

TESTIMONY

OF

JOHN KAMIN

ASSISTANT DIRECTOR OF VETERAN EMPLOYMENT AND EDUCATION

THE AMERICAN LEGION

BEFORE THE

COMMITTEE ON VETERANS' AFFAIRS

UNITED STATES HOUSE OF REPRESENTATIVES

LEGISLATIVE HEARING ON THE TOPIC OF:

SECTIONS 101, 102, 103, 104, 105, 106, 107, 108, 109, 110, 111, 112, 113, 114, 201, 202, 203, 301, 302, 303, 304, 305, 306, 307, 308, 309, 401, 402, 501

OF

THE HARRY W. COLMERY VETERANS EDUCATIONAL ASSISTANCE ACT OF 2017

JULY 17, 2017

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STATEMENT OF JOHN KAMIN, ASSISTANT DIRECTOR NATIONAL VETERAN EMPLOYMENT AND EDUCATION DIVISION THE AMERICAN LEGION

BEFORE THE

COMMITTEE ON VETERANS' AFFAIRS UNITED STATES SENATE

ON

THE HARRY W. COLMERY VETERANS EDUCATIONAL ASSISTANCE ACT OF 2017

JULY 17, 2017

Chairman Roe, Ranking Member Walz, and distinguished members of the committee; On behalf of Charles E. Schmidt, the National Commander of the largest Veteran Service Organization in the United States of America, representing more than 2 million members of The American Legion, the nation's largest veterans organization, we express our support for draft legislation entitled the *Harry W. Colmery Veterans Educational Assistance Act of 2017*.

This bill, as currently written, would launch a new era for all who have honorably served in uniform, and for the nation as a whole. It would close current gaps in the existing Post 9/11 GI Bill and guarantee that veterans have access to their hard-earned GI Bill benefits beyond the current 15-year time limit. In essence, it would help today's GI Bill live up to the world-changing accomplishments of the original penned by Harry W. Colmery, which transformed America after World War II. In that vein, The American Legion urges this new implementation of the GI Bill is amended to be titled the "Colmery GI Bill."

Through Resolution No. 349, Support Legislation to Improve the Post-9/11 GI Bill, The American Legion stands firmly behind the Harry W. Colmery Veterans Educational Assistance Act of 2017. As The American Legion did when the original GI Bill was passed in 1944, and subsequent versions were introduced, we will fight for this improved version until it is sent to the President's desk for his signature. The American Legion will continue to work closely with the Committee to ensure that veterans and their families rally across this country for these improvements.

Section 101. Consideration of certain time spent receiving medical care from Secretary of Defense as active duty for purposes of eligibility for Post-9/11 Educational Assistance

Members of the National Guard or Reserve who are wounded in combat are often given orders under 10 USC 12301(h) for their recovery, treatment, and rehabilitation. Unfortunately, federal law does not recognize such orders as eligible for Post-9/11 GI Bill education assistance, meaning that unlike other members of the military, these members of the National Guard and

Reserve lose benefits for being injured in the line of duty. An example is Captain Bryan Lowman of the North Carolina National Guard.

In 2010, Captain Lowman was deployed to Afghanistan in a detachment with the North Carolina National Guard. During the deployment, he became severely ill with typhoid fever, lapsed into a coma and underwent multiple emergency surgeries over the course of a year in Afghanistan, Germany and at Walter Reed Medical Center in Bethesda, MD. After his long recovery, Captain Lowman aimed to pursue a college degree. Based upon his active-duty time on his DD214, Captain Lowman was to be entitled to 90 percent of his Post-9/11 GI Bill benefits. However, since his activation status was changed to 12301(h) medical orders, his eligibility was reduced to only the time he served before his illness. Section 101 would end that unequal treatment and ensure these servicemembers are eligible for the same GI Bill benefits as Active Duty members of the military.

The American Legion considers it truly unjust to deny wounded and injured servicemembers the ability to accrue educational benefits for the time they spend receiving medical care. No veteran should lose their benefits simply because they were injured while serving this nation.

Resolution No. 20: GI Bill Fairness for Wounded Servicemembers and Activated National Guard and Reservists supports any legislative proposal that provides amendments to U.S. Code Titles 5, 10, 37 and 38 commensurate with U.S. Code Title 10 authorized service, such as 12304b and 12301(h), that grant Post-9/11 GI Bill benefits.¹

The American Legion supports Section 101.

Section 102. Consolidation of certain eligibility tiers under Post-9/11 Educational Assistance Program of the Department of Veterans Affairs

Reservists and National Guard troops often incur large sums of educational debt due to partial eligibility of GI Bill benefits. The American Legion feels that any effort to expand benefits to National Guard and Reservists for educational advancement will lead to more productive, work ready, and educated veterans. In 2009, the U.S. Bureau of Labor Statistics showed that there was a direct correlation between education and unemployment. 9% of Americans with only a high school diploma were unemployed, whereas only 4.3% of Americans with a Bachelor's degree or higher were unemployed.²

Additionally, many veterans are non-traditional students with families. 52% of student veterans are married, and 23% are single parents.³ Given these added responsibilities, incurring educational debt can be burdensome for a family. This draft bill aims at alleviating some of the education liability of attending college by adjusting the eligibility tiers currently in place under the Post-9/11 Educational Assistance program for Reserves and National Guard.

