

**BUREAUCRATIC BARRIERS: MAKING VBA
EDUCATION SERVICES WORK FOR VETERANS
AND NOT THE BUREAUCRACY**

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

The subcommittee met, pursuant to notice, at 10:14 a.m., in room 360, Cannon House Office Building, Hon. Derrick Van Orden (chairman of the subcommittee) presiding.

Present: Representatives Van Orden, Ciscomani, Hamadeh, King-Hinds, Barrett, Pappas, McGarvey, Ramirez, and Kennedy.

OPENING STATEMENT OF DERRICK VAN ORDEN, CHAIRMAN

Mr. VAN ORDEN. Good morning. The Subcommittee will come to order. Before we begin testimony for the first hearing of the 119th Congress, I would like to introduce myself. I am Derrick Van Orden. I think I would speak loud enough if I have that microphone. I just figured that out. I am a retired Navy SEAL senior chief. I am the longest serving enlisted member of the military to ever be elected to Congress. I have used every educational program that the Department of Defense offers, including our Veterans Readiness and Employment (VR&E), and I used the G.I. Bill to help educate my children.

I get all my health care through the VA. I love the VA. I love the folks that give me my medical care. Welcome, ma'am. I am sorry. I would love, I love our health care providers. I love the folks that have helped me get my education.

What I despise about the VA is the bureaucracy and we waste billions and billions of dollars supporting the bureaucracy of VA. It is my intent to stop that.

Every single dollar that is wastefully spent is one that does not go to a veteran, either their health care or education or our gold star families, the benefits that they have earned by sacrificing their family.

Essentially this is Groundhog Day. Mr. Barrett chaired the subcommittee yesterday. It was a closed session, so I will not described it in detail but essentially what we have identified again is billions and billions of dollars worth of waste that the VA is responsible for through either inadequate or no planning at all and that has got to stop.

I would be remiss not to mention my great friend, Mike, who is no longer the ranking member. He has moved onto appropriation. I do not know why he would want to go there, but I would like to welcome Mr. Pappas. We had a great meeting in private discussing your priorities, which would be veterans homelessness, and we will be going to a field hearing to your districts.

You have not heard this yet, but this is not a bipartisan committee. This is a nonpartisan committee and that is, we started that. Mike and I had a great relationship, and I expect the same. I cannot believe Morgan is back. Good to see him. Mr. Barrett, and ma'am, it is so wonderful to have you here.

I want to make sure that we follow through with some things that we started in the 118th, so from the Senator Elizabeth Dole 21st Century Veterans Healthcare and Benefits Improvement Act we were able to pass improvements to education benefits, homelessness prevention, homelessness prevention benefits, Uniformed Services Employment and Reemployment Rights Act (USERRA) and reduce the red tape of the VA.

We will hear from the VA today. We have lots more to do to this and I want to make sure that we are going to refocus the Veterans Affairs Administration on veterans and not the Veterans Affairs Administration. We are going to talk about State of Education Services. The Department of Veterans Affairs since 2020 the number of employees at the Education Services at VA's headquarters in D.C. has nearly doubled growing from 102 to 185 in 2024. I want to say it again, the headquarters staff has nearly doubled but the actual budget has only increased by, it went from \$1.5 billion to \$12.1 billion and that is a tremendous amount of money.

If we are spending all this money and we are increasing the bureaucracy and not sending that to veterans benefits, that is a problem.

I swear to God this is like Groundhog Day. I am just going to bulletize some things here so that everybody understands for the record. We have seen this in this hearing room contract and oversight mistakes of the G.I., the digital G.I. Bill to the tune of billions of dollars—excuse me, hundreds of millions of dollars, VA bureaucrats going rogue with risk-based surveys leading to schools backing out from accepting the G.I. bill, so the antithesis of what the VA is supposed to be doing are actually chasing veterans away from getting educated, an absolutely foolish interpretation of a Supreme Court case that will add nearly \$10 billion to the deficit over the next decade and not help anybody, a VA proposing rule to Federal Registry using the wrong form causing schools to panic, paperwork, government employees reinterpreting congressional law and kicking out religious schools from our G.I. Bill. Unacceptable. Former head of Education Services giving out his contact information to school certifying officials because they had so many communications issues that needed to be solved and the list just goes on and on and on and on and on. It is going to stop. Like this is going to stop.

