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**STATEMENT OF
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BEFORE THE
SUBCOMMITTEE ON ECONOMIC OPPORTUNITY
COMMITTEE ON VETERANS' AFFAIRS
UNITED STATES HOUSE OF REPRESENTATIVES
MARCH 16, 2022**

Chairman Levin, Ranking Member Moore and Members of the Subcommittee:

Thank you for inviting DAV (Disabled American Veterans) to testify at today's legislative hearing of the Subcommittee on Economic Opportunity. As you know, DAV is a non-profit veterans service organization (VSO) comprised of more than one million wartime service-disabled veterans that is dedicated to a single purpose: empowering veterans to lead high-quality lives with respect and dignity.

We are pleased to offer our views on the bills impacting service-disabled veterans, their families and the programs administered by the Department of Veterans Affairs (VA) that are under consideration by the Subcommittee.

Discussion Draft, to make permanent certain educational assistance benefits under the laws administered by the Secretary of Veterans Affairs in the case of changes to courses of education by reason of emergency situations

This discussion draft would make permanent certain educational assistance benefits under the laws administered by the VA in the case of changes to courses of education by reason of emergency situations.

As the world continues to struggle through the COVID-19 pandemic and additional variants, we are still unsure of all of the potential long lasting impacts for veterans and their families. The pandemic has strained all VA systems, causing delays in health care, benefits, burials, and education services.

We thank this Subcommittee and Congress for taking steps to help protect student veterans and their families with several pieces of legislation that were passed into law, including Public Law 116-128, the Student Veteran Coronavirus Response Act, relief included in the Johnny Isakson and David P. Roe, M.D. Veterans Health Care and Benefits Improvement Act of 2020 and the Responsible Education Mitigating Options and Technical Extensions Act or the REMOTE Act.

This discussion draft would allow the Secretary the permanent authority to make the same changes and protections for student veterans as noted in the previous

enacted pieces of legislation. It would address educational assistance benefits during emergency situations, extend time limits for programs, extend payments of Veteran Readiness & Employment (VR&E or Chapter 31) subsistence allowances, allow continued payments of work study allowances, continue payments for veterans enrolled in educational institutions closed due to emergency situations, address issues for veterans in apprenticeship or on-the-job training programs and prohibit the charge to entitlement of students unable to pursue a program of education due to the emergency situation.

School closures and loss of entitlements can exacerbate other challenges veterans face pursuing their education. Many student veterans already cope with challenges transitioning from the military to an academic environment as well as dealing with the residuals of wounds, injuries and diseases incurred in service. Student veterans also try to balance school with family and work obligations. When these issues are coupled with national emergencies such as the pandemic, student veterans have to deal with those additional blows and financial concerns.

DAV strongly supports this discussion draft, as it aligns with DAV Resolution No. 174, which calls for protections for VA's education and employment benefits for service-disabled veterans and their families. VA education programs provide valuable education benefits to millions of veterans. However, when national emergencies negatively impact these programs, it can leave student veterans without a clear path forward. We must mitigate these financial burdens to veterans and their families.

Draft Bill, to update the payment system of the Department of Veterans Affairs to allow for electronic fund transfer of educational assistance, administered by the Secretary, to a foreign institution of higher education

This draft bill would require the Secretary to update the payment system of the VA to allow for electronic fund transfer of educational assistance, administered by the Secretary, to certain foreign institutions of higher education.

VA education benefits, including the Post-9/11 GI Bill (Chapter 33), Survivors' and Dependents' Educational Assistance Program (Chapter 35), and the VR&E program, can be used at foreign institutions of higher learning. However, this is a much more complicated process than in the United States. It requires advance approval by VA; if it is not currently approved, the beneficiary must take steps to obtain proper authorization and their certificate of eligibility. Additionally, VA advises beneficiaries that they should plan for additional funds as it will take months before the payments are authorized and received by the foreign institution.

