

AN UPDATE ON THE IMPLEMENTATION OF THE
FOREVER GI BILL: IS VA READY FOR AUGUST
1ST?

HEARING

BEFORE THE

SUBCOMMITTEE ON ECONOMIC
OPPORTUNITY

OF THE

COMMITTEE ON VETERANS' AFFAIRS
U.S. HOUSE OF REPRESENTATIVES

ONE HUNDRED FIFTEENTH CONGRESS

SECOND SESSION

WEDNESDAY, JULY 18, 2018

Serial No. 115-71

Printed for the use of the Committee on Veterans' Affairs



Available via the World Wide Web: <http://www.govinfo.gov>

U.S. GOVERNMENT PUBLISHING OFFICE

WASHINGTON : 2019

COMMITTEE ON VETERANS' AFFAIRS

DAVID P. ROE, Tennessee, *Chairman*

GUS M. BILIRAKIS, Florida, <i>Vice-Chairman</i>	TIM WALZ, Minnesota, <i>Ranking Member</i>
MIKE COFFMAN, Colorado	MARK TAKANO, California
BILL FLORES, Texas	JULIA BROWNLEY, California
AMATA COLEMAN RADEWAGEN, American Samoa	ANN M. KUSTER, New Hampshire
MIKE BOST, Illinois	BETO O'ROURKE, Texas
BRUCE POLIQUIN, Maine	KATHLEEN RICE, New York
NEAL DUNN, Florida	J. LUIS CORREA, California
JODEY ARRINGTON, Texas	CONOR LAMB, Pennsylvania
CLAY HIGGINS, Louisiana	ELIZABETH ESTY, Connecticut
JACK BERGMAN, Michigan	SCOTT PETERS, California
JIM BANKS, Indiana	
JENNIFFER GONZALEZ-COLON, Puerto Rico	
BRIAN MAST, Florida	

JON TOWERS, *Staff Director*

RAY KELLEY, *Democratic Staff Director*

SUBCOMMITTEE ON ECONOMIC OPPORTUNITY

JODEY ARRINGTON, Texas, *Chairman*

GUS BILIRAKIS, Florida	BETO O'ROURKE, Texas, <i>Ranking Member</i>
BILL FLORES, Texas	MARK TAKANO, California
JIM BANKS, Indiana	LUIS CORREA, California
BRIAN MAST, Florida	KATHLEEN RICE, New York

Pursuant to clause 2(e)(4) of rule XI of the Rules of the House, public hearing records of the Committee on Veterans' Affairs are also published in electronic form. **The printed hearing record remains the official version.** Because electronic submissions are used to prepare both printed and electronic versions of the hearing record, the process of converting between various electronic formats may introduce unintentional errors or omissions. Such occurrences are inherent in the current publication process and should diminish as the process is further refined.

CONTENTS

Wednesday, July 18, 2018

	Page
An Update On The Implementation Of The Forever GI Bill: Is VA Ready For August 1st?	1
OPENING STATEMENTS	
Honorable Jodey Arrington, Chairman	1
Honorable Beto O'Rourke, Ranking Member	2
WITNESSES	
MG Robert M. Worley II USAF (Ret.), Director, Education Service, Veterans Benefit Administration, U.S. Department of Veterans Affairs	3
Prepared Statement	19
Accompanied by:	
Mrs. Charmain Bogue, Deputy Director, Education Service, Veterans Benefits Administration, U.S. Department of Veterans Affairs	
Mr. Lloyd Thrower, Deputy Chief Information Officer, Account Manager, Benefits Portfolio, Office of Information & Technology, U.S. Department of Veterans Affairs	
Mr. Daniel McCune, Executive Director, Enterprise Portfolio Management Division, Office of Information and Technology, U.S. Department of Veterans Affairs	

AN UPDATE ON THE IMPLEMENTATION OF THE FOREVER GI BILL: IS VA READY FOR AUGUST 1ST?

Wednesday, July 18, 2018

U.S. HOUSE OF REPRESENTATIVES,
COMMITTEE ON VETERANS' AFFAIRS,
SUBCOMMITTEE ON ECONOMIC OPPORTUNITY
Washington, D.C.

The Subcommittee met, pursuant to notice, at 2:03 p.m., in Room 334, Cannon House Office Building, Hon. Jodey Arrington [Chairman of the Subcommittee] presiding.

Present: Representatives Arrington, Roe, Russell, O'Rourke, Takano, and Correa.

OPENING STATEMENT OF JODEY ARRINGTON, CHAIRMAN

Mr. ARRINGTON. Trying to get some order up here on the dais with my colleagues. Good afternoon, everyone, and welcome to the Subcommittee on Economic Opportunity. An Update on the Implementation of the Forever GI Bill, question: Is the VA ready for August 1st?

The implementation of the new GI Bill is about to go live, and we want to make sure that we can go live with great confidence in a seamless transition. And I want to thank everybody again for joining us today. And this is an oversight hearing on the implementation of HR3218. To be technical, the Harry W. Colmery Veterans Education Assistance Act of 2017, also known as the Forever GI Bill.

This GI Bill was passed on a bipartisan fashion and then was signed into law by President Trump August 16, 2017. This was the first major improvement to the GI Bill since 2011, and encompassed over 30 provisions brought forth by many Members of this House who share all of our commitments to the men and women who either served in uniform or alongside their active duty spouse or parent.

As I said last December when this Subcommittee held our first hearing on the implementation of this law, it is critical that we work to ensure that this bill is implemented in a way that is consistent with Congress' intent, and that veterans receive the benefits in a timely and consistent manner.

Many of you may remember the significant delays that beneficiaries experienced back in 2009 after the passage of the Post-911 GI Bill, and we need to make sure, obviously, that we avoid any of those problems. So the basic question here, ladies and gentle-

men, is, is the VA ready for the August 1st implementation date? And, specifically, will the implementation of the Section 107 cause backlogs and delays for student veterans?

This Section 107 of the law required that VA changed the way that living stipend payments for students were calculated from being based on where a school was headquartered to being based on where the student was taking the majority of their classes. This change made it so that the living stipend payments based on the basic allowance for housing at the E5 with dependents rate were a true indicator of what it costs to live in the area where students were taking classes. Pretty straight forward, pretty common sense.

General Worley and his team have always said that the IT fixes to the VA's Long-Term Solution system for the implementation of this section would be complicated, time consuming, and potentially not ready for August 1st, so we are anxiously awaiting your presentation and status report.

I think I am going to just stop there and yield to my friend and ranking Member Mr. O'Rourke for any comments he might have.

OPENING STATEMENT OF BETO O'ROURKE, RANKING MEMBER

Mr. O'ROURKE. Thank you, Mr. Chairman. And I want to thank the witnesses who are here to testify today.

As usual, the Chairman has laid out the stakes and the questions that we need to answer in this hearing, so there is very little for me to add, and I would just urge us to ensure that while we understand the challenges that the VA may face, the challenges that the participating institutions may face, that we keep our focus on the veterans, those who have earned the benefit in question, that we want to make sure is delivered on time and without any trouble on their part.

And so I will be looking for answers that relate to the veterans' experience in this, and look forward to hearing the testimony and the answers to the questions that are asked by the committee. Thank you, Mr. Chairman.

Mr. ARRINGTON. I would also like to ask my colleagues for unanimous consent that our colleague Mr. Russell from the great State of Oklahoma be allowed to sit at the dais and ask questions. I did not see the issue of moving the Red River boundary north, but I—

Mr. O'ROURKE. Is that on the agenda?