¹ The American Legion Resolution No. 20 (2017): <u>GI Bill Fairness for Wounded Servicemembers and Activated National Guard and Reservists</u>

² U.S. Bureau of Labor Statistics: https://www.bls.gov/spotlight/2010/college/

³ https://studentveterans.org/images/SVASpotlightBrief-1.pdf

From 1995 to 2015, the average cost of tuition and fees at a private national university increased 179%. The average in-state cost for tuition and fees at a public university grew by 296%. ⁴ The American Legion feels that it is time to adjust the percentage of maximum benefit payable to individuals serving our nation to better cover the costs associated with attending higher education. We support the following pay structure alignment:

Old Tier Structure:

New Tier Structure:

Member Serves	Percentage of Maximum Benefit Payable	
At least 36 months	100%	
At least 30 continuous		
days on active duty and must be discharged due to service-connected disability	100%	
At least 30 months, but less than 36 months	90%	
At least 24 months, but less than 30 months	80%	
At least 18 months, but less than 24 months	70%	
At least 12 months, but less than 18 months	60%	
At least 06 months, but less than 12 months	50%	
At least 90 days, but less than 06 months	40%	

Member Serves	Percentage of Maximum Benefit Payable	
At least 36 months	100%	
At least 30 continuous		
days on active duty and		
must be discharged due to	100%	
service-connected	10070	
disability		
At least 30 months, but	90%	
less than 36 months		
At least 24 months, but	80%	
less than 30 months		
At least 18 months, but	70%	
less than 24 months	7070	
At least 06 months, but	, but 60%	
less than 18 months	UU 70	
At least 90 days, but less	ess 50%	
than 06 months	3070	

Resolution No. 318: Ensuring the Quality of Servicemember and Veteran Student's Education at Institutions of Higher Education supports any legislative proposal that improves the Post-9/11 GI Bill.⁵

The American Legion supports Section 102.

⁴ U.S. News & World Report: https://www.usnews.com/education/best-colleges/paying-for-

college/articles/2015/07/29/chart-see-20-years-of-tuition-growth-at-national-universities

The American Legion Resolution No. 318 (2016): Ensuring the Quality of Servicemember and Veteran Student's Education at Institutions of Higher Education

Section 103. Educational Assistance Under Post-9/11 Educational Assistance Program for Members of the Armed Forces Awarded the Purple Heart

Section 103 would grant full Post-9/11 GI Bill eligibility to all Purple Heart veterans who qualify for a portion of the benefit. Currently, only veterans who either serve at least 36 months on active-duty or are medically retired receive Post-9/11 GI Bill benefits at the 100 percent rate. Unfortunately, this leaves out many Purple Heart recipients, particularly from the Reserve Components, injured in combat but activated for less than three years in total. These servicemembers should not be penalized for being wounded before they could reach the full term of their contract to receive GI Bill eligibility. Resolution No. 318: Ensuring the Quality of Servicemember and Veteran Student's Education at Institutions of Higher Education supports any legislative proposal that improves the Post-9/11 GI Bill.s⁶

The American Legion supports Section 103.

Section 104. Educational assistance under Post-9/11 for certain members of reserve components of Armed Forces who lost entitlement to educational assistance under Reserve Educational Assistance Program

Section 104 would allow servicemembers who elected but did not utilize Chapter 1607, the Reterans Education Assistance Program (REAP) eligibility for the Post-9/11 GI Bill. REAP was officially sunsetted on November 25, 2015. While some individuals will remain eligible for REAP benefits until November 25, 2019, most are no longer eligible for REAP, despite their accrued months of eligibility. These servicemembers earned their educational benefits, and should not be penalized because of an arbitrary sunsetting of Chapter 1607. This section is a common sense solution that would allow transferability of remaining months of Chapter 1607 eligibility over to Chapter 33.

The American Legion believes that Post-9/11 military service deserves Post-9/11 education benefits.

Resolution No. 318: Ensuring the Quality of Servicemember and Veteran Student's Education at Institutions of Higher Education supports any legislative proposal that improves education benefits so servicemembers, veterans, and their families can maximize its usage.⁷

The American Legion supports Section 104.

⁶ The American Legion Resolution No. 318 (2016): <u>Ensuring the Quality of Servicemember and Veteran Student's</u> Education at Institutions of Higher Education

Education at Institutions of Higher Education

⁷ The American Legion Resolution No. 318 (2016): Ensuring the Quality of Servicemember and Veteran Student's Education at Institutions of Higher Education

<u>Section 105. Calculation of monthly housing stipend under Post-9/11 Educational</u> Assistance Program based on location of campus where classes are attended

This provision of the draft bill corrects a discrepancy in the determination of Post-9/11 GI Bill housing payments by calculating the payment based on where students attend their classes, rather than where the institution of higher learning is certified.

Currently, the VA determines the Basic Allowance for Housing (BAH) amount based on the zip code where the school is certified, not necessarily the location of the school. This policy can result in monthly BAH payments that fall below or far exceed the cost of living in certain zip codes. As a consequence, some schools receive an unfair recruiting advantage by paying student veterans more than what was intended for BAH in that area.

The American Legion believes that veterans should not make their educational choices based on housing benefit inconsistencies. Section 105 ensures veterans receive an adequate and fair housing allowance while eliminating fraud and abuse of the program.

Resolution No. 318: Ensuring the Quality of Servicemember and Veteran Student's Education at Institutions of Higher Education supports any legislative proposal that improves the Post-9/11 GI Bill.⁸

The American Legion supports Section 105.

