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

We thank you for the opportunity to share this statement for consideration 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: Transparency for Student Veterans Act, draft language on the Edith Nourse Rogers STEM Scholarship, draft language on a repository of guidance from the U.S. Department of Veterans Affairs (VA), Expanding Access for Online Veteran Students Act, and a proposal to establish the Veterans Economic Opportunity and Transition Administration at VA.

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. - - , Transparency for Student Veterans Act**

This bill would require VA to disclose additional information about schools to prospective student veterans, including data specifically about veterans and service members who used VA educational assistance. This would include data such as retention and completion rates, average length of time for obtaining a credential, and average annual salary. The bill also modifies the median debt calculation to include the debt associated with certificate/professional licensure programs.

The bill would also direct VA to work with other federal agencies to obtain outcomes information for students eligible for veterans educational benefits. We have been long-
time champions of providing student veterans with the necessary information and resources to make the most of their earned benefits and advance their career goals.¹

From a technical standpoint, we would like to offer some feedback for consideration regarding how the term “covered education” is used in the text. “Covered education” is defined with reference to 38 U.S.C. §3691A, which provides that “covered education” is “a course of education (A) at an institution of higher education; and (B) paid with educational assistance furnished under a law administered by the Secretary.” Requesting data for “covered education” might include individuals who used VA benefits for only a portion of their education.

An individual may not have sufficient educational assistance to pay for their entire education and may use VA educational assistance to pay for only a portion of their education. Some of the data points do not seem to consider this possibility, which may lead to confusion and inaccurate information being provided. For example, the data point on the rate at which veterans and service members “complete covered education” could be interpreted in two ways: 1. The rate at which veterans complete a degree that is completely paid with VA educational assistance; 2. The rate at which they complete the portion of their degree that is paid with VA educational assistance. We think the current text of this bill is ambiguous on which interpretation would be correct and could result in VA providing the incorrect data.

Similarly, the data points on the “average length of time” for a veteran “to complete covered education at the institution” would seem to include the periods when only a portion of the education is paid with VA educational assistance. Unless the data points are clarified, the bill could lead VA to generate misleading information about the success rate of veterans in completing their education.

Despite these technical considerations, we offer our support for the intent of this legislation, and hope to work with Congress to advance this measure.

**H.R. 3601, Student Veteran Work Study Modernization Act**

The bill institutes a five-year pilot program that would expand the existing provisions related to the work-study program for students under the Veteran Readiness and Employment (VR&E) program. Currently, individuals must be pursuing programs at a rate of at least three-quarters of a full-time student. The pilot program would expand it to individuals pursuing a program at a rate of half of a full-time student. The bill also institutes a reporting requirement and references how to determine the budgetary effects.

We recognize the importance and value of the work-study program available through VA for student veterans to supplement their income while pursuing their training and education goals. We support extending this program to VR&E students to afford them

opportunities to engage in activities supporting their income, and we support this legislation.

**H.R. - - , To amend title 38, United States Code, to modify the requirements of the Edith Nourse Rogers STEM Scholarship**

This bill would make several changes to the Edith Nourse Rogers STEM scholarship to make the scholarship more accessible to student veterans intending to make use of the program, including:

- Expand the list of eligible degrees to include graduate degrees.
- Lower the number of credit hours required to qualify for the scholarship.
- Add new priority groups for students who have used the most months of assistance and students pursuing a qualifying post-secondary degree.

Expanding the list of eligible degrees to include graduate degrees would provide additional flexibility in the program, but should be monitored to ensure that utilization by officers for graduate studies does not come at the expense of enlisted seeking undergraduate degrees. One technical issue is that the credit hour requirement in the current statute (38 USC §3320(B)(3)(a)(i)) may need to be revised to include graduate programs.

We also believe that lowering the number of completed credit hours required to qualify for the scholarship would increase participation. However, we encourage the Subcommittee to consider readdressing these changes if future utilization rates balance significantly in favor of graduate students and officers, as they are not the original target audience of the program.

Finally, adding new priority groups for students who have used the most months of assistance and students pursuing a qualifying post-secondary degree would ensure that the scholarship is awarded to students who are most in need of financial assistance.

We support the passage of this legislation, and look forward to working with the Committee on this bill.

**H.R. - - , To amend title, United States Code, to improve the processes to approve programs of education for purposes of the educational assistance programs of the Department of Veterans Affairs, and for other purposes;**

The bill proposes changes related to consumer information requirements for schools, and the establishment of a website for school certifying official (SCO) training information by VA. Section 1(a) reduces the requirement that schools provide certain consumer information to prospective students by inserting “to the maximum extent practicable.” Section 1(b) requires VA to establish a website for publishing information about SCO training the Department provides.

