



**STATEMENT FOR THE RECORD
SUBMITTED TO THE
HOUSE COMMITTEE ON VETERANS' AFFAIRS
SUBCOMMITTEE ON ECONOMIC OPPORTUNITY
118TH CONGRESS, SECOND SESSION**

June 12, 2024

Chairman Van Orden, Ranking Member Levin, and Members of the Subcommittee:

We thank you for the opportunity to share this statement for the record to be considered during this hearing, which includes many notable bills addressing topics in higher education and veterans' education benefits. Veterans Education Success is a nonprofit organization with the mission of advancing higher education success for veterans, service members, and military families, and protecting the integrity and promise of the GI Bill® and other federal education programs.

In this statement, we address the following legislative proposals: the *Guard and Reserve GI Bill Parity Act of 2024*, the *Student Veteran Debt Relief Act of 2024*, the *GI Bill Book Stipend Act*, the *Reforming Education for Veterans Act*, the *Modernizing the Veterans On-Campus Experience Act of 2024*, the *Warriors to Workforce Act*, and the *Veterans Education and Technical Skills Opportunity Act of 2024*.

We applaud the Subcommittee's dedication to our Nation's veterans and look forward to working closely with the staff members on the advancement of many of these important topics for broader consideration.

H.R. 7543, the Guard and Reserve GI Bill Parity Act of 2024

This bill would expand Post-9/11 Educational Assistance eligibility to include National Guard Members performing active duty service. It broadens the definition of qualifying service to encompass various active and training duties as specified in Titles 10 and 32, and applies these provisions retroactively to service since September 11, 2001. The amendments will take effect one year after enactment.

We are pleased to see Congress address this long-overdue issue affecting the eligibility of reserve component members for the Post-9/11 GI Bill by reintroducing the *Guard and Reserve GI Bill Parity Act*.¹ The current law mandates that Guard and Reserve Members must have served at least 90 cumulative or 30 continuous days on active duty to accrue "qualifying days," creating a disadvantage in accessing their deserved GI Bill educational benefits. Despite the obligation for reserve component members to "serve in uniform" and fulfill duty responsibilities

¹ Veterans Education Success. Joint U.S. Senate and U.S. House of Representatives Veterans Affairs Committee Hearing. "Statement for the Record: Legislative Priorities Submitted to the Senate and House Committees on Veterans Affairs 2024," (Mar. 13, 2024), <https://vetsedsuccess.org/statement-for-the-record-legislative-priorities-submitted-to-the-senate-and-house-committees-on-veterans-affairs-2024/>.

for a minimum of 39 non-consecutive days each fiscal year, these periods of service do not currently contribute toward Post-9/11 GI Bill eligibility. We appreciate the Subcommittee's work to address this disparity.

We also applaud this legislation for applying retroactively, and that it would apply to all service performed on or after September 11, 2001. We appreciate the strong bipartisan support for this legislation, and are especially grateful to Chairman Van Orden and Representatives Ciscomani and Mrvan of this Subcommittee for their co-sponsorship. We look forward to seeing this legislation advance, and we support this bill.

H.R. --, the Student Veteran Debt Relief Act of 2024

This bill would modify the requirements for recovering overpayments of educational assistance by VA. Through proposed subparagraph (f)(1), GI Bill overpayments would not be considered a liability of the student or institution if the U.S. Department of Veterans Affairs (VA) made an error or received incorrect information from the U.S. Department of Defense (DOD).

In addition, proposed subparagraph (f)(2) directs that in instances where an overpayment has been made and the Secretary determines in consultation with an institution that liability for the overpayment would likely result in the student not being able to continue at the school, VA would be required to review the liability to determine if it is eligible for a potential hardship waiver, and if not, enter into a payment plan with the student.

Pursuant to proposed subsection (g), the Secretary may not recover an overpayment under §3685 unless the overpayment occurs and is identified after the enactment of this Act, and the institution is notified and the overpayment identified within 10 years of the overpayment occurring.