Section 106. Charge to entitlement for certain licensure and certification tests and national tests under Department of Veterans Affairs Post-9/11 Educational Assistance Program

After completing their military service, veterans are eligible for a limited number of months of GI Bill benefits, which reimburses them for educational expenses incurred. Current law requires veterans to use a full month of their GI Bill eligibility to be reimbursed for licensing, certification, and national tests. Such tests open new doors to employment and allow veterans to advance and enhance their education and career. Given the relatively low cost of many tests, it is often simply not worth losing reimbursement for an entire month of tuition payments for other less expensive educational expenses.

Section 106 allows veterans to be reimbursed for approved licensing, certification, and national tests, while still allowing the veteran to use their remaining GI Bill benefits for additional educational expenses in the same month.

Resolution No. 338: Support Licensure and Certification of Servicemembers, Veterans and Spouses supports any legislative proposal that empowers the Department of Veterans Affairs to take appropriate steps to ensures that servicemembers and veterans be trained, tested, evaluated,

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⁸ The American Legion Resolution No. 318 (2016): <u>Ensuring the Quality of Servicemember and Veteran Student's Education at Institutions of Higher Education</u>

and have the opportunity to obtain any credential (i.e., licensure, certification, certificate, degree, etc.) that may be required in the local civilian workforce.⁹

The American Legion supports Section 106.

Section 107. Restoration of entitlement to educational assistance and other relief for veterans affected by school closure or disapproval

When a school closes, non-veteran students have federal protections to support them. Affected students with federal student loans have the ability to discharge their student loans. Students who received Pell Grants can have their eligibility periods reset for the time spent at a closed institution. The American Legion believes strongly that veterans are entitled to the same protection as their civilian counterparts. Over 6,000 student veterans were attending ITT Tech when they abruptly shut down their campuses, ¹⁰ and more school closures will inevitably occur.

The American Legion applauds the Committee's effort in addressing this issue. With multiple solutions to school closures presented to the Committee from both sides of the aisles, provisions were specifically selected to maximize support for displaced student veterans. Section 107 is not only backdated to support veterans affected by the Corinthian closures but also provides emergency housing stipends to support veterans in the event of permanent school closures.

Resolution No. 21: *Education Benefit Forgiveness and Relief for Displaced Student-Veterans* supports legislation that restores lost benefits to student-veterans attending schools that abruptly shut down.¹¹

The American Legion supports Section 107.

Section 108. Inclusion of Fry Scholarship Recipients in Yellow Ribbon G.I. Education Enhancement Program

Section 108 would amend title 38, United States Code, to expand the Yellow Ribbon G.I. Education Enhancement Program to apply to individuals pursuing programs of education while on active duty, to recipients of the Marine Gunnery Sergeant John David Fry scholarship, and to programs of education pursued on half-time basis or less, and for other purposes.

This would address a current statutory regulation that excludes eligible dependents of a servicemember killed in action from enhanced tuition reimbursement available through the Yellow Ribbon Program. This simple legislative fix will provide Fry Scholarship recipients with

⁹ The American Legion Resolution No. 338 (2016): <u>Support Licensure and Certification of Servicemembers</u>, <u>Veterans and Spouses</u>

¹⁰ http://www.indystar.com/story/money/2016/09/06/why-veterans-have-most-lose-if-itt-tech-closes/89710280/ "Why ITT closing hits veterans hardest"

¹¹ The American Legion Resolution No 21: <u>Education Benefit Forgiveness and Relief for Displaced Student-Veterans</u>

the same benefits as other Chapter 33 eligible beneficiaries and allow scholarship awardees access to education at Yellow Ribbon Schools.

Resolution No. 318: Ensuring the Quality of Servicemember and Veteran Student's Education at Institutions of Higher Education supports any legislative proposal that improves the Post-9/11 GI Bill.¹²

The American Legion supports Section 108.

Section 109. Additional authorized transfer of unused Post-9/11 Educational Assistance benefits to dependents upon death of originally designated dependent

Section 109 would permit reassignment of veterans' education benefits in cases where the designated beneficiary passes away. Unfortunately, it took a tragic event to realize the necessity for this change.

In 2012, 16-year old Shauna Hill died in a two-car crash. Her father, retired Navy Capt. Edward Hill had granted Shauna his education benefits to his daughter to go to college. After her death, Mr. Hill had hoped to transfer this education benefit to his younger daughter, however, was informed that federal law prohibits transferring GI Bill benefits from one child to another post-retirement. Section 109 is a common sense bill aimed at making the lives easier for veterans who have chosen to gift their hard-earned education benefit.

However, The American Legion requests another technical correction for transferred GI Bill Benefits concerning survivors. If a service member transfers their GI Bill while alive and subsequently passes, the family is prohibited from adjusting the number of months of benefits allotted to each family member. As Congress reviews improvements to legislation affecting the families who have sacrificed the most, it must not forget about this technical oversight.

Resolution No. 308: Amending the Eligibility for the Transfer for the Post-9/11 GI Bill supports legislation that would authorize all servicemembers with ten years or more of active-duty service, who are eligible for the Post-9/11 GI Bill educational benefits, be able to use the transferability entitlement to give to their immediate family members.¹³

The American Legion supports Section 109 but requests that additional amendments be made to allow survivors of those who had transferred the GI Bill and passed to adjust the months amongst those designated.