I am very excited to have a new Secretary of the Veterans Affairs. Denis was a friend of mine. I think he was undermined and subverted by a lot of people sitting over here, permanent bureaucrats. I firmly believe that. Denis wanted to do what was right and

his feet were knocked out from underneath him by the permanent ruling class in Washington D.C. and those are not elected officials, and it is going to stop.

We are going to do everything we can to make sure that every single dollar that is allocated by this Congress goes to help a veteran, not a bureaucrat. And so help me, God, that is my sole intent and if I do not know how I could be more clear. Mr. Pappas, that is how this is going to go. I yield to the ranking member for any comments you may have, sir.

OPENING STATEMENT OF CHRIS PAPPAS, RANKING MEMBER

Mr. PAPPAS. Well I want to thank you first for your service in Congress but also to our great nation and just the spirit by which you approach your role here as a chair of this subcommittee. I was on this subcommittee for my first two terms in Congress. Really pleased to back and look forward to developing a good, strong working relationship and continuing the work that you did with Mike Levin for the last couple years.

I want to thank you for holding this session here today. I think we can all agree that the G.I. Bill is landmark law, and I look forward to the work that we will do today together to ensure that student veterans are provided the level of quality that they deserve. I think we cannot hold this hearing today without recognizing what is transpiring, the pressures on federal programs and certainly on the Federal workforce as well dedicated people that meet the needs of veterans each and every day.

I want to take a trip back to late 2024, the final two hearings of the Veterans Affairs Committee were on federal agency overreach and poor performance due to staffing shortages at the Veterans Readiness and Employment program. Since the inauguration of President Trump, the VA has been thrown into chaos as other federal agencies have been thrown into chaos. Hiring freezes, pushing staff to quit, suspending grants, eliminating programs that veterans with disabilities rely on and frankly this congress has not stepped up to its authority and stepped up to the plate in a way that I think we should be at this moment.

This is an authority that expert witnesses said would be used to restrain abuses in the executive branch. I will give you quote from a recent hearing, "Agencies are not permitted to misread their congressional charge and statutes, and their interpretation ought to be regarded with special skepticism when they purport to find sweeping new authorities in old statutes." That was Dr. Phillip Wallick, senior fellow at American Enterprise Institute (AEI) testified before this committee on December 18th of last year.

Yet today agencies under President Trump's executive actions are finding all kinds of new ways to circumvent congressional oversight. Dr. Wallick further remind this committee during his testimony after the Loper decision that many observers hope that these interventions can come from the executive branch, specifically politically appointees in the upcoming Trump administration, notably Elon Musk and Vivek Ramaswamy who lead the recently conceived Department of Government Efficiency (DOGE) argued in the Wall Street Journal's, Wall Street Journal that the court's recent ruling opens the door for the President to nullify thousands of regulations

based on improper interpretations through nonenforcement and then review and recession.

“It is not at all clear that this is a sound prescription. Instead the remedy for excessive administrative power is a revitalization of congressional power not just a different flavor of administrative power as overseen by a more aggressive court.” Dr. Wallick concluded his testimony by emphasizing how members from both parties should rely on information and guidance provided by public service professionals at VA and push bipartisan legislation through Congress. He said if that seems like pie-in-the-sky idea of how the House operates then we all need to be asking how to make it work better.

I believe in the good work of this subcommittee and the role of our committee in legislating and in overseeing the Department. None of us want unelected bureaucrats running wild, damaging systems, and compromising benefits for veterans. I want to work with every member of this subcommittee to ensure that veterans are at the center of all of our efforts and that we are truly delivering the benefits that they have earned in a timely fashion.

Mr. Chairman, I appreciate your comments saying that this is a nonpartisan place for work, and I could not agree more. That is why we must do the job of oversight of federal agencies and programs, stand tall as a co-equal branch of government and not shrink from our responsibilities, especially when it comes to the end veteran.

Regarding the hearing today, I look forward to VA providing more information on the implementation of the Elizabeth Dole Act and hearing from VA about plans for 2025 and beyond and I do want to thank you most sincerely, Mr. Chairman, for the time and I yield back and look forward to the next couple of years together.