Mr. ARRINGTON [continued]. —as my fellow Texan, and West Texan, I think we could probably table that for another discussion and just keep it simply about the GI Bill.

But hearing no objections, so ordered.

Mr. Russell, welcome.

Mr. TAKANO. As a Californian, I do not object. But I do want to keep you—Oklahomans and the Texans, keep it on the up-and-up, all right?

Mr. ARRINGTON. The man of civility always coming to the rescue.

We are going to now just do a quick introduction of the witnesses. And, again, thank you all for taking time to be with us. Today we have General Robert Worley, Director of VA's Education Service, who is accompanied by Mr. Chairman Bogue, Deputy Director—I am sorry, what is it?

VOICE. Charmain.

Mr. ARRINGTON. Ms. Charmain, I am sorry, it is just spelled like Chairman on my—Charmain Bogue, Deputy Director of VA's Education Service, and Mr. Lloyd Thrower, Deputy Chief Information Officer and Account Manager for the Benefits Portfolio within VA's Office of Information and Technology. And Mr. Daniel McCune, Executive Director, Enterprise Portfolio Management Division of VA's Office of Information and Technology.

Before we begin, I ask the witnesses to please stand and raise your right hand. We will go ahead and go through this part of the formalities.

[Witnesses sworn.]

Mr. ARRINGTON. Okay. Thanks. Please be seated. Let the record reflect that all witnesses answered in the affirmative. And your complete written statements will be made part of the hearing record, and all of you will be recognized for five minutes for your oral statement.

General Worley, welcome back. I yield five minutes for your opening remarks.

TESTIMONY OF GENERAL ROBERT M. WORLEY II, USAF (Ret.)

General WORLEY. Good afternoon, Chairman Arrington, Ranking Member O'Rourke, and other Members of the Subcommittee. I'm pleased to be with you today to discuss the implementation of the Harry W. Colmery Veterans Educational Assistance Act of 2017. I won't reintroduce the Members that are with me today since you did that, Mr. Chairman.

From this day—from the day this law was signed, the VA has taken an expansive approach in communicating, promoting, and implementing the significant improvements provided in the Forever GI Bill. We have consistently and will continue to actively engage and inform our stakeholders through our innovative communications campaign designed to reach the widest audience possible through numerous avenues.

This included a satellite media tour reaching over 3 million viewers and listeners, email and letter blasts to millions of recipients, and a variety of targeted communications to impacted beneficiaries and more. VA has published extensive information and details on the Forever GI Bill on its Web site. Regularly, we've posted on Facebook and Twitter while actively interacting with beneficiaries, and created a series of short videos on the law which will be shared online and to key stakeholders.

VA continues to work with key stakeholders such as veteran's service organizations, state approving agencies, and school certifying officials, all of whom are critical links between VA and our beneficiaries. VSOs are helping VA amplify the Forever GI Bill message through regular communication touch points including VSO national conferences, quarterly briefings, and social media collaborations.

We are closely collaborating with the state approving agencies on implementation of key provisions such as the school certifying official training, housing payment changes, and risk-based compliance surveys.

As you know, SCO's understanding and knowledge of the Forever GI Bill is absolutely critical in helping GI Bill students understand and make the most of their educational benefits. We've engaged SCOs extensively through focus groups, regular webinars, and written communications. These communications will only intensify over the next weeks and months.

VA has presented at over ten SCO training conferences across the country; we hosted five SCO webinars, reaching thousands of school certifying officials during each session; and recently started hosting additional weekly webinars with SCOs on more targeted parts of the law. My staff and I are providing significant support to the Western Area Veterans Education Specialists annual conference, which is hosting around a thousand SCOs next week.

VA has worked tirelessly since the Colmery Act was signed into law to accomplish on-time implementation of all provisions. VA moved out immediately to implement the 13 provisions that were effective on the date of enactment on August 16th, 2017. This included massive communications, and award letter corrections, and direct notifications for the most notable provision Section 112, which, as you know, removes the expiration date for those exiting service on or after January 1st of 2013.

We expeditiously implemented the school closure provision, which has restored almost 12,000 months of benefits by that authority so veterans can get back to getting their education. We were also pleased to immediately implement the long-needed increase in state approving agency funding provided in this law, first for fiscal year 2018 and next for fiscal year 2019, so that we can continue the strong partnership between VA and state approving agencies to ensure that these critical agencies are sufficiently resourced for their vital work in ensuring quality education for GI Bill students. Suffice it to say, we hit the ground running and we haven't slowed down in making this landmark law with 31 education provisions a reality.

As we look to the 17 provisions which become effective on August 1st, 2018, VA is fully prepared to implement 15 of them with the other two very close to being ready for full implementation pending completion of IT testing and deployment. Many of the 15 ready to go provisions will be implemented with interim solutions or requiring job aids or work-arounds until a full IT solution can be put in place. But we're ready with those.

Education Service and VA's Office and Information Technology have been working nonstop to complete user acceptance testing and deploy the IT solutions for the remaining two provisions, Sections 107 and 501.

As you stated, Mr. Chairman, these provisions change the way VA pays monthly housing allowance by aligning payments to the location where students physically attend a majority of their classes. And for Section 501, by removing the reduction exemption on GI Bill housing payments.

These provisions have widespread impact with respect both to GI Bill beneficiaries because most of them have receive some kind of housing payment as well as the depth of the required technology modifications. And it is, of course, absolutely critical that we get this—these changes right.

To deliver a complete and fully responsive IT solution for these sections, OIT must significantly modify the fundamental set of business rules built into the Long-Term Solution technology, LTS. Must also install the proper MHA rate tables that are in our GI Bill approved database, the WEAM System, the Web Enabled Approval Management System, which is where LTS pulls the data. And it must also modify the system—the system that SCOs use to send student enrollment information to the VA, a system called VA-ONCE.

Implementing these system modifications is extremely challenging because of the complexity of the IT testing environments, including the fact that education services supported by multiple legacy systems. All testing relies on access to and synchronization of data feeds from multiple supporting systems.

There are critical and complex technical system and data interdependencies that add to the challenge. The original target date for implementing Sections 107 and 501 IT modifications was July 16th. Given the complexities I've just described, this date represented an aggressive and challenging schedule.

Testing of Sections 107 and 501 modifications by claims adjudicators working with developers has been underway since early June with steady progress being made daily to achieve a successful release. OIT and Education Service have been operating literally on a 24/7 posture to test, resolve issues, release a new software build, and begin the cycle again.

Since testing began, there have been 50 new software builds, or releases, which have successfully identified and resolved nearly 100 defects to ensure needed functionality works. Another key metric is to ensure that the automated processing runs at similar levels as to prior to these modifications, which is about 40 percent or so, 40 to 45 percent.

We have reduced unresolved defects to single digits, and we have achieved significant improvements with automation through the testing period. And we need some additional small improvement before we declare victory. Given the overall complexity of this effort and with the improvements we're seeing through this final phase of the testing process, we are adjusting our target go live timeframe to mid-August.

In early April, VA sent out a request to the schools asking the school certifying officials to hold on submitting those enrollments, and only those enrollments, that might be affected by Section 107. That is for students who may not be taking all their classes at the main campus or the training location. This request was intended to minimize rework of enrollment claims once the IT solutions were put into operation.