DAV strongly supports this draft bill, in accordance with DAV Resolution No. 174, which calls for improvements and protections for VA's education and employment benefits for service-disabled veterans, their families, survivors and caregivers. Those who reside abroad should have the same parity in using their educational benefits. This draft bill would provide that by ensuring foreign institutions of higher education receive

payments timely without disruption. Veterans and their families should not have additional financial burdens placed on them for using their earned educational and employment benefits abroad.

Draft Bill, to permanently authorize the use of certain funds to improve flexibility in the provision of assistance to homeless veterans

This legislation grants the VA Secretary permanent authority to use funds appropriated for the Grant and Per Diem program; hospital, nursing home and domiciliary care for homeless veterans; and grants for homeless veterans with special needs for the purpose of providing to homeless veterans and veterans in the HUD-VASH program with:

- assistance required for safety and survival, such as food, shelter, clothing, blankets and hygiene items;
- transportation required to support the health and stability of the veteran, such as transportation for medical appointments, the obtainment of food and supplies, and conducting housing searches; and
- communications equipment and services required to support the stability and health of the veteran, such as smartphones, tablets and corresponding service plans.

The need for this type of assistance for homeless veterans is evident. DAV is pleased to support this draft legislation in accordance with DAV Resolution No. 119, which notes that many public and private programs that assist veterans in preventing or overcoming chronic homelessness are often underfunded, and urges Congress to continue to support the VA's initiative to eliminate homelessness among veterans and strengthen the capacity of the VA Homeless Veterans program.

However, DAV is concerned about the funding that is intended for the Grant and Per Diem program, HUD-VASH and grant programs for veterans with special needs being used to fund the additional assistance specified in this legislation. Therefore, we recommend that funding be provided that will not have a negative impact on the grant programs.

Draft Bill, to make certain improvements to the supported housing program for veterans commonly known as "HUD-VASH"

The purpose of this legislation is to revise eligibility for rental assistance under section 8(o) of the United States Housing Act of 1937, commonly known as HUD-VASH. Specifically, this bill expands eligibility for services by changing the language describing who the program will serve from "homeless veterans who have chronic mental illnesses or chronic substance use disorders" to "veterans who are homeless, formerly homeless, or at risk of homelessness."

This bill also clarifies the staffing requirement for HUD-VASH case managers. If enacted, only veterans who have been determined to require case management services will be required to participate in case management in order to receive a HUD-VASH voucher, and VHA will be required to staff accordingly.

DAV supports this draft legislation in accordance with Resolution No. 119, which urges Congress to authorize vouchers through the Department of Housing and Urban Development and require the VA to provide effective case management and supportive services necessary for homeless veterans to stay housed. However, we point out that expansion of eligibility will require additional funding for new HUD-VASH vouchers, on top of the existing need for an increase in program funding.

Draft Bill, the VA Home Loan Transparency and Consumer Protection Act of 2022

The purpose of this draft bill is to add transparency to VA's home loan activities. If enacted, the VA would be required to publish on a publicly available website a quarterly report conveying the number of home loans guaranteed, the average amount of such loan, and the age, debt-to-income ratio and loan-to-value ratio of the average borrower, among other information.

The legislation also mandates an annual report on the enforcement activities affecting lenders, outreach and education activities related to consumer protections, and current challenges to consumer protection for VA home loans. DAV does not have a resolution specific to this issue and takes no position on the bill.

Discussion Draft, to provide for requirements relating to the approval and disapproval of courses of education for purposes of the educational assistance programs of the Department of Veterans Affairs

This discussion draft would provide for requirements relating to the approval and disapproval of courses of education for purposes of the educational assistance programs of the VA. Among many proposals, this discussion draft would amend title 38, United States Code, section 3675, by adding approval requirements for accredited courses, to include that:

- The amount the educational institution spends on classroom instruction is at least half of the amount of funds it collects as tuition, as determined by the Secretary of Education;
- During the first five years after graduating from a course of education offered by the educational institution, at least half the graduates of the educational institution earned more than the median salary for people in the state where they reside who never received any postsecondary training and of the graduates who obtained student loans to pay for the course of education and not more than 30% of such graduates were delinquent on their student loan payments; and not more than 20% of such graduates were in default on their student loan payments;

- In the case of a course designed to prepare an individual for licensure or certification in a state, at least 75% of the individuals who completed the course passed the relevant licensing examination for the occupation.

