

**STATEMENT OF
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NATIONAL VETERAN EMPLOYMENT AND EDUCATION DIVISION
THE AMERICAN LEGION
BEFORE THE
SUBCOMMITTEE ON ECONOMIC OPPORTUNITY
COMMITTEE ON VETERANS' AFFAIRS
U.S. HOUSE OF REPRESENTATIVES
ON
"IDENTIFYING CONGRESSIONAL AND ADMINISTRATION PRIORITIES FOR THE
NEXT CONGRESS: HOW WE CAN SUPPORT OUR VETERANS THROUGH AND
AFTER COVID-19."**

DECEMBER 8, 2020

Chairman Levin, Ranking Member Bilirakis, and distinguished members of the committee, on behalf of National Commander James W. "Bill" Oxford and the nearly two million members of The American Legion, the country's largest patriotic wartime veterans service organization, we thank you for the opportunity to testify on our Congressional and Administration priorities for the 117th Congress.

As a resolution-based organization, The American Legion is directed and driven by millions of active Legionnaires: who dedicate their time and resources to the continued service of veterans, their families, and this great nation. Our positions are guided by nearly 100 years of advocacy and resolutions that originate at the grassroots level of our organization. Thus, The American Legion provides a direct voice to congress on behalf of the veteran community.

The American Legion is thankful for the work completed by the 116th Congress and we are grateful to share our priorities for the 117th Congress that fall under the jurisdiction of this subcommittee.

EDUCATION

CLOSE THE 90-10 LOOPHOLE

The American Legion has long spotlighted the for-profit institutions disproportionately recruiting veterans. Under current law, for-profit colleges may receive no more than 90 percent of their revenues from federal aid, however Department of Veterans Affairs (VA) and Defense (DoD) education programs are statutorily counted as private dollars on the 10 percent side. While this loophole has existed since the inception of the Post-9/11 GI Bill in 2010, The American Legion is concerned that the COVID-19 epidemic has exacerbated economic conditions that will lead to predatory recruitment targeting of veterans from bad actor institutions.

An October report by the National Student Clearinghouse has shown that undergraduate enrollment at for-profit institutions has risen 3% since last year, in contrast to a median 1.7% decline in private and non-profit enrollment, and a precipitous 9.4% drop in community college

enrollment.¹ These numbers are not unexpected, as many for-profit schools' position to meet the needs of non-traditional students eager to adapt to new workforce conditions.

Good actor or bad, the GI Bill's exclusion from the 90-10 rule follows as an albatross incentivizing aggressive targeting of veterans to balance against Title IV student aid. Until this loophole is closed, veterans will continue to be cravenly pursued as a balancing weight.

The positive news is that the Senate has reached a consensus as to the existential threat this faces to veteran's education success with bipartisan sponsorship of S.2857 – the Protect Veterans' Education and Taxpayer Spending Act. The American Legion calls on all members of this Subcommittee to help shepherd this common sense and long overdue legislative fix into law.

Through *Resolution No. 24: Support Greater GI Bill Outcomes By Closing 90-10 Loophole*, The American Legion encourages legislation and federal agency action to ensure better quality and student outcomes for institutions approved for use of VA education benefits by adding DoD and VA funds to the Title IV revenue sources 90/10 calculation as defined by section 487(a) of the Higher Education Act.²

H.R. 4625: PROTECT THE GI BILL ACT

The American Legion is proud to join with over 40 veterans' groups in urging the Senate to prioritize passage of H.R. 4625, the Protect the GI Bill Act.