We cannot support this bill as it is not good for student veterans. It undermines the *Protect the GI Bill Act*, enacted in 2021, which ensured that overpayments were the obligation of the institution.

We have serious concerns about subparagraph f(2) because the language of the bill as well as the problem purportedly being resolved by the bill are unclear. Of particular concern is that subparagraph f(2) appears to authorize the Secretary, acting in concert with the school, to shift the school's responsibility for repayment (provided in existing 38 U.S.C. §3685(b)) from the school to the student.

The bill specifies that the Secretary *shall seek repayment from the student if, in consultation with the institution*, the Secretary determines liability for the overpayment would likely result in the student not being able to continue in the program. The bill does not appear to provide the student the option of still requiring VA to recover the overpayment from the school. Rather, the Secretary is required to review the liability for a hardship waiver, and if it does not apply, enter into a payment plan with the student. In doing so, the bill undermines the *Protect the GI Bill Act*.²

Student veterans who contact us often have complaints about misleading information and the low quality education they receive from predatory schools, and they do not want to spend any more of their GI Bill at the school. Further, students may not want to assume obligations under a

² The purpose of paragraph f(2) is made even more unclear because VA should already be reviewing student debt to VA for hardship pursuant to 38 U.S.C. §5302. If the intent of the bill is to require VA to consider whether a *student's* liability to VA would likely cause the student to withdraw from school as part of a hardship review, then that could be achieved with a simpler provision.

payment plan with VA. This bill would put students in jeopardy because institutions could misuse this provision to provide unreliable and self-serving information to the Secretary about the student's circumstances, resulting in the repayment obligation being shifted to a student who actually may not intend to continue in the program.

Especially troublesome, predatory schools could use the threat of aggressive collection practices and prohibitive institutional debt to intimidate students into staying enrolled and assuming a payment plan with VA with more favorable terms. This bill would unintentionally provide schools with the means to intimidate students to remain enrolled at an institution or incentivize students to stay enrolled at a low-quality school.

Similar to subparagraph f(2), the problem to be solved and the scope of the solution in proposed subsection (g) are not clear. It appears that the Secretary will be prohibited from seeking recovery of overpayments under Section 3685 that occurred prior to the enactment of the Act, and that this protection may only relate to seeking recovery from institutions.

We urge the Committee to set aside this current draft legislation and engage in further fact-finding and policy development without the unintended consequences of undermining the 2021 law that holds institutions liable for overpayments.

H.R. --, To amend title 38, United States Code, to provide for an annual increase in stipend for books, supplies, equipment, and other educational costs under Post-9/11 Educational Assistance Program of Department of Veterans Affairs

This bill proposes an annual increase in the stipend for books, supplies, equipment, and other educational costs under the Post-9/11 GI Bill. The key provisions include raising the stipend amount to \$1,400 from the current maximum of \$1,000 and introducing a new requirement for the Secretary to adjust the stipend based on the Consumer Price Index (CPI) each fiscal year.

The present book stipend amount has not changed since the original Post-9/11 GI Bill legislation passed in 2008.³ This stipend has not kept pace with the increased costs of educational materials. The Bureau of Labor and Statistics inflation calculator estimates that the economic value of \$1,000 in 2008 is worth nearly \$1,500 today, a roughly 50% increase, and yet the book stipend has remained stagnant.⁴

We support this common-sense legislation to modernize the amount of the book stipend and additional increases based on the CPI. We thank the Subcommittee for addressing this long overdue issue.

H.R. --, the Reforming Education for Veterans Act

This bill would seek to codify certain policies for GI Bill students during periods of military service, including the requirement of a leave of absence policy. It would also decrease the number of compliance surveys for educational institutions that have multiple locations, and mandate timely updates to the school certifying officials (SCO) handbook.

We support the intended goal of improving protections for student veterans who are mobilized for a period of military service. However, we believe those protections are already enshrined in

³ Section 5003 of H.R.2642, the *Supplemental Appropriations Act of 2008* authorized the book stipend, codified as 38 U.S.C. §3313(e)(2)(B)(iv)(I).