**Section 1(a).** Currently under 38 U.S.C. §3679(f)(1)(A), schools risk losing VA approval if they do not provide individuals with a form containing certain information before
These disclosures include reasonable and necessary information for student veteran decision making, including:

- The estimated total cost of the course, including tuition, fees, books, supplies, and any other additional costs;
- An estimate of the cost for living expenses for students enrolled in the course;
- The amount of the costs under clauses (i) and (ii) that are covered by the educational assistance provided to the individual under chapter 30, 31, 32, 33, or 35 of this title, or chapter 1606 or 1607 of title 10, as the case may be;
- The type and amount of Federal financial aid not administered by the Secretary and financial aid offered by the institution that the individual may qualify to receive;
- An estimate of the amount of student loan debt the individual would have upon graduation;
- Information regarding graduation rates;
- Job-placement rates for graduates of the course, if available;
- Information regarding the acceptance by the institution of transfer of credits, including military credits;
- Any conditions or additional requirements, including training, experience, or examinations, required to obtain the license, certification, or approval for which the course of education is designed to provide preparation; and
- Other information to facilitate comparison by the individual of aid packages offered by different educational institutions.

The bill modifies the schools’ obligations in Section 3679(f)(1)(A) by inserting that the information is provided only “to the maximum extent practicable.” However, “to the maximum extent practicable” is a subjective and yielding standard that would make the disclosures essentially unenforceable, removing an important protection for veterans. We believe that the information currently required is necessary for veterans to make the best decision about where to spend their hard-earned GI Bill benefits.

Inserting the phrase “to the maximum extent practicable” seems to elevate the convenience of the schools above the interests of the veterans and could result in student veterans generally being denied important information. Further, without a firm obligation to provide the information, bad actors may seize the opportunity to withhold critical information and mislead student veterans into enrolling in a program.

Clearly the information in Section 3679 is information student veterans would benefit from before they decide to enroll in a school. VA-approved schools should continue to be required to provide the information, as it is all information that should be known to the schools. If there were a specific piece of information that schools widely are unable to provide for reasons outside of their control, then updating the statute to address that specific disclosure would be a more precise course of action. We oppose Section 1(a) of the bill.

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Section 1(b). In a recent Economic Opportunity Subcommittee hearing, it became abundantly clear that there is a lack of access to historical guidance from VA’s Education Service Office. We believe all guidance from VA, including historical notices, is highly valuable – and indeed, extremely necessary – for SCOs to access.

Like any role on campus, the SCO function is subject to turnover in personnel, so having a consolidated and accurate repository of this information would afford additional continuity on campus, and support the overall administration of education benefits. In addition to SCOs, university officials, veterans advocates, and Congress would all benefit from greater transparency and access to this information. We fully support this section of the bill, and would be eager to advocate in favor of advancing this section of the legislation.

H.R. 5702, Expanding Access for Online Veteran Students Act

The bill would increase the housing allowance for solely online students attending a summer course less than 12 weeks, giving them a housing allowance equal to the national average.

We believe the significant federal costs of increasing MHA for online-only students should not be the top spending priority for the Subcommittee, given existing and more compelling unmet needs of veterans. We urge the Subcommittee to set aside this bill and instead prioritize issues such as veterans who need GI Bill Parity for Guard and Reserve service, Survivors and Dependents Chapter 35 improvements, and restoring the GI Bill for defrauded student veterans.

On the substance, the bill brings serious adverse consequences for veterans. We believe that a common principle we can collectively agree to is the desire to support veterans and their families. In doing so, we further believe it is important to consider the second and third order effects of these policies, and to anticipate their adverse unintended consequences. In this instance, we strongly caution Congress about such a shift in policy, and recommend considering the following associated impacts:

- **Incentivizing Students to Leave Flagship Public Universities.** This bill would incentivize veterans to leave high-quality, flagship public universities in low-housing cost states – such as Arizona, Indiana, Kentucky, South Carolina, and Wisconsin – to attend lower-quality online-only college chains due to the housing allowance being higher. Current housing allowance rates for in-person and hybrid learners are based on the Department of Defense’s (DOD) housing allowance rates (BAH) for an “E-5 with dependents.”

  4 DOD recognizes 339 different housing allowance zones. Over sixty percent of these DOD BAH zones have housing costs less than the national average. In

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some of the least expensive zones, the housing allowance is one-half the national average. Student veterans in 206 zones would receive more housing allowance by attending an online-only school.