The Protect the GI Bill Act is the result of years of study on common-sense oversight for schools serving military connected students, including:

- giving military-connected students the same rights as title IV students on overpayments
- restoring education benefits for veterans who attended shuttered schools
- requiring schools to honor deployments and military activations mid-semester

Recent research suggests the time for this bill's passage is now. An October brief from the American Talent Initiative highlighted that veterans are “*significantly underrepresented at the colleges and universities with the highest graduation rates, despite receiving significant federal financial assistance for postsecondary education through the GI Bill and despite being equally as likely as non-military students to attend college,*” and “*the COVID-19 pandemic and the national reckoning on racial injustice make it increasingly important for colleges and universities to increase diversity and expand their enrollment pipelines.*”³

Increasing veterans' pipelines to quality postsecondary institutions begins with the effective oversight this bill represents. The American Legion applauds Veterans Education Success and Student Veterans of America for their leading advocacy on this issue, as well as the numerous

¹ Fall 2020 Enrollment Update, *National Student Clearinghouse*.

https://public.tableau.com/profile/researchcenter#!/vizhome/FallFlashReport2October/Fall2020EnrollmentNo_2

² American Legion Res. No. 15 (2018): *Support Greater GI Bill Outcomes By Closing 90-10 Loophole*

³ Making the Case for Student Veterans: Building Support for Student Veteran Enrollment, *American Talent Initiative*. https://americantalentinitiative.org/wp-content/uploads/2020/10/ATI_Veterans-Brief_r04-01.pdf

stakeholders who have provided input on these provisions: state approving agencies, universities, VA, and numerous training providers.

No recent veteran's education legislation – to include the Forever GI Bill – has undergone screening processes as rigorous as H.R. 4625, and there is no excuse for further delay.

Through *Resolution No. 327: Support Further Assessment and Evaluation of Institutions of Higher Learning to Enable Veterans to Make Informed Education Choices*, The American Legion supports oversight and legislation evaluating post-secondary education institutions on quality factors and educating servicemembers and student-veterans on selection and attendance at post-secondary education institutions.⁴

APPRENTICESHIPS

H.R. 7003: WORK FOR WARRIORS ACT

The Department of Defense (DoD) has made extraordinary strides in connecting servicemembers to meaningful employment through use of its SkillBridge authority. This program provides transitioning troops the opportunity to participate in industry training programs while transitioning out of active duty and is successfully utilized by thousands of servicemembers ever year.

While The American Legion applauds this progress, it stands in stark contrast to the lack of broad employment programs and resources available to our National Guard and Reserve Servicemembers. H.R. 7003 would authorize a pilot program to enhance efforts to provide job placement assistance and employment services directly to members of the National Guard and Reserves. The program would be modeled after California's Work for Warriors program, which has successfully created over 900 business partnerships throughout California.

Through *Resolution No. 102: Expansion of the Department of Defense's Transition Assistance Program (TAP) to include Ancillary Programs and Services*, The American Legion supports the creation of a pilot program for DoD to enhance job placement assistance and employment services to members of the National Guard and Reserves.⁵

H.R. 8426: PROTECTING APPRENTICESHIP TRAINING FOR VETERANS ACT

The COVID-19 emergency has affected all Americans; however, veterans unemployment numbers have nearly doubled. According to the Department of Labor in October of 2020, the unemployment rate for veterans was 5.9% compared to veteran's unemployment rate in 2019 of 3.1%, the lowest in 19 years. Skills based education and apprenticeships is a pathway to gainful employment, while simultaneously providing employers with a stronger and more skilled workforce.

⁴ American Legion Res. No. 327: [*Support Further Assessment and Evaluation of Institutions of Higher Learning to Enable Veterans to Make Informed Education Choices*](#)

⁵ American Legion Res. No. 102: [*Expansion of the Department of Defense's Transition Assistance Program \(TAP\) to include Ancillary Programs and Services*](#)

H.R. 8426 would encourage veterans impacted by COVID-19 to continue to receive skill-based education that was disrupted by the COVID-19 emergency. H.R. 8426 provides modifications to the 120-hour monthly training requirements necessary to receive full educational assistance as codified by 38 U.S.C. § 3687 concerning apprenticeships or other on-job training.⁶

This modification would no longer require a reduction in financial educational assistance proportional to a reduction in monthly hours reflecting a veteran's unemployability due to the COVID-19 emergency from the period of March 1 to December 31, 2020. H.R. 8426 further allows veterans who completed excess hours over the 120-hour requirement in any one month to roll over these hours for that month in which the veteran failed to complete 120 hours.