¹³ The American Legion Resolution No. 308 (2016): <u>Amending the Eligibility for the Transfer for the Post-9/11 GI</u>
<u>Bill Educational Benefits</u>

¹² The American Legion Resolution No. 318 (2016): <u>Ensuring the Quality of Servicemember and Veteran Student's</u> Education at Institutions of Higher Education

Section 110. Additional Educational Assistance Program of Department of Veterans **Affairs**

The American Legion wants all veterans to succeed and would like to see more veterans enter Science, Technology, Engineering and Math (STEM) fields. This section would incentivize veterans to enter fields where there are critical shortages and high yearly job growth. In order to successfully compete on the global stage, America must determine innovative solutions to incentivize and promote involvement in STEM fields. Section 110 would introduce our country's best to meet the needs of this highly skilled workforce by extending the GI Bill for up to nine additional months of eligibility.

Resolution No. 318: Ensuring the Quality of Servicemember and Veteran Student's Education at Institutions of Higher Education supports any legislative proposal that improves the Post-9/11 GI Bill. 14

The American Legion supports Section 110.

Section 111. Honoring the national service of members of the Armed Forces by elimination of time limitation for use of entitlement.

Section 111 would give servicemembers and veterans who are eligible for the GI Bill an unlimited time to use to earned education benefits by repealing the 15-year limit. This has the potential to greatly increase GI Bill usage rates, and give servicemembers greater flexibility while pursuing educational opportunities.

Recent research by Student Veterans of America (SVA) has produced a compelling case that the Post-9/11 GI Bill is fulfilling the legacy of the original GI Bill as being a sound investment for the country. SVA's recently released National Veterans Education Success Tracker (NVEST) has calculated a success rate for student veterans of 72%, performing better than their nontraditional student peers, and producing demonstrable results. From 2009 to 2013, the Post-9/11 GI Bill helped earn over 377,000 degrees and credentials, with projections exceeding 1.4 million over ten vears. 15

While it is still too early to determine the usage rate of the GI Bill implemented in 2009 given it's 15-year limitation, historical trends suggest it will not be utilized by all eligible veterans. In 2003, the Montgomery GI Bill Biennial Report to Congress cited only 59% of eligible servicemembers had used some or all of their benefits, a striking number considering eligible servicemembers had paid \$1,200 to receive the benefit.¹⁶

¹⁴ The American Legion Resolution No. 318 (2016): Ensuring the Quality of Servicemember and Veteran Student's Education at Institutions of Higher Education

^{15 &}quot;National Veteran Education Success Tracker", Student Veterans of America

¹⁶ "Hearing Before the Committee on Veterans Affairs, United States Senate" May 9, 2007 Statement of Hon. Maria Cantwell, Senator from Washington

It is clear that a reasonable explanation for the lack of usage is satisfaction with present educational and economic status, especially for military retirees. However, there is no guarantee that this will always be the case. For example, if a Marine Staff Sergeant who possesses a Bachelor's degree transitions to civilian life as a government contractor, the necessity to utilize the GI Bill may not exist initially after departing military service. However, fifteen years later, external circumstances and career changes may occur that make the GI Bill necessary to her future more than it was the day she transitioned from Active Duty. And as SVA's research has shown: the country would benefit by providing her these benefits.

Resolution No. 312: *Eliminate Delimiting Dates for the Montgomery GI Bill and Post-9/11 GI Bill* supports lifting time constraints with regards to the Montgomery GI Bill and Post-9/11 GI Bill.¹⁷

The American Legion supports Section 111.

Section 112. Monthly stipend for certain members of the reserve components of the Armed Forces receiving Post-9/11 Educational Assistance.

Section 112 prorates the monthly housing allowance for the portion of the month the servicemember is not on active duty by amending Title 38, U.S.C. to clarify the eligibility for monthly stipends paid under the Post-9/11 Educational Assistance Program for certain members of the reserve components of the Armed Forces.

Many reservists are required to routinely perform their jobs in a Title 10 status due to their specific job requirements and functions. These commonly include aircrew, intelligence personnel, and Unmanned Aerial Vehicle and Remote Piloted Aircraft operators. While not in a drill status, or if in a drill status under Title 38, an individual is entitled to their monthly housing allowance (MHA) and book allowance. When the drill status is under Title 10, the individual is entitled to the MHA and book allowance, but only for the first portion of the month up to when they entered active duty under Title 10. Therefore, if an individual goes on active duty on the first day of the month for three days, the individual does not receive any MHA or book allowance for the rest of that month. Just one day of Title 10 service can result in forfeiture of MHA and book allowance for all or most of the month. In order to maintain combat readiness, many reservists have to commit to a minimum of four training days per month in a Title 10 status. Many reservists are also full-time students and rely on their MHA to pay rent, but as a result of the current rules, they are denied their full MHA and book allowance, causing many members to incur thousands of dollars of debt. This is compounded by the fact that members of the reserve are used more frequently due to the increased tempo of operations around the world.

Resolution No. 318: Ensuring the Quality of Servicemember and Veteran Student's Education at Institutions of Higher Education supports any legislative proposal that improves the GI Bill,

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¹⁷ The American Legion Resolution No. 312 (2016): <u>Eliminate Delimiting Dates for the Montgomery GI Bill and Post-9/11 GI Bill</u>

Department of Defense Tuition Assistance (TA), Higher Education Title IV funding (i.e., Pell Grants, student loans, etc.) and education benefits so servicemembers, veterans, and their families can maximize its usage. 18

The American Legion supports Section 112.