Additionally, this discussion draft would amend title 38, United States Codes, section 3679, in reference to disapproval of courses of education. The proposal includes a State approving agency, or the Secretary when acting in the role of the State approving agency, shall disapprove a course of education provided by an educational institution:

- Against which a government entity has brought an adverse action, including any punitive action taken by the Attorney General, the Federal Trade Commission, or any other federal department or agency for misconduct or misleading marketing practices that would violate the standards defined by the Secretary of Veterans Affairs or any punitive action taken by a state against an educational institution or the loss, or risk of loss, by an educational institution of an accreditation from an accrediting agency or association, including notice of probation, suspension, an order to show cause relating to the educational institution's academic policies and practices or to its financial stability, or revocation of accreditation or the placement of an educational institution on provisional certification status by the Secretary of Education.

DAV supports the intention of this draft bill. VA's education benefits have been integral to improving the economic outlook for service-disabled veterans, their dependents and survivors. It is incumbent that we provide protections of these programs; however, many of the provisions of this draft may actually limit and restrict VA's educational programs and thus have negative long-term impacts for veterans and their families.

The requirement that educational institutions spend at least half of the amount of funds it collects as tuition, on classroom instruction; however, there is no definition of classroom instruction nor the purpose of this requirement. Additionally, we have concerns about a few of the aforementioned requirements and the potential impact on smaller community colleges and smaller state colleges. While we are committed to protecting VA's educational benefits, we want to ensure that these protections are not too aggressive and limit veterans' access to higher institutions, especially in rural areas.

We recommend that some of the provisions noted in this discussion draft and the Quality Education for Veterans Act be considered together and find common ground between protecting VA's education programs and minimizing potential negative restrictions on local rural institutions. We are ready and prepared to work with the Committee in ensuring the appropriate balance is struck.

Draft Bill, to expand the eligibility of veterans who may receive self-employment assistance under the Veteran Readiness and Employment Program of the Department of Veterans Affairs

This draft bill would expand the eligibility of veterans who may receive self-employment assistance under the VA's VR&E program. Currently, title 38, United States Code, section 3104(a)(12) reads "for veterans with the most severe service-connected disabilities who require homebound training or self-employment, or both homebound training and self-employment, such license fees and essential equipment, supplies, and minimum stocks of materials as the Secretary determines to be necessary for such a veteran to begin employment and are within the criteria and cost limitations that the Secretary shall prescribe in regulations for the furnishing of such fees, equipment, supplies, and stocks."

As of July 2021, there were only 162 service-injured veterans in the self-employment track, while there were over 76,000 veterans in the long-term services track for employment. Service-injured veterans should have the ability and the opportunity to become small business owners and entrepreneurs. The need for change is clearly demonstrated.

The draft bill would remove the requirement of the veteran having "the most severe service-connected disabilities who require homebound training or self-employment, or both homebound training and self-employment." This will greatly open the eligibility and opportunities for veterans to participate in the self-employment track in VR&E.

DAV supports this draft bill in accordance with DAV Resolution No. 174, which calls for improvements for VA's education and employment benefits for service-disabled veterans. Veterans with service-related injuries deserve the opportunity for self-employment that accommodates their employment barriers and provides them and their families with financial empowerment.

Draft Bill, the Veteran Health Transition Training Act

This bill would require the Department of Defense to provide counseling to service members prior to separating from service via the Transition Assistance Program. The counseling is available to all service members. The service member may elect which type of counseling they would receive. The legislation would also include measures for child care requirements, employment status of other household members, information about the duty station of the service member and whether or not the service member is an Indian or urban Indian.