We understand that schools have been concerned about their mounting workload, so in light of the delay in implementing our IT fixes and to try to relieve some of this pressure amongst the schools, VA released guidance yesterday to the schools that they can, in fact, resume sending enrollments into the VA and we will process them under the existing rule set.

Once the IT system updates are implemented, we will need schools to send VA enrollment amendments to ensure any payment corrections can be made in a timely manner. We're doing every-

thing in our power to minimize any potential payment delays for our beneficiaries. It is important to remember, with respect to the housing payments, that they're paid in arrears. So terms that start in August will be paid on 1 September.

Additionally, VA has dedicated more resources to include having on boarded about 200 field employees to augment our claims processing staff and will be implementing mandatory overtime no later than 1 August for two to three months to ensure that we maintain timeliness of our service.

Thank you for the opportunity to testify today, Mr. Chairman, I look forward to your questions and the questions of the committee.

[THE PREPARED STATEMENT OF MG ROBERT M. WORLEY II APPEARS IN THE APPENDIX]

Mr. ARRINGTON. Okay. Thank you, General Worley. I now yield myself five minutes.

I appreciate your testimony and candor, I am trying to make sense of it. I think any time I hear critical, complex interdependencies plus aggressive time tables, I start thinking, Houston, we have a problem. Very directly, are we going to be ready to implement, especially this Section 107, which I noted as special cause for concern, are we going to be ready to go live for this fall semester?

General WORLEY. The story I was trying to tell, Mr. Chairman, is that this is a complex, heavy lift effort. We made very good progress to date. We didn't get to the 16 July date we were hoping for, we need to slip that about a month, and that's where we are. And we have a handful of defects left, and continuing to monitor, and try to improve the automation run.

Mr. ARRINGTON. How will that affect the implementation, or the operation rather, of the new GI Bill for the fall? You are behind some, but will you be ready to go live this fall and operate without any hitches, significant hitches?

General WORLEY. Because we asked the schools to hold on enrollments, we expect, you know, a wave of enrollments to come in between now and the early part of the fall. So that will be an increased workload, and that's why we've got more people and overtime scheduled, and those—those kinds of things.

We're accepting the fact that we'll need to do some rework for enrollments that come in between now and mid-August where we need to make corrections, but our feedback from the schools is they would rather do that than continue to hold until the IT solution is in place. So, as always, our goal is to make sure we're paying people timely and accurately, and we will continue with that laser focus throughout the peak period as we always do.

Mr. ARRINGTON. You don't have a lot of control over your IT, from what I am—you are a client of the IT operation there at the VA, does the VA have a CIO in place? Mr. Thrower, is there a CIO in place, permanent CIO? Last time we had a discussion on VR & E, I could not trace the points of accountability from your position up.

Mr. THROWER. We have an acting CIO.

Mr. ARRINGTON. You have an acting CIO. How long has that CIO been acting? Or, how long has that position been open?

Mr. THROWER. Approximately three months.

Mr. ARRINGTON. Okay. And are you servicing, I assume, General Worley and his outfit as they prepare for—

Mr. THROWER. So, General Worley, and Charmain, and I, and Dan here, and our teams are together two and three times every single day working through the problems here. We have, you know, their team and our team are co-located working on the actual solution doing test cases. We've been pretty much 24/7 for about three weeks trying to get the last little bit out the door.

Mr. ARRINGTON. So this business about General Worley asking the schools to hold enrollment, I couldn't really make much—I don't understand that, but I understand it is a work-around, how long will that work-around be needed before you can be fully implemented and operational in the new system?

Mr. THROWER. We—

General WORLEY. Well, I mean, I'll take that one. If the—the challenge we have, and it's not just with this particular provision, but many times when there's a provision that goes into effect that changes either the rule set or something, the fact is that schools are able to submit enrollments for a term up to 180 days ahead of time.

So, in a sense, we're behind the power curve with respect to getting those technical solutions in place before schools can submit enrollments that might have to be corrected later. So what I was trying to get across, Mr. Chairman, is schools can be submitting enrollments that may be affected by these new rules long before those new rules and the IT solution are in place.

Mr. ARRINGTON. And the LTS—

General WORLEY. We're always—we're always kind of catching up.

Mr. ARRINGTON. And the Long-Term Solution, that is an internal?

Mr. ARRINGTON. Long Term Solution is a nickname for the automation engine, the technology.

Mr. ARRINGTON. But it is developed at the VA, this is not off-the-shelf, this is not market—

General WORLEY. Long Term Solution was developed by a contractor under the Office of Information and Technology.

Mr. ARRINGTON. Are you on budget in terms of the budget for this particular project?

General WORLEY. I'll let Mr. Thrower talk this time.

Mr. THROWER. We're actually ahead of budget.

Mr. ARRINGTON. Okay.

Mr. THROWER. We had anticipated this would cost around \$8 million to get these things in place. It looks like, in fact, it's only going to cost us about 5.

Mr. ARRINGTON. Okay. I am out of time, and will now yield five minutes to the ranking Member Mr. O'Rourke.

Mr. O'ROURKE. Thank you, Mr. Chairman. General Worley, the effort that you described so far is very impressive in terms of the number of hours put in, the number of builds, the number of defects found, and the number of defects remaining, which I think you said are in the single digit, but who knows how significant any one of those defects are. But just relative to the number that you started with, that is impressive. But, ultimately, obviously, we are

only going to be judged on the experience on the end-user's part, the veteran, for whom the benefit is intended.

What is their experience right now at this point, what decisions are veterans making, what are they doing, and how is the status of this project affecting them? And the next question, which you can probably anticipate, is how will that affect them going forward seeing that we are one month delayed past the original target date? What will their experience be?

General WORLEY. And that's, obviously, something we're very concerned about. I would say if they're not in—if they're not in school, they're contemplating going to school, then the issue—then they're not affected immediately, but the issue would be if they end up taking classes at multiple locations, and—where their housing could be different, then their experience would be, they would get a housing payment initially if they were certified and started before the IT solution went into effect.

Mr. O'ROURKE. Let's assume that is August, and let's assume that first payment is due September 1. What will their experience be?

General WORLEY. So their experience would be they would get X amount in their housing payment based on the main campus zip code, even if they were taking a majority of their classes elsewhere.

Mr. O'ROURKE. Let's, just for the sake of the argument, pretend that main campus is downtown Manhattan, and they, the student veteran lives in El Paso, Texas, you know, huge discrepancy in housing cost between the two. What will their experience be going forward if the zip code is not resolved prior to September 1?

General WORLEY. They could either—well, they're taking—they're going to school in Manhattan, or they're—

Mr. O'ROURKE. If they're taking a course from a school headquartered in Manhattan, located in Manhattan. And let's say the software fix is not in place at the time that their housing allowance is dispersed.

General WORLEY. Okay. So I think you're setting up a scenario where they would be underpaid with the housing allowance, so that's obviously a concern. And if they were underpaid, then once the correct—once the IT fixes were in place, that correction would be made, and they'd be made whole for—

Mr. O'ROURKE. For the sake of the argument, I think I am trying to demonstrate how someone could be overpaid—

General WORLEY. Oh.

Mr. O'ROURKE [continued]. —if they lived in El Paso, the school were in Manhattan.

General WORLEY. Okay. I'm sorry.

Mr. O'ROURKE. And whatever the amount of money is, it is then the policy of the VA, even if it is the VA's fault for not having the fix in time, on schedule, the veteran would be overpaid and then have that payment taken back from her or him.