⁴ The Bureau of Labor and Statistics inflation calculator estimates \$1,000 in 2008 would be valued at roughly \$1,485 in 2024. Reference: https://www.bls.gov/data/inflation_calculator.htm

two separate pieces of legislation: the *Isakson-Roe Act*, which conditions eligibility for VA funds on similar accommodations, and the *Higher Education Opportunity Act*, which requires all Title IV institutions to accommodate servicemembers when they are activated.^{5, 6} We are concerned that the enactment of yet a third piece of legislation mandating essentially the same accommodations is not only redundant, but also could lead to confusion and complicate compliance.

We urge the Committee to abandon Section 3, which proposes limiting annual compliance surveys at multi-campus institutions to no more than one. We are alarmed at the notion of allowing any venue where veterans may enroll and use their hard-earned benefits to skip a compliance survey. This would be a giveaway to college chains that operate many locations. Conditions at one campus location do not necessarily reflect the circumstances of other campuses, and even aggregating data across multiple campuses can mask subpar conditions that fall below the compliance thresholds.

Ensuring compliance by every branch is important to protecting student veterans and the GI Bill. Compliance burdens are the price that institutions voluntarily accept in exchange for eligibility for GI Bill funds. We believe it is entirely reasonable that VA be allowed to ensure that all venues enrolling veterans are in compliance with the requirements that Congress has seen fit to impose on institutional participants.

Finally, we acknowledge the importance of timely updates to SCOs, as they are oftentimes the frontline support for student veterans on campus. Ensuring they have the most current guidance, consistent with the statute and intent of Congress, is critical to the proper functioning of GI Bill benefits. We support this section of the bill, and would support the inclusion of this provision in future legislation.

H.R. --, the Modernizing the Veterans On-Campus Experience Act of 2024

This bill would improve on-campus educational and vocational counseling provided by VA's VetSuccess on Campus (VSOC) program. It revises counselor qualifications, allowing them to serve at multiple campuses and limiting their caseloads to 25 individuals at a time.

A key feature of this bill is allowing counselors to serve multiple campuses. This flexibility addresses the issue of limited resources at some institutions, ensuring that more veterans can access these services regardless of their location. It maximizes the use of available counselors and creates a broader support network.

⁵ Public Law 116-315, Section 1018 stipulates institutions must, "maintain a policy that (i) ensures that members of the Armed Forces, including the reserve components and the National Guard, who enroll in a course of education at the educational institution may be readmitted at such institution if such members are temporarily unavailable or have to suspend such enrollment by reason of serving in the Armed Forces; and (ii) otherwise accommodates such members during short absences by reason of such service."

⁶ Public Law 110-315, Section 487 stipulates institutions must, "Any student whose absence from an institution of higher education is necessitated by reason of service in the uniformed services shall be entitled to readmission to the institution of higher education if (A) the student (or an appropriate officer of the Armed Forces or official of the Department of Defense) gives advance written or verbal notice of such service to the appropriate official at the institution of higher education; (B) the cumulative length of the absence and of all previous absences from that institution of higher education by reason of service in the uniformed services does not exceed five years; and (C) except as otherwise provided in this section, the student submits a notification of intent to reenroll in the institution of higher education in accordance with the provisions of paragraph (4).

Additionally, the bill limits the number of individuals a counselor can serve to 25 at a time. This cap would help to maintain the quality and effectiveness of the counseling services, ensuring that each veteran receives personalized attention.

We support this legislation, and thank Chairman Van Orden for leading this proposal.

H.R. --, Warriors to Workforce Act

This bill would increase the monthly housing allowance (MHA) stipend from 80% to 90% for veterans during the total first year of full-time apprenticeship or on-job training (OJT) programs. Presently, veterans receive 100% of the MHA for the first six months, which decreases by 20% every six months that follows.

We believe there are a variety of beneficial pathways available with the GI Bill, including apprenticeships and OJT programs. While these programs are lesser known in comparison to traditional 2- and 4-year degrees, for many of the veterans who make use of these pathways they can offer long-term gainful employment.⁷ We believe additional monetary support during the transition period will allow veterans to focus more on their training, and to worry less about their finances.