Section 113. Improvement of information technology of the Veterans Benefits Administration of the Department of Veterans Affairs

This section would compel the Secretary of Veterans Affairs to make changes and improvements to the information technology system of the Veterans Benefits Administration to ensure that all original and supplemental claims for education assistance are handled electronically. This draft bill authorizes \$30 million to the Secretary of Veterans Affairs to carry this out during fiscal years 2017 and 2018.

Resolution No. 318: Ensuring the Quality of Servicemember and Veteran Student's Education at Institutions of Higher Education supports any legislative proposal that improves the Post-9/11 GI Bill. 19

The American Legion supports Section 113.

Section 114. Department of Veterans Affairs High Technology Program

Section 114 would direct the Secretary of Veterans Affairs to carry out a pilot program allowing student veterans to attend approved non-traditional educational programs with a focus on obtaining technology micro-degrees. While the VA has the authority to cover costs of non-traditional educational programs, we have seen in the past that this approval process has been burdensome. It is important for the VA to address new forms of non-traditional learning as the realm of higher education evolves.

Technological micro-degrees are non-traditional degree programs that focus on specialized technology disciplines and typically comprises an accelerated education model. Veterans are prime candidates for the technological degree programs and can see their entire education covered using their earned GI Bill benefits. Currently, there are only a handful of non-traditional organizations offering classes through the current VA GI Bill process; even fewer offer non-traditional technology programs forcing veterans to cover these costs on their own.

The American Legion supports efforts in expanding educational assistance to non-traditional students attempting to find employment by earning a micro-degree in a specific field of study

¹⁸ The American Legion Resolution No. 318 (2016): <u>Ensuring the Quality of Servicemember and Veteran Student's</u> Education at Institutions of Higher Education

¹⁹ The American Legion Resolution No. 318 (2016): <u>Ensuring the Quality of Servicemember and Veteran Student's Education at Institutions of Higher Education</u>

and applauds the Committee on its efforts to expand education to non-traditional student veterans. Although The American Legion supports the intent, we have concerns with Section 114.

Oversight is needed before the VA can approve a non-traditional program and the State Approving Agencies (SAAs) are best equipped to certify these educational courses. Additionally, the provisions of this bill fall outside the scope of established resolutions of The American Legion. As a large, grassroots organization, The American Legion takes positions on legislation based on resolutions passed by the membership. With no resolutions addressing the provisions of the legislation, The American Legion is researching the material and working with our membership to determine the course of action which best serves veterans.

The American Legion has no current position Section 114.

Section 201. Work-Study Allowance

This section would extend the authority to provide work-study allowance for certain activities by individuals receiving educational assistance by the Secretary of Veterans Affairs.

The VA Work-Study program provides part-time employment to students receiving VA education benefits who attend school three-quarter time or more. The student may work at the school veterans' office, the VA Regional Office, or at approved State employment offices. Work-study students are paid either the State or Federal minimum wage, whichever is greater. Many student veterans use the work-study program as a supplement to pay their bills and other costs not covered by VA educational programs. In addition to supporting veterans education benefits processing, these student veterans are also establishing connections with their peers on campus, thereby fostering greater awareness of other veterans.

Resolution No. 318: Ensuring the Quality of Servicemember and Veteran Student's Education at Institutions of Higher Education supports any legislative proposal that improves the Post-9/11 GI Bill.²⁰

The American Legion supports Section 201.

Section 202. Duration of educational assistance under survivors' and dependents' educational assistance program

Section 202 would reduce the months of eligibility for Chapter 35, Survivors and Dependents Assistance from 45 months to 36 months. However, the provision in this section of the draft bill falls outside the scope of established resolutions of The American Legion. As a large, grassroots organization, The American Legion takes positions on legislation based on resolutions passed by

²⁰ The American Legion Resolution No. 318 (2016): <u>Ensuring the Quality of Servicemember and Veteran Student's Education at Institutions of Higher Education</u>

our membership. With no resolutions addressing the provisions of the legislation, The American Legion is researching the material and working with our membership to determine the course of action that best serves veterans.

The American Legion has no current position on Section 202.

Section 203. Increase in amounts of educational assistance payable under survivors' and dependents' educational assistance program

Section 203 would increase education benefits for survivors and dependents (Chapter 35), which currently provides the least payable educational assistance of any VA program. Currently, Chapter 35 recipients are paid at the monthly rate of \$788 for full-time, \$592 for three-quarter-time, or \$394 for half-time pursuit of education. This is in stark contrast to Montgomery GI Bill payments, which receive \$1,857 for full-time, \$1,392.75 for three-quarter time, and \$928.50 for half-time enrollment. While survivors and dependents of servicemembers who died in the line of duty are eligible for the Post-9/11 GI Bill through the Gunnery Sergeant John Fry Scholarship, survivors and family members of veterans who are permanently and totally disabled due to a service-related condition or of veterans who died outside the line of duty have a right to demand more equitable benefits.

However, the provision in this section of the draft bill falls outside the scope of established resolutions of The American Legion. As a large, grassroots organization, The American Legion takes positions on legislation based on resolutions passed by our membership. With no resolutions addressing the provisions of the legislation, The American Legion is researching the material and working with our membership to determine the course of action that best serves veterans.