Through *Resolution No. 25: Support and Expand Apprenticeship Opportunities for Service Members*, The American Legion supports expanding of apprenticeship opportunities that provide affordable pathways to veterans to secure high-paying jobs and also to employers to recruit and retain a highly skilled workforce.⁷

H.R. 8294: THE NATIONAL APPRENTICESHIP ACT OF 2020

In 1937, Congress passed the historic National Apprenticeship Act, which empowered the Department of Labor to codify rules and regulations empowering registered apprenticeships as means to gainful employment. The National Apprenticeship Act of 2020 will reauthorize this bill for the first time in its 87-year history, codifying many of the regulations into statute and modernizing them to meet the needs of today's workforce through targeted grants and partnerships.

Such modernization would not be complete without recognizing the unique potential veterans have to take advantage and succeed in apprenticeship opportunities. The American Legion applauds Congressmen Conor Lamb and Brian Fitzpatrick's successful efforts to secure three critical amendments to H.R. 8294 to accomplish this:

- Add veterans service organizations (VSOs) to partner organizations
- Add veterans service organizations (VSOs) to the entities that should be contacted for promoting and raising awareness about apprenticeship opportunities
- Add veterans' status as one of the demographic identifiers, for reporting on apprenticeships under the bill, alongside identifiers like race, gender, age, disability

The year 2020 has tested America's veterans, and especially our National Guard and Reserve Servicemembers like never before. Just as they have served us through the pandemic, we must stand for them as America adapts to new changes in the worlds of work and school.

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⁶38 U.S.C. § 3687 (2018)

⁷ American Legion Res. No. 25: [*Support and Expand Apprenticeship Opportunities for Servicemembers*](#)

⁸ American Legion Res. No. 25: [*Support and Expand Apprenticeship Opportunities for Servicemembers*](#)

ECONOMIC OPPORTUNITY

VA-SBA ACT

The enactment of the National Defense Authorization Act for Fiscal Year 2017 included §1832 and §1833; mandating the federal government adopt streamlined definitions for a service-disabled veteran owned small business (SDVOSB) along with mandating the Small Business Administration (SBA) take regulatory responsibility for matters of certification. Further, current administration also signaled the desire to streamline all certification processes by providing a “one-stop shop” within SBA.⁹ President Trump’s proposal follows The House Small Business Committee’s work to reconcile the language in 38 CFR §74 and 13 CFR §125 to protect the integrity of the SDVOSB program. The regulations are now aligned, but the processes for veteran small business certification remains different between VA and the rest of the federal agencies.

With the streamlining of the regulatory definition and standards for SDVOSBs, the time is right to finish the job and have SBA absorb the responsibilities of VA’s Center for Verification and Evaluation (CVE). The American Legion supports legislation that calls for VA and the SBA to share responsibilities for the verification of service-disabled veteran-owned businesses and veteran-owned small businesses, and this responsibility should be divided accordingly to each agency’s expertise and record of past performance. The two agencies would work together to provide each other pertinent information, such as VA providing veteran and disability status to the SBA.

The American Legion understands the need and supports verification for VOSBs and SDVOSBs. We urge the Congress to finish what was started in aligning the federal regulatory definitions for SDVOSBs and consolidate all certification processes within a singular agency.

Lastly, The American Legion believes SBA already possesses the capabilities to have businesses apply for certification through certify.sba.gov. Rather than developing a new system, The American Legion suggests that congress should look towards utilizing SBA’s existing system.

Through *Resolution No. 155: Support Verification Improvements for Veterans’ Business*, The American Legion supports legislation that calls for the VA and the SBA to share responsibilities for the verification of service-disabled veteran-owned businesses and veteran-owned small businesses, and this responsibility should be divided accordingly to each agency’s expertise and record of past performance.¹⁰

⁹ Delivering Government Solutions in the 21st Century: Reform Plan and Reorganization Recommendations, Executive Office of the President of the United States. <https://www.performance.gov/GovReform/Reform-and-Reorg-Plan-Final.pdf>

¹⁰ American Legion Res. No 155: [*Support Verification Improvements for Veterans’ Business*](#)

MADE IN U.S.A.