General WORLEY. If it was—

Mr. O'ROURKE. How would the adjustment be made?

General WORLEY. Okay. So if they were overpaid and we'll—what happens in our system when there's a—we'll call it adverse action, there's a debt that the system would normally establish, those claims are—we call them off ramped because they don't go through

the automation engine totally untouched by human hands—they're off ramped and a human being looks at them.

If the overpayment, after review by the claim's examiner, was due specifically and solely to this issue where the IT solution wasn't in place for Section 107, then the VA would consider that an administrative error on the VA's part and we don't establish—

Mr. O'ROURKE. You will—

General WORLEY [continued]. —debts against the student when it's an administrative error on the VA's part.

Mr. O'ROURKE. So just to make it clear as part of the record, if a student is overpaid because of the inability of the VA to implement the solution on time, the veteran will not have to return the overpayment to the VA?

General WORLEY. That's correct.

Mr. O'ROURKE. Okay. Great. Lastly, what is—let's just assume that the single digit number of defects that remain are not able to be solved in a timely fashion—not next month, not the month following—what is the plan B for this next academic semester should we not be able to resolve this? What's the plan B going forward if we continue to have problems, which is not without precedent within the VA's IT history?

General WORLEY. Well, we can't not process claims, and pay schools, and pay veterans. So we would continue—we would continue to process the claims under the rules engine that we have now until such time as the IT solution is in place.

Mr. O'ROURKE. Thank you. Mr. Chairman, I yield back.

Mr. ARRINGTON. Ranking Member yields back, I now yield five minutes to Mr. Russell from Oklahoma.

Mr. RUSSELL. Well, I thank the Chairman, and I thank the Members for allowing me to join you today.

I guess my question really is dealing with Section 115 with regarding the improving the processing of claims. My understanding is that the VA has broad latitude in the implementation in the payment of claims to institutions. One of the problems that we have seen in the past is a waste that develops because of enrollment or how long the veteran is there, whether they drop out. Institutions hold money and then trying to get that money back becomes a problem.

Is there any consideration given under Section 115 in the rules that you promulgate that will allow payment to those institutions that are eligible for the veterans that are enrolled on a bi-weekly or monthly basis as opposed to a semester basis, which seems to me that it would preserve the funds and would prevent having to recollect those funds from institutions? And so that would be my question to you, if that is clear.

General WORLEY. There's no consideration at present, sir, about doing something like that. The way—as you know, the way it works now is the school certifies to the VA the start date, end date, and rate of pursuit of the individual, and the VA pays for the term that comes in in its entirety. The—sometimes schools hold onto those certifications—

Mr. RUSSELL. All the time.

General WORLEY [continued]. —in order to wait 'til a drop/add period, or whatever, but the sooner they get that in the sooner they get paid, so.

Mr. RUSSELL. Yeah. I would just ask that you take a look at that. I am not a Member of this committee, but I am on Armed Services and the Oversight and Government Reform Committee. I am a veteran. Unfortunately, my three wars and decades of service didn't get me a Forever GI Bill, but I am glad to see that we have got at least something going forward.

It would seem to me that if we would promulgate some rules that would allow a shorter payout based upon eligible enrollment as opposed to a semester payout, then a lot of the waste that occurs with the VA paying out more money than it should, and then trying to pay people—give them the incentive of just complying by the law to pay back, right now we shouldn't pay a dime to incentivize anybody to obey the law. And that is one of my big concerns, sir that I have tried to raise to others.

And so I would just ask that you give that serious consideration. I plan to keep pursuing this issue in the future, but it really could be, even on implementation, it could be promulgated by rules or adjustments within the law, as I understand it. And if I am not correct in that, then, you know, I would welcome that information.

General WORLEY. Yes, sir.

Mr. RUSSELL. And that is all I have. Thank you, Mr. Chairman.

Mr. ARRINGTON. Thank you, Mr. Russell, for your interest. And I agree, and we should further examine that, and I can commit to you that I will stay on that and report to you so that you are kept in the loop on it. So thanks for bringing that up.

Now I will yield five minutes to my colleague Mr. Takano.

Mr. TAKANO. Thank you, Mr. Chairman. General Worley, the passage of the Forever GI Bill was a major step forward for generations of future veterans. I was particularly grateful that this bill fully restored GI Bill benefits to students harmed by the abrupt closures of Corinthian Colleges, and ITT Technical Institute, and other institutions that shut down without warning.

This year I met with an Army veteran, Travis Craig, who attended ITT Technical Institute and shared his story of fraud and deception. Because of the legislation that we passed, he had GI Bill benefits restored. General Worley, I know you mentioned restoration in your testimony, but I want to walk through the process. How many applications for entitlement restoration have you received?

General WORLEY. Thank you, Mr. Takano. We have received for the—for the retroactive part, the special application part that goes back from the day of enactment back to January of 2015, we received about 1,800 applications.

Mr. TAKANO. Wonderful. And how many applications have been restored? How many people were successful?

General WORLEY. There have been about 1,100 of those 1,800 applications are—have been approved. And that's the basis on which I said in my oral testimony, a little over 11,000 months of entitlement have been restored to those 1,100 individuals.

Mr. TAKANO. It is on average; the people are receiving different amounts based on—

General WORLEY. Right.

Mr. TAKANO [continued]. —how long they were—

General WORLEY. That's just the total. That's the total—

Mr. TAKANO. Yeah.

General WORLEY [continued]. —aggregate.

Mr. TAKANO. Okay. If you could work with my office, I want to figure out—get a better breakdown of that 1,100 at some point.

General WORLEY. Yes, sir.

Mr. TAKANO. But I want to move on with my other questions, okay, we can come back to it. What are the reasons for why approximately 700 applications have been denied?

General WORLEY. We took a look at that in a very detailed way over the last 48 hours or so with a team out at Muskogee, and the two top reasons are either the individual was able to transfer credits to another program, which makes them ineligible for the restoration. Or they weren't enrolled at the school within 120 days of the school closing, which is another aspect of the provision. So those two together make up about, I think, 72 percent or so of the reason—the reasons of why.

Mr. TAKANO. Let me just say on that second group, the ones who weren't enrolled during the specified time period. I know we set parameters in the law, I don't want to create extra work for you on this, but I do think it would be interesting to know more about that group of people who missed that deadline. They are veterans, and I do want to know if they have compelling stories of being defrauded. I think that would be something that would be good due diligence for the VA to do.

But let's get back to these students who were able to transfer. My understanding is that the transfer, if you were able to transfer just one credit, you were not eligible for the restoration. Is that something—is that a provision that was in the statute that we passed, or is that a regulation set by the department?

General WORLEY. I think the statute was more—well, it was not that specific. It just said, I think, if credits transferred, or I think—I think it might—I don't know if it said any credits transferred. So that's the way it was—

Mr. TAKANO. So we are not—

General WORLEY [continued]. —interpreted.

Mr. TAKANO. —really distinguishing between a veteran who was able to transfer 12 credits versus a veteran who transferred 1 credit. A veteran who—

General WORLEY. Versus—

Mr. TAKANO [continued]. —was able to transfer maybe 1 credit out of the 12 credits that he received, he or she is not eligible for restoration. Is that the stance of the—

General WORLEY. Any—if they can transfer any—

Mr. TAKANO. Any credit?

General WORLEY. One or higher, yes, sir.