Even if this bill limits the timeframe to the summer term, a potential increase of $3,000 or more would be a powerful economic factor for students to incentivize veterans to switch to a solely online college. Furthermore, veterans switching from public colleges and universities to online-only college chains would receive a lower-quality education. The existing unbiased research regarding distance learning has documented better outcomes for in-person education when compared to online education. Certainly, more investigation is needed before Congress acts to prioritize online programs and incentivize student veterans to attend online colleges.

- **Marketing Tool for Bad Actors.** Low-quality and predatory schools would use the availability of an increased housing allowance as a selling point to target veterans to attend predatory and exploitative programs. In the aftermath of having finally closed the 90/10 loophole, a shift to a full housing allowance for solely online colleges would re-establish veterans as a target for unscrupulous schools; many of these schools have been sued by law enforcement and fined by federal agencies for defrauding students, and can reasonably be expected to abuse this change.

- **Increasing Overall Costs.** We believe that much of the potential enrollment shift incentivized by the higher housing allowance would be from low-tuition public institutions to high-tuition private ones, driving up costs not only for VA, but also for the very students veterans that the bill seeks to help. Much of our work with veterans seeking our support involves speaking with former students who were recruited through high-pressure sales tactics. These students were often led to believe that their GI Bill benefits would cover all costs, only to find themselves heavily in debt as the schools exhausted their benefits and forced them to borrow.

- **Undermining the Rationale for Online Education.** Such a change would also undermine the original intent of Congress that established a lower housing allowance for solely online study as being meant to accommodate the additional employment flexibility and convenience that distance education is intended to provide non-traditional students. Entirely online courses are

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typically designed to allow students to continue working while enrolled. The lower housing allowance provided to solely online students therefore reflects this central distinction from in-person students; setting it at the same or greater rate as for in-person students would overlook meaningful differences in expenses and opportunity costs incurred by students enrolled in the two distinct modes of delivery.

At the onset of the COVID public health emergency, when many institutions had to move their classes online, we supported the Veterans’ Affairs Committees’ work to change the housing policy to allow students enrolled in online courses to continue to receive 100 percent of their residential monthly housing allowance. This temporary policy was intended to accommodate the significant additional housing costs that in-person students had already incurred when the pandemic forced them to go online.

At the time, Congress chose not to complicate its effort to provide relief to such students by making distinctions between those student veterans who were already enrolled entirely online versus those who were forced into online delivery due to the pandemic. This, despite the fact that it was always understood that students enrolled in in-person courses were incurring additional housing and opportunity costs not incurred by online students.

Today, colleges are back in-person, and proper policy should revert to status quo ante by acknowledging the higher housing costs incurred by students attending in-person. We urge the Subcommittee not to move forward with this legislation. We believe a near-term solution would be for Congress to direct the execution of an unbiased study of online learning outcomes as it pertains to Title 38 veterans education benefits.

H.R. 3738, To amend title 38, United States Code, to establish in the Department of Veterans Affairs the Veterans Economic Opportunity and Transition Administration, and for other purposes

This measure proposes the creation of a “Veterans Economic Opportunity and Transition Administration” within VA, overseen by a new Under Secretary. The purpose of this new Administration would be to manage and administer various programs focused on delivering economic opportunity benefits to veterans and their dependents and survivors. The bill would also require the Secretary to provide an annual report to Congress on the programs administered by the Under Secretary for Veterans Economic Opportunity and Transition.

Various versions of this legislation have been proposed over more than the past decade. Notably, several iterations of this proposal have passed the House of Representatives, but none has been successful in passing the Senate. One previous

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10 Six iterations of this legislation have been proposed over the past 15 years, including HR 2494 (117th Congress), HR 2045 (116th Congress), HR 5644 (115th Congress), HR 2327 (113th Congress), HR 2481 (113th Congress), and HR 3719 (111th Congress); on three occasions, the legislation passed the U.S. House of Representatives unanimously, including HRs 2494, 2045, and 2481. [https://www.congress.gov/](https://www.congress.gov/)
sticking point had been the inclusion of a provision which would have moved the U.S. Department of Labor (DoL) Veterans' Employment and Training Service (VETS) program under the proposed new Administration within VA. This current legislation makes no such proposal.

Historical support for various iterations of this legislation have included the Veterans of Foreign Wars (VFW), Disabled American Veterans (DAV), Vietnam Veterans of America (VVA), American Veterans (AMVETS), Paralyzed Veterans of America (PVA), and Student Veterans of America (SVA). The concept has also been previously endorsed in the annual Independent Budget produced by DAV, PVA, and VFW. We believe this support stems from the overall recognition that the Veterans Benefits Administration (VBA) continues to struggle in its competing missions of delivering disability compensation benefits and a wide variety of economic opportunity benefits such as the GI Bill.