Outsourcing manufacturing to foreign countries with low-cost labor, resulted in job loss, decline of the middle class and overtime began to undermine U.S. national security. The American Legion recognizes that we live in a globalized economy, advocating for wholesale insourcing of all products and decoupling our economy from the world is not an option. However, we must be honest and concede that as a nation, we are reliant on foreign-sourced products for our safety and protection from the spread of COVID-19. As a nation, we must chart a new course to eliminate dependencies from foreign sources for some products that have national security and strategic importance.

The American Legion believes our national supply chain of emergent medical and safety supplies needs to be more resilient. The COVID19 Pandemic-induced product-shortages and price-gouging exposed the disadvantages of globalization and the over-reliance on foreign sourced goods.

The Buy American Act only requires that goods purchased by the federal government are 50% manufactured in America. A substantial amount of raw materials and components in “Made in USA” labeled goods are still sourced from overseas. This must change. The government must programmatically incentivize the domestic manufacturing of emergency supplies to protect manufacturing jobs and prevent supply chain breakdowns in future pandemics. 100 percent American-sourced, Trade Agreement Act-compliant, and manufactured products will cost more in the short term but will enable the United States to control our supply of essential products and become impervious to shortages and price gouging in the future.

This is both a veteran economic opportunities imperative, as well as a national security imperative. As a nation we must do more to secure the medical supply chain to keep our VA medical facilities running. We must do more to preserve high tech and skilled labor jobs in the US and maintain our diverse small businesses industrial base.

Through *Resolution No. 13: Support “Buy American” Policy within the Federal Government to Create Opportunities for Veterans*, The American Legion support legislation and policy that incentivizes the return of manufacturing from overseas and the creation of more domestic manufacturers.¹¹

TRACKING OF VETERANS UNEMPLOYMENT IN U.S. TERRITORIES

Currently, the Department of Labor’s Bureau of Labor Statistics does not keep track of unemployment data for U.S. territories in the same manner that it does for the 50 states and the

¹¹ American Legion Res. No. 13: [*Support “Buy American” Policy within the Federal Government to Create Opportunities for Veterans*](#)

District of Columbia. This gap leaves U.S. territories with the responsibility of tracking their own unemployment rate, using different models and previous census data. This leads to a lack of comprehensive data for both an accurate count of the veterans population as well as the veterans unemployment rate. For instance, Puerto Rico uses the Census's Puerto Rico Community Survey for this data, but the survey relies on veterans to self-identify.¹²

A lack of comprehensive veterans unemployment data in the U.S. territories leads to an inability to target federal and local initiatives and funds aimed at lowering veterans unemployment numbers, leading to inefficiencies in delivering employment services to our nation's veterans.

Through *Resolution No. 13: Tracking of Veteran Unemployment in All U.S. Territories*, The American Legion supports any legislation requiring the Department of Labor's Bureau of Labor statistics to collect and publish data on veterans' unemployment rate regarding U.S. Territories in the same manner as those within federal agencies.¹³

Conclusion

Chairman Levin, Ranking Member Bilirakis, The American Legion thanks this subcommittee for the opportunity to express the position of nearly 2 million dues-paying veteran members of this organization. As this nation continues to battle COVID-19 and the effects of this virus, it's imperative that veterans are well equipped to enter the workforce through education or apprenticeships, and that Congress creates a business environment where they can thrive. The American Legion will continue to advocate for more opportunities for veterans to participate in the workforce and business communities.

For additional information regarding this testimony, please contact Mr. Patrick McDonough, Legislative Associate, at pmcdonough@legion.org or (202) 263-2996.

¹² Puerto Rico Community Survey, *United States Census Bureau*. <https://www.census.gov/programs-surveys/acs/about/puerto-rico-community-survey.html>

¹³American Legion Res. No. 13: [*Tracking of Veteran Unemployment in All U.S. Territories*](#)