Mr. TAKANO. That is a topic I hope that the committee will look into in the future. I don't quite see that as quite fair. The Congressional Budget Office estimates that 5,000 beneficiaries would receive an average of 18 months of benefits restored. In your testimony you mention reaching out to 8,000 beneficiaries, so far you have received about 800 applications. Is there anything more that

the VBA can be doing to make sure that the veterans know that they have access to restoration of the GI Bill?

General WORLEY. Just to correct, sir, it was 1,800 applications not 800. But so—

Mr. TAKANO. Oh, I am sorry, excuse me.

General WORLEY. So what we have done, we have reached out on—we went out to the 8,000 then we had follow-up communications where we got indications that either the email or letters didn't get there. We've also gone out and we took a sample, statistically significant sample, of 400 of these cases, and we went through the case individual files, and we looked at these reasons, and looked at those, you know, why people were, you know, being treated the way they were with respect to this provision.

About 25 percent of them were already graduated or really didn't need the program. And we actually followed the—followed up with phone calls to, I think, close to a hundred of those individuals to talk with them. And the single biggest reason the rest of them hadn't used the restoration was that they weren't ready to go back to school yet.

Mr. TAKANO. Mr. Chairman, if I could ask one brief follow-up.

Mr. ARRINGTON. Go ahead.

Mr. TAKANO. So, Mr. Worley, I am really concerned about those 800 veterans, or those veterans that said they weren't ready to go back to school again. As you know, this is a transferable benefit for their wife, for themselves, but it strikes me that we should know—were these students informed that they still were entitled to restoration even though they weren't ready to go back to school—

General WORLEY. Absolutely.

Mr. TAKANO [continued. —and it would be to their benefit to actually get their benefit restored?

General WORLEY. Yes, sir, that was part of the reason for the phone call. One, did you know about this, and most of them did. I mean, there was—the communication blasts out there was effective, most of them knew about it. And then, you know, then there was a discussion about why haven't you applied for it, and so they haven't—they weren't ready to go back to school.

Mr. TAKANO. Were they encouraged to restore the benefits?

General WORLEY. Absolutely.

Mr. TAKANO. Okay. Mr. Chairman, I yield back.

Mr. ARRINGTON. I thank the gentleman for his line of questions, and will recognize our Chairman—no? Okay. Well, thank you, Mr. Chairman, for being here.

Mr. Correa, yield five minutes to you.

Mr. CORREA. Thank you, Mr. Chairman. First of all, I want to thank everybody for the good job you are doing over there at the VA. And I had a question about the Forever GI Bill, which is, the law made all Purple Heart recipients one-hundred percent eligible for benefits, and as you know, before the law, you had to serve 36 months. So my question is, are we going back and doing anything to communicate with these Purple Heart recipients to let them know that there's money on the table, and they have got to come back and reapply for these benefits?

General WORLEY. We are—Congressman Correa, thank you. We have gone into our own system to see where we—well, first of all,

let me just emphasize that this provision as well as the provisions that add additional authorities for reservists to have creditable service, those that are supporting major disasters, and those that are supporting special combat—combatant commander operations.

All of those authorities are important. That was information that we didn't have access to in our interaction with the Department of Defense. Now all of that, we've worked very closely with Department of Defense over the last many months, all of that information is now available, so when our claims examiners need to verify either Purple Heart serv—Purple Heart recipient or other types of creditable service that have been added as a result of the Colmery Act, that information is available so we'll be able to make the correct eligibility determinations. So that's been, I think, a great success in working with the Department of Defense.

With respect specifically to Purple Hearts, we've gone into our own system and looked at Purple Heart recipients who have already started to take advantage of their benefits to make sure that they're—they know and that they're assessed at the right level, if they weren't already a hundred percent. And then we've also worked with DoD, there's another 10,000 or so that are indicated to have received Purple Hearts. So we're going over those records, and then we will make a particular targeted outreach to those individuals to make sure they're aware of their benefits, and that if they want to take advantage of them, where to go.

Mr. CORREA. And, sir, I just noticed that I started out my comments by saying, "What are you doing," and I would like to throw that back on us, me specifically, to say, how can we work together to make sure we get that message out? I would welcome the opportunity to work in my district and my colleagues to make sure that message gets out there.

General WORLEY. Yes, sir. I appreciate that point because one of the things I didn't mention in the communications aspect is we've done I think it's something a little bit innovative, we've trained up ten, what we're calling Colmery ambassadors. They're—they're VA employees, and most of them are—work for me in the field or elsewhere, and they're commissioned, basically, they're trained up in commission to go out and spread the word, and we'd love to come out to your districts and provide that expertise on the Purple Heart and the whole suite of provisions that are in the Colmery Act.

Mr. CORREA. Thank you. You have got a deal. We will work together. And, again, thank you for the good work. Mr. Chairman, I yield the remainder of my time.

Mr. ARRINGTON. Thank you, Mr. Correa. I am going to ask if any of my colleagues on both sides have further questions while we have our friends here from the VA on such an important matter. I know I have a few follow-up questions, but I am going to ask if you guys have any, and I would defer to you at this point.

Mr. Ranking Member?

Mr. O'ROURKE. I do not, Mr. Chairman.

Mr. ARRINGTON. Mr. Takano?

Mr. TAKANO. No, sir.

Mr. ARRINGTON. Okay. And, Mr. Chairman, any—okay. I yield as much time as the Chairman might need.

Mr. ROE. I was here when we rolled out the GI Bill with General Shinseki, and it was, to say the least, bumpy. And this creates a lot of problems at our universities and for the—General, do you anticipate a fairly smooth rollout for this where we are not going to have all this confusion Mr. O'Rourke talked about and other things where we are going to have our office inundated with calls about how my GI Bill isn't working?

General WORLEY. I do anticipate, compared to what I understand that was like, and I wasn't on board at the time I was still in the Air Force, but I think this is a—this is a whole different—I think we're in a whole different place for sure right now.

Yes, we need some IT solutions in place. The effort is there, and we're very close on 107, 501. We'll be working with Mr. Thrower and his staff for the other IT requirements through fiscal year 2019, and I don't think you're going to see anything like what I understand happened in—after August of 2009.

Mr. ROE. About how many students will you have applying to these benefits this fall do you think? What's your estimate?

General WORLEY. Mr. Chairman, typically in the fall semester we have about a half a million beneficiaries that we're paying.

Mr. ROE. Okay.

General WORLEY. And that's pretty consistent each fall and a little bit less than that in the spring tends to be, and then, of course, smaller number through the summer.

Mr. ROE. And that has been pretty consistent since it is up and running?

General WORLEY. Yes, sir.

Mr. ROE. As you know, and the Student Veterans of America pointed this out, that I think it is upwards of over 70, maybe even 72 percent, of those students that use that benefit finish in, I think—I am not sure of the time—but within six years, I think. So it is a pretty amazing number when you look at the rest of the student community around the country, it is much higher than—

General WORLEY. Yes, sir.

Mr. ROE [continued. —at public universities. And I think what we want here, and as Mr. Correa said, we want to be helpful, because if it works well, we don't hear about it, and that is always a good thing. And so anything we can do to help make that work better, we are more than happy to do it because it is going to create work for us, and more work for you if it isn't seamless.

And I have maintained very close contact with my college where I went, which is Austin Peay, which is in a military town, Fort Campbell, Kentucky, there. So they see a lot of students, and I will hear from them probably and East Tennessee State University, also, that has—which is in my hometown, right away this isn't working. So I know my view is if you can get this to working as seamless as possible, the quicker the better. And do you think that your IT solutions will be through—complete by the 1st of October maybe? That is two months, two-and-a-half months.