Mr. VAN ORDEN. Thank you, Mr. Pappas. I appreciate several of your comments. I would, I would like us to focus internally, sir. I have done nothing over the last two years other than reminding the Biden Administration that we are a co-equal branch of government, and I would, I would remind you, sir, that President Trump has been in office for three weeks and I think a day. Let us look forward collectively to doing things great and if we have concerns I think we should address these.

I will now introduce the witness panel. Our first witness is Mr. Ken Smith, Acting Executive Director of Education Services, at the Veterans Benefits Administration (VBA). Mr. Smith is accompanied by Mr. James Ruhlman—I got that right—Deputy Director of Education Services at the Veterans Benefits Administration.

I will ask the witnesses to please stand and raise your right hand. Do you solemnly swear that the testimony you are about to provide is the truth, the whole truth, and nothing but the truth?

[Witnesses sworn.]

Mr. VAN ORDEN. Thank you. Let the record reflect that the witnesses have answered in the affirmative. Mr. Smith, you are now recognized for 5 minutes to deliver your testimony on behalf of the Department of Veterans Affairs.

STATEMENT OF KEN SMITH

Mr. SMITH. Thank you, sir. Chairman Orden, Van Orden, Ranking Member Pappas, and Members of the Subcommittee, thank you for the opportunity to discuss the VA's delivery of education benefits to our veterans and their families. Accompanying me today is Mr. James Ruhlman, Deputy Director of Education Service.

I understand and I am read in the concerns this committee has raised on various issues in this space. One such issue that came to my attention with your staff's recent visit to our regional processing office in Muskogee. While there they observed the processing of a claim related to the Supreme Court's recent Rudisill decision. I understand that it did not go as planned.

While the claim was processed, it took too long and encountered several obstacles. Your staff heard concerns directly from claims processors noting the very complex instructions that they as claims processors are expected to follow. Our team also described how claims go back and forth several times before being fully completed, adding to the delays and aging of claims.

We are taking immediate actions to engage claims processors who are working these claims to gather their feedback.

VBA is evaluating current resources and tools, finetuning procedures and exploring additional training opportunities, as well as enforcing accountability throughout the process.

Despite some challenges, I want to highlight that VA's made some great strides over the last several years to improve benefit delivery and customer experience. VA's automated approximately 50 percent of certificates of eligibility for new applicants, allowing veterans to start their educational pursuits faster.

Supplemental claims are currently hovering near 70 percent automated up from 40 percent in March 2021. We are also working to modernize our systems. In July 2024, VA took the first tangible steps to move 87 percent education benefit payments off of the 50-year-old legacy Common Business-Oriented Language (COBOL) system. Just this month, VA processed its first non-Chapter 33 claims on the Digital GI Bill (DGI) platform. We are on track to complete the migration from the legacy Benefits Delivery Network (BDN) system by November 2025.

With the recent passage of the Elizabeth Dole Act, VA has momentum to make necessary improvements to assist veterans in obtaining full-time employment. Participants in the prior program overwhelmingly recommended Veterans Technology Education Courses (VET TEC) to other veterans.

VA proactively—VA's proactive efforts to improve customer experience are making a difference across the board.

VBA's customer experience Survey Trust Score responses indicate 87 percent of respondents expressed confidence about enrolling in schools to use their education benefits up from 72 percent in 2022 and 85.6 percent trust that they will receive their education benefits up from 75 percent in 2022.

VA also recognizes that strengthening partnerships with external entities expands the veteran support network. We will meet regularly with the leadership of the national association of state approving agencies (SAA) and school certifying officials. Our collaboration with the SAAs has improved the risk-based surveys result-

ing in improved accountability and VA is currently approving new programs in approximately 5 days.

School certifying officials (SCO) are important partners serving as the first touchpoint for veterans enrolling in school. These SCOs overwhelmingly endorse improvements to the DGI enrollment manager, which replaced the first, the legacy VA. Once program in March 2023, and has already processed 10 million enrollments.