We do note, as a practical matter, that an increase in funding of the second six-month period creates a greater disparity as the MHA rate would drop in the following period from the proposed 90% down to 60% (as opposed dropping from 80% to 60%). We would encourage the Subcommittee to consider this element in discussions with VA, and ways to mitigate any risks associated with a steeper decline in the MHA during that period.

We support this legislation, and thank the Subcommittee for presenting it for consideration. We also thank the Chairman for championing this proposal, and look forward to providing any additional feedback on it as the Subcommittee may request.

H.R. 7986, the Veterans Education and Technical Skills Opportunity Act of 2024

The Veterans Education and Technical Skills Opportunity Act of 2024, or “VETS Opportunity Act” would modify the criteria for approval of certain independent study programs. Specifically, the bill seeks to amend 38 U.S.C. §3680A(a)(4)(B)(iii)(II) to add, as an exception to the prohibition against independent study programs, for-profit programs that do not lead to a standard college degree or to a certificate at an institution of higher learning.

We urge the Committee to set aside this legislation and undertake further analysis. The rationale and actual need for this legislation are unclear, and the current proposal would pose dangerous unintended consequences to student veterans.

Some proponents of this legislation contend it is needed so that “hybrid programs” – defined as programs offered as a combination of online and resident training – at for-profit institutions may be approved, but this argument is fundamentally flawed and misleading. Hybrid standard college degree and certificate programs offered at institutions of higher learning, which includes for-profit schools, may be approved under §3680A(a)(4) already. Therefore, the proposed

⁷ A 2015 Government Accountability Office report titled, “Outcome Measures and More Outreach Would Enhance the Post-9/11 On-the-Job Training and Apprenticeship Programs” found that veterans make use of OJT and apprenticeship programs at a rate of approximately 2% of over all GI Bill users. For more details, reference: <https://www.gao.gov/assets/gao-16-215t.pdf>.

amendments to §3680(A) are unnecessary for providing access to hybrid programs, if that is the intention of the legislation.

As the bill is currently drafted, the changes will open up the GI Bill to a subset of so-called independent study programs that were wisely excluded when §3680A was last amended, due to the exploitative nature and lack of accountability.⁸ The exclusion of those programs was extensively considered, and agreed upon by overwhelmingly bipartisan Congressional majorities as part of the passage of the Forever GI Bill in 2017. We believe this legislation would open up the GI Bill to some of the worst and most exploitative programs.

From a technical perspective, it is unclear why this legislation proposes expanding the current definition to also include subsection (a) of §3680A, as inclusion of foreign programs under this change would be unusual. Furthermore, the term “is qualified to participate in the student financial assistance programs authorized by Title IV of that Act” would be a weak and inadequate standard. We believe, at minimum, it should be amended to read, “*participates* in the student financial assistance programs authorized by Title IV of that Act.” Any programs that would be eligible for Title IV funds, but elect to not accept Title IV funding, often do so to avoid the requirements and scrutiny that accompany a signed program participating agreement with the U.S. Department of Education.⁹

We strongly oppose this legislation, and encourage the Subcommittee not to advance it for additional consideration.

Conclusion

Veterans Education Success sincerely appreciates the opportunity to express our views before this Subcommittee. We look forward to the discussion and review of these proposals, and we are grateful for the continued opportunities to collaborate on these topics.

⁸ Public Law 115-48, Section 302, <https://www.congress.gov/115/statute/STATUTE-131/STATUTE-131-Pg973.pdf>

⁹ There may be rare exceptions to this, such as some religious institutions that object to title IV resources on the basis of their beliefs.

Information Required by Rule XI2(g)(4) of the House of Representatives

Pursuant to Rule XI2(g)(4) of the House of Representatives, Veterans Education Success has not received any federal grants in Fiscal Year 2024, nor has it received any federal grants in the two previous Fiscal Years.