General WORLEY. Mr. Chairman, as I mentioned, we're targeting the middle of August to have that IT solution in place. That's our revised date.

Mr. ROE. And that means at that point in time, I know this re-filing causes a lot of confusion, that I just heard you talking about

when I first got in the hearing, and that is confusing for the admissions office and those folks.

General WORLEY. And communication is key in that regard. And, as I mentioned, we've started this week, we've really ramped up our webinars. We've had webinars for veterans, we will have weekly and then twice a week webinars with school certifying officials. I mentioned I'm going out next week to speak to a thousand school certifying officials from the western area.

So keeping them up to speed and knowledgeable about what's going on is critical, and we'll continue to do everything we can. And I appreciate the offer of support and assistance. We want this to be smooth, we don't want you getting phone calls for sure, and we're doing everything we can to make this a smooth and seamless rollout.

Mr. ROE. Well, this is a tremendous bipartisan effort and an incredible benefit for our servicemen and women, and we want it to work as seamless as possible, so thank you for everything you can do. Thank you, Mr. Chair.

Mr. ARRINGTON. Thank you, Mr. Chairman. What else, if we had a dashboard of blinking yellow to red, like Section 107, I put that—equate that with a blinking yellow to red, what other components of the GI Bill implementation should we have on our radar, and make sure that we are following up, and staying in communication with you guys?

General WORLEY. Well, that's a tough question, Mr. Chairman. I would say in the realm of, and it's continuing in the IT theme a little bit, we're—the Vet Tech program is scheduled to start to go operational in early 2019, and we're well on our way to that. We have the application that training providers will need to apply, we've put in place quality measures and all those kinds of things to make sure we have quality providers, we're finalizing the application that veterans will use to apply for the Vet Tech program and all those kinds of things.

But the Vet Tech is something that's—stands alone in terms of the normal program offerings and the technology that we have. So we're going to have to create a new way to pay people with respect to the Vet Tech program, to pay them their housing. And so that's, again, another—it's another challenge, it's not insurmountable, but it's something we're focused on and working with our office of financial management as well as OIT.

So Vet Tech we know is a high visibility program, we're doing everything we can to make sure that's ready to go, and we have good quality providers. That's the only thing that comes to mind. The other things where we have job aids or work-arounds, those will—I'm confident those will work, but we definitely want to continue to work to get the IT solutions in place so that we don't have to do those kinds of things.

Mr. ARRINGTON. Following up on Mr. Correa's question about the Purple Heart component, Section 102. My understanding is, is that is going to require coordination with the Department of Defense. Is that going well? Do you anticipate any issues there?

General WORLEY. No issues, and I was just making the point that there's been a very strong collaboration with the Department of Defense. The Purple Heart issue, as well as the 1230412301(a)

and (b) provisions, the authorities under which reservists get called up that is now credible service for the GI Bill going back to 2001.

All of those things are now in what we call the VIS—the VADAR and VIS database, that’s the database we use, our claims examiners use to verify service data so that we can make sure that we establish eligibility correctly. So all of that has gone—it hasn’t been easy, but it’s gone very well. We have the data in place right now, what we need for 1 August, and we’re ready to go on those.

Mr. ARRINGTON. So just overall, so I can get my mind around it because there are a lot of pieces to this, and it is a massive undertaking, and—

General WORLEY. Yes, sir.

Mr. ARRINGTON [continued. —can only imagine that it is—every component will not be perfectly implemented, but on a scale of 1 to 10, 10 being perfect, how would you score yourself right now on implementation and going live this fall semester?

General WORLEY. Going back all the way to the date of enactment provisions, I’d give us, you know, if I could count those as successes, which they are, if you’re just talking about—either way I’d give us a—

Mr. ARRINGTON. I’m talking about—

General WORLEY [continued. —7 or 8. I’d give us—

Mr. ARRINGTON. Maybe I should go back—

General WORLEY. I’d give us an 8.

Mr. ARRINGTON [continued. —to Mr. O’Rourke’s perspective.

General WORLEY. I’d give us an 8 out of—

Mr. ARRINGTON. From the customers’ perspective. From the veteran and the schools, will this be a 10 or a 1? And I don’t suspect it will be a 1.

General WORLEY. One being the worst, I think.

Mr. ARRINGTON. Yeah.

General WORLEY. Yeah. No, we’ll—we’re doing everything we can, Mr. Chairman, to make sure this—the experience of the veteran is seamless.

Mr. ARRINGTON. You ought to run for Congress with that answer, it is remarkable. Okay. I just have one more follow-up question then we will close.

Mr. Thrower, while I have got you here, we had a hearing about the VR & E case management tool system, there was \$12 million spent, and there was a decision that was going to be made, I think you guys said, by June. Whether you were going to continue down the existing path or start over. There was a sunk cost of \$12 million, we have a great interest to know exactly what the decision was, and what is the plan, and can you give us a status on that?

Mr. THROWER. Well, let me give you a status. There is no decision as of today. I will say, though, that we—at the end of May, we published an RFI out to industry to understand many different options, service options. Got a lot of good input from industry ranging from software-as-a-service options, to managed business services.

And when I say “we,” let me—let me be clear that this was a joint effort between the VR & E team, the front office, VBA team, and my team. And we’ve been looking at a series of options and we just actually have just put the final presentation for the new Under

Secretary and set the options in front of him. And I expect a decision on this one very shortly.

Mr. ARRINGTON. What do you need from us to serve your clients like General Worley and fulfill the obligation to implement the law as we intended it to be going forward? I mean, if you had a wish list to help you serve your clients and ultimately our customer, the veterans, what would you need?

Mr. THROWER. I actually think the one thing that's always helpful is one thing I think that we have is a good dialog. And the fact that, you know, and keeping, you know, both of our teams, your staff, and, thus, you the Members, you know, aware of what is going on. They ask good questions to us, the hard questions that we answer. And—but keeping those lines of communication open so that when things do arise, and things need to happen that they're always there.

Mr. ARRINGTON. And I am not picking on you, but we didn't know about that \$12 million sunk cost and the decision until just before that hearing. So I am going to ask you just as we move forward, especially on big projects like the implementation of the GI Bill, let us know if you are having problems so we can get on it early, and I know everybody at the dais, and especially our Chairman, want to do everything we can to support you so that we can all be successful in serving our veterans.

Mr. THROWER. Thank you, sir.

Mr. ARRINGTON. Okay? Any last comments or questions, and then we will close? Mr. Ranking Member? Okay.

I now ask unanimous consent that all Members have 5 legislative days to revise and extend their remarks, and include extraneous material. Without objection, so ordered. This hearing is now adjourned.

[Whereupon, at 2:54 p.m., the Subcommittee was adjourned.]

A P P E N D I X

Prepared Statement of Robert M. Worley II

Good afternoon, Chairman Arrington, Ranking Member O'Rourke, and other Members of the Subcommittee. I am Robert M. Worley II, Director of Education Service, and I am pleased to be here with you today to discuss the implementation of the Harry W. Colmery Veterans Educational Assistance Act of 2017 (Colmery Act) or, as it's more commonly referred to, the Forever GI Bill. Accompanying me today are Mrs. Charmain Bogue, Deputy Director, Education Service, VBA; Mr. Lloyd Thrower, Account Manager, Benefits Portfolio, Office of Information & Technology (OI&T); and Mr. Daniel McCune, Executive Director, Enterprise Portfolio Management Division, OI&T.