The American Legion has no current position on Section 203.

Section 301. State Approving Agency Funding

State Approving Agencies are responsible for approving and supervising programs of education for the training of veterans, eligible dependents, and eligible members of the National Guard and Reserves. SAAs grew out of the original GI Bill of Rights from 1944. Though SAAs have their foundation in Federal law, SAAs operate as part of state governments. SAAs approve programs leading to vocational, educational or professional objectives. These include vocational certificates, high school diplomas, GEDs, degrees, apprenticeships, on-the-job training, flight training, correspondence training and programs leading to required certification to practice in a profession.

In accordance with the *Jeff Miller and Richard Blumenthal Veterans Health Care and Benefits Improvement Act of 2016*, SAAs are now recognized as a valuable addition to the approval process of GI Bill schools. The SAAs ensure that programs meet certain eligibility criteria, in

order to see that GI Bill funds are not wasted. Their unique focus on how GI Bill funds are spent makes their mission distinct from all other oversight and approving bodies.

In order to fulfill their additional requirements for compliance reviews, additional funding is required. The SAAs have far more complex responsibilities than the across the board certifications that existed pre Post-9/11 GI Bill, yet the SAAs funding has not increased since 2005. In order to rectify this with their greater responsibilities, this draft bill authorizes \$3 million to be appropriated for each fiscal year.

The American Legion believes the \$3 million increase is not adequate to cover the SAAs overall scope and encourages Congress to allocate \$5 million annually for the SAAs.

Resolution No. 304: Support Accountability for Institutions of Higher Education supports any legislative proposal that provides additional resources and increased funding for state approving agencies.²¹

The American Legion requests that this section be amended to authorize \$5 million to be appropriated for each fiscal year.

Section 302. Authorization for use of Post-9/11 Educational Assistance to pursue independent study programs at certain educational institutions that are not institutions of higher learning

Section 302 authorizes veterans to use their GI Bill education benefits to continue their education for independent study programs at career technical education (CTE) centers. ²² In Oklahoma alone, veterans have lost access to over 200 accredited educational programs, simply because there is a distance learning or online component. This section would allow veterans to take independent study programs at CTE centers while using their GI Bill benefits.

This section would provide student veterans with an expanded scope and usage of the Post-9/11 GI Bill education benefits to other forms of postsecondary institutions. This potential legislation adds needed options to student-veterans in the pursuit of their educational goals.

Resolution No. 318: Ensuring the Quality of Servicemember and Veteran Student's Education at Institutions of Higher Education supports any legislative proposal that improves the Post-9/11 GI Bill.²³

The American Legion supports Section 302.

²¹ The American Legion Resolution No. 304 (2016): <u>Support Accountability for Institutions of Higher Education</u>

²² Congressman Mullin Press Release: http://mullin.house.gov/news/documentsingle.aspx?DocumentID=447

²³ The American Legion Resolution No. 318 (2016): <u>Ensuring the Quality of Servicemember and Veteran Student's Education at Institutions of Higher Education</u>

Section 303. Provision of information on priority enrollment for veterans in certain courses

This section would require that a school's priority enrollment policy be cataloged by the VA and added to its comprehensive policy on providing education information to veterans. With limited months of eligibility, many veterans can benefit from priority registration that would allow them to finish their degrees before their benefits expire. However due to the inherent complexities and diversity of priority enrollment across school types, The American Legion has cautioned against mandating veteran priority enrollment without the direct consultation of the National Association of Veterans' Program Administrators.

Section 303 doesn't mandate priority enrollment but rather mandates that the VA collect information on the schools that provide it. This information can be shared with veterans through numerous outlets, most prominently it's GI Bill Comparison tool. This would help veterans become better-informed consumers as they pursue their educational goals.

Resolution No. 327: Support Further Assessment and Evaluation of Institutions of Higher Learning to Enable Veterans to Make Informed Education Choices supports oversight and legislation evaluating post-secondary education institutions on quality factors.²⁴

The American Legion supports Section 303.

Section 304. Limitation on use of reporting fees payable to educational institutions and sponsors of programs of apprenticeship

This section increases the school reporting fee to \$16 for each veteran, or dependent enrolled under Chapter 31, 33, 34, or 35. The importance of this in a historical context is important to remember. Reporting fees were designed to streamline efficiency, with the VA paying schools to certify benefits themselves instead of hiring additional employees to process the benefits. Since 2012, this fee has fluctuated between \$10 and \$16. Without speculating on the reasons for these changes, it is fair to say that they are not commensurate with the actual labor of schools administering these programs.

While the reporting, reconciliation and overall cost of administering all programs has increased, and the burden on the educational institution is not business as usual, the added work effort has not been calculated. Also, the use of these fees should be designated to support the Office of Veterans' Affairs/Services and for professional development of the school VA Certification Officials and other Veterans' Program Administrators. The American Legion further propose that recipients of this reporting fee must match these funds to support veterans' services.

However, it has been difficult to track how schools are using these funds. This section addresses this by mandating what shall be utilized solely for the making of certifications required under

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²⁴ The American Legion Resolution No. 327 (2016): <u>Support Further Assessment and Evaluation of Institutions of Higher Learning to Enable Veterans to Make Informed Education Choices</u>

title 38. It also mandates that institutions certifying over 100 enrollees may not use school reporting fees for general operating funds.

