer 12 or more credits they are ineligible to receive their full GI Bill restoration. It is a simple solution that ensures veterans can move forward with their education plans.

We applaud Congressman Vern Buchanan (R-FL) for introducing this legislation to help student veterans know how much GI Bill benefits are available to them and what their rights are to use those benefits in pursuit of their educational goals. This legislation removes VA’s red tape requirement that student veterans should have to transfer to a new school before they can apply for GI Bill restoration, and we are grateful for the support of this bill in Congress.
Background

The current language on the GI Bill VA Restoration Page implies that students must transfer to a new school before they are allowed to apply for restoration of their GI Bill benefits.

Specifically, the VA page states, “If your school closed or program was disapproved after August 1, 2021, to receive restoration of entitlement for your entire program, you must first enroll at a new school or training institution and have them evaluate how much credit they will accept. Once the evaluation is complete, VA can determine how much entitlement may be restored.” This requirement is unsupported by the statute as both we and Congressional Committee staff explained to VA; moreover, it effectively incentivizes--and, in effect, directly instructs--student veterans to rush into transferring to a new school.

Indeed, the statute does not require students to transfer to a new program in order to get their GI Bill restored; instead, the statute clearly provides that veterans will receive their full GI Bill restoration unless they transfer 12 or more credits. The current wording on VA’s Restoration Page is dangerous because many schools that close suddenly often wrongly push students to transfer to low-quality partner schools from which the closing school has a benefit.

Students are eligible to have their VA benefits restored under certain circumstances if the school they attended closed or is disapproved. The two laws that currently govern students’ rights are laws that Veterans Education Success proposed and led on:

1. The Harry W. Colmery Veterans Educational Assistance Act of 2017, which restored one term (or quarter or semester) of entitlement to beneficiaries affected by school closure or disapproval (if the disapproval was due to a change in law or VA interpretation of statute), for schools that closed or were disapproved between January 1, 2015 and August 1, 2021 (covering the time period when Corinthian colleges and ITT Tech closed).

2. Effective August 1, 2021, section 1021 of the Johnny Isakson and David P. Roe Veterans Health Care and Benefits Improvement Act of 2020, extended the Colmery Act’s restoration for closed schools to provide that beneficiaries are entitled to full restoration for the entirety of their time at the closed school, not just the last term, quarter, or semester, if the beneficiary does not transfer more than 11 credits to a new school. Section 1021 protections are in effect until September 30, 2023.

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About Veterans Education Success
Veterans Education Success is a veteran advocacy organization that works on a bipartisan basis 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. The organization offers free help, advice, and college and career counseling to service members, veterans, survivors, and families using federal education benefits. It helps them participate in their democracy by engaging with policymakers. Veterans Education Success also provides policy expertise to federal and state policymakers and conducts non-partisan research on issues of concern to student veterans. Additional information is available at [www.vetsedsuccess.org](http://www.vetsedsuccess.org).