Colmery Act

Since the passage of the Colmery Act on August 16, 2017, VA has diligently set out to implement the law with special consideration to the intent of the Congress and the great impact the provisions have on our Nation's Veterans. The Forever GI Bill has 34 provisions, 31 of which affect education benefits. These provisions transform how VA delivers education benefits, while ensuring that the GI Bill keeps pace with the demands of our Nation's economy and remains valuable to Veterans, Servicemembers, and their dependents. This is clearly seen in VA's new authority to restore entitlement to those affected by a school closure; the Science, Technology, Engineering, and Math (STEM) scholarship; and the Veteran Employment through Technology Education Courses (VET TEC) Pilot program, which makes coding and programming boot camps available to GI Bill-eligible Veterans.

As noted in our testimony for the House Veterans' Affairs Economic Opportunity Subcommittee hearing on the implementation of the Forever GI Bill that was held on December 12, 2017, VA established a Program Executive Office (PEO) to monitor and coordinate all Forever GI Bill implementation activities. The PEO consists of 12 full-time employees and 29 contractors and closely collaborates with internal partners to include: General Counsel, the Office of Business Process Integration, Resource Management, Congressional and Legislative Affairs, Human Resources, Performance Analysis and Integrity, Corporate Communications, Vocational Rehabilitation and Employment, Compensation Service, and OI&T. These offices have been instrumental in the implementation effort thus far and will continue to play a key role as we approach the August 1, 2018, milestone, the effective date for a number of the provisions.

Date-of-Enactment Provisions

VA has implemented the provisions that were effective on the date of the law's enactment. Since the November notification to nearly 8,000 beneficiaries who may have been impacted by a school closure or program disapproval and may have been eligible for restoration of entitlement under the Special Application provision in section 109, VA has restored over 11,000 months of entitlement to 1,070 beneficiaries. VA has consistently received between 40 and 60 applications each week since sending the initial notification, and VA has completed two follow-ups via emails, letters, and phone calls to encourage individuals to apply. To better understand why some may not be interested in submitting an application for restoration, VA selected a statistically valid sample size of 400 files to review and determined that approximately 25 percent of these individuals had either already graduated or transferred credits to a different school, making them ineligible for restoration. VA then attempted to contact the remaining individuals by phone and found more than 75 percent intend to apply, but are not prepared to return to school. As there is no deadline to request restoration, VA is confident that the steady rate of applications will continue into the future.

In January 2018, VA contacted nearly 3,200 Veterans who may have lost their Reserve Educational Assistance Program eligibility due to the program's sunset.

This notification informed individuals that they may now have the option to make an irrevocable election under section 106 to have their eligible active-duty service periods used to establish Post-9/11 GI Bill eligibility. A recent file review of a representative sample from this group found that over half this population already established eligibility for Chapter 33 benefits, which means that, for many, no action is necessary.

Section 112 of the Colmery Act removes the 15-year time limitation to use the Post-9/11 GI Bill benefit, which impacts more than 635,000 Veterans. In February 2018, VA emailed approximately 600,000 of these individuals and sent paper mail to the remaining beneficiaries informing them that VA was working on system changes to update automated letters and that they may no longer have a time limit to use their Post-9/11 GI Bill benefits.

In April 2018, OI&T and Education Service worked to deliver those system changes and modified automated letters to accurately reflect the removal of the 15-year month time limitation to use the GI Bill benefit. Education Service took additional steps in the interim and properly notified those impacted.

The Colmery Act has been especially important for Veterans, Servicemembers, and dependents, but there are also several provisions that aid State Approving Agencies (SAA) as they work on behalf of VA and its beneficiaries. VA allocated \$21,000,000 for SAAs in fiscal year (FY) 2018 and is planning to allocate \$23,000,000, plus the COLA of \$552,000 as specified in the law, for FY 2019. VA and the National Association of State Approving Agencies established a working group to develop and enhance the risk-based compliance surveys conducted by SAAs. The group meets regularly and has developed an initial list of risk measures. VA also notified SAAs that they may approve accredited independent study programs at certain educational institutions that are not institutions of higher learning, like career and technical education schools, in accordance with section 302.

VA submitted its initial implementation strategy to achieve full claims automation to Congress in May 2018, and is preparing to provide an update on this plan in August. The initial student progress report due date in section 114 was extended to March 1, 2019, so that additional months of data could be provided in the report. VA thanks the Committee for its consideration in extending this deadline. VA appreciates the extended authorization of the Veterans Advisory Committee on Education until 2022 in section 306.

Several provisions improve the student Veteran's experience, like the permanent authorization of work-study, which provides additional educational allowance assistance to students performing Veteran-centric activities including providing outreach services for SAAs. The codification in section 309 of VA policy giving School Certifying Officials (SCO) additional flexibility to certify courses that begin seven or fewer days after the first day of the academic year assists SCOs in their efforts to seamlessly administer the GI Bill. To provide information on whether schools offer priority enrollment to Veterans, Education Service has instructed institutions to provide this information to a centralized team in Buffalo. These data will soon be available on the GI Bill Comparison Tool.

August 1, 2018, Provisions

VA has worked tirelessly since the Act was signed into law to ensure an on-time implementation of all provisions. VA is anticipating implementation of Sections 107 and 501 by August 1, 2018-which have the widest impact on beneficiaries-and several other provisions that expand and enhance access to VA educational benefits. Many of these provisions will be implemented with an interim solution concurrent with the decommissioning effort of the 50-year-old Benefits Delivery Network. This will provide VA more modern technology on whether to make changes, or pursue alternative service offerings.

VA has collaborated with the Department of Defense (DoD) on implementing the provisions that expand qualifying service for the Post-9/11 GI Bill. The new qualifying service types include service as a result of orders under 10 United States Code § 12301(h), which involves orders of members of a reserve component to active duty to receive medical care, and orders under section 12304a and 12304b, which are used in response to major disasters or pre-planned missions in support of combatant commands. For both, the Defense Management Data Center has made this service available to view in the Veteran Information Solution so that VA staff can properly process claims for those eligible. Similarly, VA has worked closely with its DoD partners to identify Purple Heart recipients, so that those who meet the criteria in the Colmery Act to receive full benefits are aware of this new eligibility and aware that they are now covered under the Yellow Ribbon program. Fry Scholarship recipients are also now covered under Yellow Ribbon, which requires VA to implement

a manual workaround and job aid to allow these claims to be properly processed on time.

There also has been extensive work with DoD to revise business processes and procedures as they relate to the transfer of benefits entitlement related to the death of a Veteran/Servicemember and for entitlement transfers related to the death of the originally designated dependent, as authorized under section 110. VA expects that the additional opportunities to transfer Post-9/11 GI Bill entitlement will be welcomed by Veterans and their families. To ease the burden on those seeking to conduct a transfer, in most instances, the transfer will be conducted through milConnect. In the event of a Veteran or Servicemember's death, an eligible dependent will be able to contact VA to request a transfer.

The Colmery Act includes measures that maximize a student Veteran's educational benefit. A beneficiary will no longer be charged an entire month of entitlement when requesting payment for fees associated with licensing, certificates, or national tests. Instead, the entitlement charge will be prorated to the amount of the actual cost of the test. Reservists will no longer lose a full month of monthly housing allowance (MHA) when called to Active Duty. VA will pay MHA for every day the student is not on Active Duty, which offers these individuals financial stability and balance as they manage both their call to serve our country and their personal educational goals. VA has developed job aids for its field personnel to calculate the proper entitlement charge or MHA payment until permanent information technology (IT) solutions are put in place.