Resolution No. 333: Support Increase in Reporting Fees for Educational Institutions supports any legislation that increases the amount of the reporting fees payable to educational institutions for certifying officials who assist/enroll veterans receiving educational benefits from the Department of Veterans Affairs. ²⁵

The American Legion supports Section 304.

Section 305. Training for School Certifying Officials

The Department of Veterans Affairs identified \$416 million in Post-9/11 GI Bill overpayments in the 2014 fiscal year, affecting approximately one in four veteran beneficiaries and about 6,000 schools. To identify the reasons behind this, the Government Accountability Office (GAO) was asked to review these overpayments and published an extensive report released in October of 2015. Chief among GAO's recommendations was granting VA explicit authority to require training for school officials.

Schools cause overpayments when they make processing errors, such as reporting the wrong enrollment dates or billing VA for non-allowable fees. VA estimated that these errors account for 8% of high-dollar overpayment cases in fiscal years 2013 and 2014, while GAO estimated that they account for around \$28 million of the \$280 million in high-dollar overpayments VA made in the 2014 fiscal year. According to interviews with staff from VA's Regional Processing Office and Debt Management Center, school officials without adequate training were cited as the primary source of the errors.

This section will require the Secretary of Veterans Affairs, in consultation with the State Approving Agencies, to set forth requirements to train school certifying officials on proper standards for certifying veterans benefits.

Resolution No. 318: Ensuring the Quality of Servicemember and Veteran Student's Education at Institutions of Higher Education supports any legislative proposal that improves the GI Bill, Department of Defense Tuition Assistance (TA), Higher Education Title IV funding (i.e., Pell Grants, student loans, etc.) and education benefits so servicemembers, veterans, and their families can maximize its usage.²⁶

The American Legion supports Section 305.

²⁵ The American Legion Resolution No. 333: <u>Support Increase in Reporting Fees for Educational Institutions</u>

²⁶ The American Legion Resolution No. 318 (2016): <u>Ensuring the Quality of Servicemember and Veteran Student's Education at Institutions of Higher Education</u>

Section 306. Extension of authority for Advisory Committee on Education

Section 306 extends the authority of the VA Advisory Committee on Education from December 31, 2017, to December 31, 2022. This committee provides the VA independent analysis and advice on VA programs and has proven to be an important part of streamlining the implementation of changes to the GI Bill by taking into account effects on the ground.²⁷

Resolution No. 318: Ensuring the Quality of Servicemember and Veteran Student's Education at Institutions of Higher Education supports any legislative proposal that improves the GI Bill, Department of Defense Tuition Assistance (TA), Higher Education Title IV funding (i.e., Pell Grants, student loans, etc.) and education benefits so servicemembers, veterans, and their families can maximize its usage.²⁸

The American Legion supports Section 306.

Section 307. Department of Veterans Affairs provision of on-campus education and vocational counseling for veterans

VA created the Veterans Success on Campus (VSOC) program as a pilot in 2009 to bring Vocational Rehabilitation Counselors and VA Vet Center Outreach Coordinators to college campuses with large veteran populations. The program began as a pilot on the University of South Florida campus and has since expanded to over 94 schools across the country.²⁹

The VSOC program is a positive resource for student veterans and their dependents as they attend school through either the GI Bill or VA's Vocational Rehabilitation and Employment (VR&E) program, and gives individuals on-campus access to all-encompassing counseling programs.

Authorizing on-campus educational and vocational counseling is a tried and true method of increasing veterans' educational success. However, The American Legion has concerns about its sustainability. Since VSOC is currently implemented by VA policy and not a statutorily required program, it's future is dependent on VA funding. This section would require the Secretary to provide these services at institutions of higher learning selected by the Secretary and would codify the VSOC program.

The American Legion would also like to see the same education and vocational counseling before a veteran enters into the education realm. The best time to instruct a transitioning servicemember about their future in education and the workforce is before they transition out of

²⁷ The American Legion Resolution No. 318 (2016): Ensuring the Quality of Servicemember and Veteran Student's Education at Institutions of Higher Education

²⁸ The American Legion Resolution No. 318 (2016): Ensuring the Quality of Servicemember and Veteran Student's Education at Institutions of Higher Education

29 U.S. Department of Veterans Affairs: http://www.benefits.va.gov/vocrehab/vsoc.asp

the military. We strongly recommend applying this same language to the Transition Assistance Program.

Resolution No. 318: Ensuring the Quality of Servicemember and Veteran Student's Education at Institutions of Higher Education supports any legislative proposal that improves the Post-9/11 GI Bill.³⁰

The American Legion supports Section 307.

Section 308. Provision of information regarding veteran entitlement to educational assistance

School certifying officials and veteran program administrators are natural mentors to student veterans as they help them process their benefits and navigate higher education. However, by statute, they are missing a critical component necessary to accurately counselor veterans on their educational choices: the remaining benefits the veteran is entitled to. Without this information, the officials capacity to assist student veterans is greatly diminished, and could potentially lead to student veterans taking on unnecessary debt to complete their degree programs. Through the information sharing proposed in Section 308, these school officials can help student veterans chart the most efficient and cost-effective ways to utilize their benefits.

Resolution No. 318: Ensuring the Quality of Servicemember and Veteran Student's Education at Institutions of Higher Education supports any legislative proposal that improves the Post-9/11 GI Bill.³¹

The American Legion supports Section 308.