In 2018, VBA established the Office of Transition and Economic Development (TED), now referred to as Outreach, Transition and Economic Development (OTED), in response to previous proposals similar to this legislation. The establishment of that office represented an acknowledgement that VBA had been structurally unprepared to respond to the modern needs of veterans when it comes to transition and economic opportunity. We believe much of the office is geared towards transition more so than economic opportunity and tools of empowerment such as the GI Bill.

Despite the existence of this office for the past five years, significant barriers remain when it comes to economic opportunity for veterans. Delays in benefits distribution occurred recently and raise questions about broader systemic issues. Veterans should never be exposed to doubt whether or not they will be able to pay rent in a given month.

Furthermore, VA’s attention to implementing critical consumer protection laws has been inconsistent, or entirely lacking in certain instances, over the past several decades. For example, VA’s inadequate implementation of 38 U.S.C. 3696 prevents GI Bill beneficiaries from making an informed choice when deciding where to use their hard-

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earned benefits, and undermines the integrity of the GI Bill by allowing schools that engage in fraud to receive taxpayer support.

Even more troubling, schools including Alta (Westwood College), Corinthian, ITT, and former EDMC brands (Argosy, Art Institutes, South University) which engaged in deceptive advertising and enrollment tactics have closed precipitously, leaving beneficiaries without a degree after having wasted some or all of their benefits. We remain deeply concerned about the continued ability of predatory schools to defraud veterans out of their hard-earned GI Bill benefits. More recent examples of failing to provide adequate responses have included:

- **House of Prayer.** Last summer, the public widely learned about the shocking allegations associated with a system of schools misleadingly called House of Prayer Christian Church. This case culminated in a raid by the Federal Bureau of Investigation, a case we had reported to VA over two years prior.

- **Perdoceo.** In 2021, we alerted VA to law enforcement’s concerns about the Perdoceo Education Corporation, formerly known as the Career Education Corporation, encompassing American Intercontinental University, Colorado Technical University, California Southern University, and Trident University International. Despite calling VA’s attention to enforcement actions and investigations by Federal and State authorities, these schools remain eligible for GI Bill funding. In 2019, 36 veterans and military service organizations wrote to VA over similar concerns, and despite years of community-wide concerns, no meaningful action has been taken to date.

- **School Closures.** In August 2021, we wrote a memorandum to VA to establish our concern over the language on its GI Bill Restoration Page. Under the VETS Credit Act, veterans simply have to sign a declaration that they understand

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23 Letter from Veterans and Military Service Organizations to the Secretary of the U.S. Department of Veterans Affairs, Feb. 14, 2019, [https://static1.squarespace.com/static/556718b2e4b02e470eb1b186/t/5c6db4db1905f4690dd06f6f/1550693596300/VSO-Letter-to-VA-Secretary-1.pdf](https://static1.squarespace.com/static/556718b2e4b02e470eb1b186/t/5c6db4db1905f4690dd06f6f/1550693596300/VSO-Letter-to-VA-Secretary-1.pdf).


that if they transfer 12 or more credits they are ineligible to receive their full GI Bill restoration.\textsuperscript{26} Despite this new law, VA continues to present logistical hurdles for veterans to use the benefits they earned.

- **FastTrain and Retail Ready Career Center.** It is unacceptable that veterans should have to wonder why obvious scams like *FastTrain College* and *Retail Ready Career Center* were approved in the first place.\textsuperscript{27} The VA’s statutes governing program approval are seriously outdated, referencing classes taught “by radio,” and they continue to allow a low standard of entry. Veterans should be able to count on VA’s "stamp of approval" as the level of quality they – and taxpayers – expect.

Our testimony is in no way intended to take away from the incredible work of the many hardworking VBA teams. In fact, quite the opposite. We believe these teams should be further empowered to achieve even greater success, and have seen that the current system in place does not set up for maximum success the dedicated staff of VBA. When these professionals are provided with the full opportunity to succeed, the end result is a more reliable and higher quality set of opportunities for the ultimate customer of VA: our Nation’s veterans.

It’s possible a new Administration and Under Secretary could help to address these issues, though the premise remains untested. We encourage this Committee and Congress to heavily deliberate over the long-term implications of continuing with the current system, which is clearly inadequate. We believe this legislation is worth serious consideration and debate, so there may be progress towards providing all veterans with quality programs they deserve.

**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.


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 2023, nor has it received any federal grants in the two previous Fiscal Years.