VA is preparing communications to educational institutions regarding the increase in the Annual Reporting Fee (ARF) and guidance restricting institutions with more than 100 education benefit enrollees from merging the ARF funds with the institutions' general fund. These monies are to be used to support certification and Veterans program activities, and VA will incorporate such checks as necessary in its compliance functions. VA is also designing new and more comprehensive SCO training and plans to implement a two-phased approach. The initial focus will be on ensuring that new SCOs, defined as those with less than 1 year of experience, complete VA's training. The second phase will expand training opportunities and institute certification and continuing education programs for all SCOs. To support a student's ability to opt out of providing entitlement information to his or her school in accordance with section 308, VA developed a new form that can be submitted electronically and included an opt-out option on all education benefit forms.

VA provided instructions in a procedural advisory to inform employees of the reduction in entitlement from 45 to 36 months, as required by section 202, for the Survivors' and Dependents' Educational Assistance (DEA) Program. VA is also incorporating messaging on the substantial increase in DEA payments required by section 203 that takes effect on October 1, 2018, so that participants are well informed of these changes.

Today, Education Service and OI&T are faced with an even greater challenge in providing an IT solution for sections 107 and 501, which change the way VA pays monthly housing stipends by aligning payments to the location where students physically attend the majority of their classes and removing the reduction exemption on GI Bill stipends.

To deliver a complete and fully responsive IT solution for these sections, OI&T must significantly alter the rules engine that powers automation in Long Term Solution, install the proper MHA rate tables in the Web Enabled Approval Management System, and modify the user interface in VA's Online Certification Enrollment (VA-ONCE) to collect the necessary data to pay the student's correct MHA. This is a labor and resource-intensive effort with tremendous technical interdependencies and risks to complete by August 1, 2018.

With respect to section 107, after careful consideration and input from a variety of internal and external parties, including representatives from impacted educational institutions and Congressional stakeholders, VA has determined that it will interpret the term "campus" to include, "Any internship, externship, practicum or student teaching site." This definition provides a measure of equity for all students in administering their MHA based on the "physical" location where the student is participating in the majority of his or her classes.

VA is undertaking a robust and multimodal communications effort to minimize disruption to both students and educational institutions ahead of the August 1, 2018, effective date. VA held two in-person and virtual focus groups with representatives from educational institutions, SAAs, Veteran Service Organizations (VSO), other Federal agencies, and school officials from various VA-approved training providers to provide information and garner feedback on its implementation plan. On March 14 and June 12, 2018, Education Service held webinars featuring a wide-ranging presentation and scenario overview of section 107 to thousands of SCOs. VA

staff have attended and presented at almost half a dozen regional SCO conferences and will continue to seek out these opportunities to ensure that those impacted by section 107 are well informed.

Additionally, in early April 2018, Education Service coordinated an email campaign to notify SCOs and their leadership on what to do with post-August 1st enrollments, specifically instructing them not to submit certifications if a student is attending courses in a location other than the one represented by the facility code known to VA.

This action is intended to reduce the level of effort required by schools when VA's IT solution goes live this month. This campaign also contained notifications to VSOs, SAAs, and Congressional stakeholders, and updated messaging on VA ONCE.

While schools will be required to report ZIP codes of the locations where students are physically participating in a majority of their classes for courses that begin on or after August 1, 2018, schools will have until August 2019 to update their school catalogs to reflect the different training locations and courses that are located in a different ZIP code from their main, branch, or extension campus. This decision is to give both VA and schools an opportunity to adjust to this change and better study how it is operationalized and administered. VA will continue to review and solicit feedback on section 107 to ensure that its policies and procedures properly protect the Government and taxpayers' interests while providing sufficient controls.

Testing is currently under way, and OI&T is targeting to go live with the system changes for sections 107 and 501 by August 1.

Communications

VA takes seriously its role in communicating and promoting the changes and impact the Forever GI Bill has made to Veterans, Servicemembers, and their families. Since the law's enactment, it has continuously sought out new avenues and opportunities to inform the public and is now fully engaged in a communications campaign on the August 1 provisions.

SCOs are a critical link between VA and its beneficiaries. SCOs' understanding and knowledge of the Forever GI Bill only heighten student Veterans' awareness and aid in preventing confusion or misinformation regarding the law. VA has presented at SCO training conferences in Texas, Florida, Georgia, Missouri, and Puerto Rico, provided detailed overviews during multiple SCO webinars reaching thousands of SCOs, and is planning additional webinars with SCOs on more targeted parts of the law soon.

VA has also attended and briefed audiences on the Forever GI Bill at the Council of College and Military Educators Conference, at Teach for America, the Departments of State and Defense, and the National Association of County Veterans Service Officers Annual Conference. In the coming months, VA will be at the National Guard Association of the United States General Conference, the Enlisted Association of the National Guard of the United States Annual Conference, and the National Association of the State Approving Agencies Conference.

These events are just a snapshot of the outreach VA has done and plans to do. To maintain its presence and attend as many events as possible, VA recently welcomed its first cohort of Forever GI Bill Ambassadors. These ambassadors are located nationwide and are authorities on the Forever GI Bill. They are prepared to perform outreach to groups small and large and welcome the opportunity to speak at events in your district so that your constituents can ask questions about the GI Bill on the spot.

VSOs are helping VA amplify the Forever GI Bill message through regular communication touchpoints, including quarterly briefings, promoting certain provisions like Priority Enrollment, and coordinating social media experiences like the Facebook Live event hosted by the National Military Family Association and a recent Twitter "Take Over" done in collaboration with Student Veterans of America celebrating the 74th Anniversary of the GI Bill. Additionally, I interviewed with The American Veteran, a web-based VA news program for VA and DoD, and I participated in an online question- and-answer session hosted by RallyPoint for Veterans interested in the law.

VA has published extensive information and details on the Forever GI Bill on its website, to include frequently asked questions, easy-to-understand infographics, and accurate content. On Facebook and Twitter, VA posts content on specific provisions and interacts with beneficiaries to provide additional information and answer questions daily. To further round out our online presence, VA has created a series of short videos on the Forever GI Bill, with the intention to pique the viewers' interest, so that they may be inclined to contact VA or seek additional information on their benefits.

With this momentum, VA hopes that it will have reached as wide an audience as possible and will remain focused and steadfast on achieving this goal so that all Veterans, Servicemembers, and their families are up to date on the GI Bill.

Looking Ahead

The August 1, 2018, milestone brings VA closer to fully implementing the Forever GI Bill, but there is still considerable work remaining. Through FY 2019, permanent IT solutions will need to be implemented for 19 provisions. Also, VA will be launching two programs, the STEM Scholarship and the VET TEC Pilot Program, two of the law's most unique and consequential provisions. VA expects to begin administering the VET TEC Pilot in early 2019. Effective August 1, 2019, VA will be able to offer additional educational assistance to beneficiaries pursuing degrees in a STEM program. VA will work closely with SAAs and other partners to ensure that proper oversight and consideration are given to programs in receipt of these additional funds.

Mr. Chairman, this concludes my statement. Thank you for the opportunity to testify before the Committee today. We look forward to responding to any questions from you and Members of the Committee.