Section 309. Treatment, for purposes of educational assistance administered by the Secretary of Veterans Affairs, of educational courses that begin seven or fewer days after the first day of an academic term

The VA defines a calendar week as Sunday to Saturday. According to the School Certifying Official Handbook, classes that begin "after the first calendar week" should be reported separately using the actual date each class starts. As an example: if a term starts on a Thursday, any course that meets for the first time on Thursday or Friday can be reported together, but if a course meets for the first time the following Monday, Tuesday or Wednesday it must be reported as a separate and unique term.

³¹ The American Legion Resolution No. 318 (2016): Ensuring the Quality of Servicemember and Veteran Student's Education at Institutions of Higher Education

³⁰ The American Legion Resolution No. 318 (2016): <u>Ensuring the Quality of Servicemember and Veteran Student's</u> Education at Institutions of Higher Education

This creates excess work for educational institutions and regional processing officers (RPOs). Separate book and tuition fee payments must be issued, which may lead to improper payments. Section 309 will define "Calendar Week" for education benefits as "the seven-day period beginning on the first day of the institution's published academic calendar," and will reduce excess work and eliminate opportunities for errors in tuition and fee calculations.

Resolution No. 318: Ensuring the Quality of Servicemember and Veteran Student's Education at Institutions of Higher Education supports any legislative proposal that improves the Post-9/11 GI Bill.

The American Legion supports Section 309.

Section 401. Eligibility of reserve component members for Post-9/11 Educational Assistance

In the 2012 National Defense Authorization Act, authorization 12304b was created under Title 10, which allowed reserve-component troops to meet the challenges around the globe by mobilizing without counting against caps on active forces. While this is critical to maintaining our national security, existing statutes do not recognize the service of Reservists and National Guardsmen called to mobilize on these orders.

According to Title 38 of the U.S. Code, these individuals did not serve on "active duty." Even though these troops served side-by-side with Active Duty servicemembers, reservists deployed under these orders are therefore denied benefits earned for deployments including healthcare (pre- and post-mobilization), retirement age reduction, pay differentials, and eligibility for the Post-9/11 GI Bill.

Section 401 corrects these oversights by amending U.S.C. Titles 5, 10, and 38 to include §12304b mobilization authority in determining eligibility for all servicemembers who have mobilized under these orders.

Resolution No. 20: GI Bill Fairness for Wounded Servicemembers and Activated National Guard and Reservists supports any legislative proposal that provides amendments to U.S. Code Titles 5, 10, 37 and 38 commensurate with U.S. Code Title 10 authorized service, such as 12304b and 12301(h), that grant Post-9/11 GI Bill benefits.³²

The American Legion supports Section 401.

National Guard and Reservists

³² The American Legion Resolution No. 20 (2017): GI Bill Fairness for Wounded Servicemembers and Activated

Section 402. Time limitation for training and rehabilitation for veterans with serviceconnected disabilities

Section 402 would apply the same 12304b corrections listed in Section 401 to Chapter 31, Vocational Rehabilitation and Employment.

Resolution No. 20: GI Bill Fairness for Wounded Servicemembers and Activated National Guard and Reservists supports any legislative proposal that provides amendments to U.S. Code Titles 5, 10, 37 and 38 commensurate with U.S. Code Title 10 authorized service, such as 12304b and 12301(h), that grant Post-9/11 GI Bill benefits.³³

The American Legion requests that this section be amended to provide retroactive application to 12304b service.

Section 501. Repeal inapplicability of modification of basic allowance for housing to benefits under laws administered by Secretary of Veterans Affairs

In 2014, Congress voted to reduce the BAH rate of Active Duty servicemembers by 5%. According to 38 U.S. Code § 3313, the monthly stipend for the Post-9/11 GI Bill equals as follows: the monthly amount of the basic allowance for housing payable under section 403 of title 37 for a member with dependents in pay grade E–5 residing in the military housing area that encompasses all or the majority portion of the ZIP code area in which is located the institution of higher learning at which the individual is enrolled.

In other words: when the DoD made their adjustments to the BAH rate, it should have followed that the GI Bill was adjusted as well. Instead, a temporary exemption was placed on Chapter 33 beneficiaries. Based on the language that was drafted it is clear that this waiver could not continue in perpetuity, but instead could be lifted so that the reduction could be used as an offset in future years for veterans programs. In the last Congress S.2921, the Vets First Act included this reduction as an offset for fixes to veterans programs including 12304b and 12301(h) orders. That bill never passed, but the exemption was allowed to remain in the 2017 NDAA to again be considered for investment in veterans programs. Based on the present statutes, it is close to a certainty that if legislation is not passed to invest these funds in Title 38 funding the same language will be applied to either towards deficit reduction or the Department of Defense's budget request.

This provision in this section of the draft bill falls outside the scope of established resolutions of The American Legion. As a large, grassroots organization, The American Legion takes positions on legislation based on resolutions passed by our membership.

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³³ The American Legion Resolution No. 20 (2017): <u>GI Bill Fairness for Wounded Servicemembers and Activated National Guard and Reservists</u>

The American Legion supports this section as a necessary provision to ensure the passage of the preceding improvements to Title 38 education benefits.

Conclusion

The American Legion thanks, this committee for the opportunity to elucidate the position of the over 2.2 million veteran members of this organization. For additional information regarding this testimony, please contact Mr. Larry Lohmann, Assistant Director of the Legislative Division at The American Legion, at (202) 263-5755 or LLohmann@legion.org.