The transition from military service to civilian life is very difficult for many veterans who must overcome certain obstacles. The transition program was created to help separating service members successfully transition to the civilian workforce, start a business, or pursue training or higher education and is now mandatory for active duty

personnel. The Transition GPS program is essential to service members to gain a full understanding of entitlements and free assistance and representation available upon discharge from military service. DAV supports this draft bill based on Resolution No. 128, which supports the Transition GPS program to ensure the program is meeting its objectives.

Draft Bill, the Quality Education for Veterans Act of 2022

The purpose of this draft legislation is to ensure veterans, survivors and dependents who use education benefits provided by the Department of Veterans Affairs receive education and training that meets quality standards. Among other provisions, this bill requires any educational institution or training establishment seeking approval of a new course of education to attest that it has not violated, or employed an individual or entity who has violated, any law related to educational instruction or training; that any individual who will serve as an instructor has a degree or other training, and relevant experience in the field of the course; and that it has career counselors who are skilled at identifying professions in the relevant industry.

For generations VA's education benefits have been integral to improving the economic outlook for service-disabled veterans, their dependents and survivors. But too often these beneficiaries are lured by exploitative education institutions and trade schools that provide poor training, resulting in veterans and dependents entering the job sector with a degree worth little value in the labor market.

DAV supports this draft bill in accordance with Resolution No. 174, which supports legislation that would improve VA's education and employment benefits for service-disabled veterans and their survivors.

H.R. 6458, to eliminate the requirement to specify an effective period of a transfer of Post-9/11 educational assistance to a dependent

The purpose of this legislation is to ensure surviving spouses and children who are using transferred Post-9/11 GI Bill education benefits retain eligibility after the death of the service member or veteran. Currently, if a service member indicates an expiration date for the transfer of benefits and the service member or veteran passes away before the benefits are used, there is no way for the paperwork to be changed to allow the surviving spouses or dependent to use the benefits.

This legislation gives VA the authority to remove the end date on transferred entitlement. DAV does not have a resolution specific to this issue and takes no position on the bill.

H.R. 6604, the Veterans Eligible to Transfer School (VETS) Credit Act

H.R. 6604, the VETS Credit Act, would amend title 38, United States Code, to improve the method by which the Secretary of Veterans Affairs determines the effects of

a closure or disapproval of an educational institution on individuals who do not transfer credits from such institution.

Currently, VA is required to restore education benefits, Chapter 33, Chapter 35, and Chapter 31, up to 12 credits, to eligible veterans and families whose schools close or program ends in the middle of a semester. This process can be very confusing and often leaves veterans unable to easily transfer their earned credits to a new school.

The VETS Credit Act would require VA to work with veterans and families to explain the school credit transfer process and to provide them with a certificate of eligibility from the VA providing proof of their restored benefits. It will ensure that no veteran loses valuable VA education credits if their school closes or program ends abruptly.

DAV supports H.R. 6604, the VETS Credit Act, in accordance with DAV Resolution No. 174, which calls for improvements and protections for VA's education and employment benefits for service-disabled veterans, their families, survivors and caregivers. This legislation will help ensure that the VA notifies, and the student veteran or family member understands the processes in place to restore that potentially lost eligibility.

H.R. 6671, to ensure that a member of the Armed Forces, granted a general discharge under honorable conditions on the sole basis that such member failed to obey a lawful order to receive a vaccine for COVID-19, is eligible for certain educational assistance administered by the Secretary of Veterans Affairs

H.R. 6671 would amend title 38, United States Code, section 3011(a)(3)(B) and section 3311, to ensure that a member of the Armed Forces, granted a general discharge under honorable conditions on the sole basis that such member failed to obey a lawful order to receive a vaccine for COVID-19, is eligible for GI Bill benefits while on active duty and Post 9/11 GI Bill benefits.

Currently, both statutes require an honorable discharge for eligibility to each of the education programs aforementioned. This legislation would create eligibility for those discharged under honorable conditions on the sole basis of the service member failing to obey a lawful order by refusing a COVID-19 vaccine. DAV takes no position on H.R. 6671 as we do not have a resolution approved by DAV's membership on this specific issue.

Mr. Chairman, this concludes my testimony. I would be happy to answer any questions you or members of the Subcommittee may have.