In calendar year 2025, VA will address multiple high priorities to include continuing DGI modernization, improving the Rudisill review for a million potential beneficiaries and enacting the many education related provision of the Elizabeth Dole Act. We will also implement recommendations from the Office of Inspector General and Government Accountability Office (GAO).

Mr. Chairman, I share this committee's mission of working for veterans and ensuring that VA effectively delivers the very benefits that veterans have earned and deserve. I commit to you that I will work to get it right, remain transparent in our efforts and to not shy away from the challenges. My team and I will also put veterans and beneficiaries first.

Mr. Chairman, this concludes my statement. My colleague and I are prepared to answer any questions you or other members of the committee may have.

[THE PREPARED STATEMENT OF KEN SMITH APPEARS IN THE APPENDIX]

Mr. VAN ORDEN. Thank you, Mr. Smith. The written statement of Mr. Smith will be entered into the hearing record. We are now going to proceed with the questioning. You are new here, you two are, so we do 5 minutes, not 5 minutes and 50 second. Cool? Keep it on track. We can always do a second round of questioning if you guys are not satisfied with the answers from the witnesses. Okay? Yes, I am talking to McGarvey over there. All right. I now recognize the Ranking Member Pappas for 5 minutes to question the witnesses.

Mr. PAPPAS. Okay. Let us see how I do, sir.

Mr. VAN ORDEN. You will be fine.

Mr. PAPPAS. Thank you, Mr. Chairman. Thanks for the testimony, Mr. Smith, and our office and so many of my colleagues' offices have been flooded with constituent calls over the last few days and few weeks. We have literally heard from thousands of people in my district in New Hampshire who are concerned about sweeping executive orders from the administration including those that are impacting VA.

The orders along with unclear guidance have I think shaken confidence in the ability of, or the understanding that VA is going to deliver on its promises to our veterans. I have heard that directly from the veteran community in New Hampshire.

We were recently made aware of a list of positions at VA that are not eligible for Elon Musk's so-called fork-in-the-road retirement plan. One of the positions is the VR&E counselor. You may be aware that I sent a letter to the secretary asking for this position to be exempt from the hiring freeze. My question to you is if the position is so mission critical that these individuals are not eligible for the retirement offer why are these positions subject to a hiring freeze?

Mr. SMITH. Thank you for the question, sir. There is a separate executive order that we are operating under that implement a government wide hiring freeze and, you know, we are following that order.

Mr. PAPPAS. Do you expect that VA will request an exemption from the freeze to hire staff members that can service veterans' economic opportunity benefits including positions that are needed to administer VR&E.

Mr. SMITH. I am not sure what the secretary will choose to do. I certainly await his guidance.

Mr. PAPPAS. Okay. If an exemption were granted and wait times were not granted and wait times could increase as a result would the administration reconsider an exemption as soon as possible to minimize the impact to disabled veterans who are seeking employment?

Mr. SMITH. We absolutely want to minimize impact to the extent possible and we will work with you and the appropriators to make sure that we have, that we can fill to our budget ceiling once we have reached the position where we can begin hiring again.

Mr. PAPPAS. To your knowledge have any VR&E connected positions been rescinded?

Mr. SMITH. I do not know, sir.

Mr. PAPPAS. Okay. What if anything is VA's plan to ensure that veterans do not experience delays in accessing VA's earned benefits?

Mr. SMITH. Speaking for the education delivery of benefits, our positions, our claims processing positions are also exempted as claims processors. We continue to execute against the mission with the staffing that we have, and our high rate of automation is supporting that as well allowing us to deliver those critical benefits.

Mr. PAPPAS. I want to get to Rudisill. You brought it up in your testimony, a population of over a million veterans and their dependents who are potentially impacted by the decision which established that eligible veterans and their dependents can access up to 48 months of education benefits if they served during two periods, typically before and after 9/11. How is the president's hiring freeze impacting VA's ability to begin reviewing these records?

Mr. SMITH. We are, we are reviewing all of the Rudisill claims with existing staff. I would say that we have the staff onboard to conduct this review. Right now we are in the midst of our spring hiring surge, so we are working to ensure that we are delivering benefits for veterans and family members who are in school and then we will shift to Rudisill. We prioritize those claims so that we are making decisions for those that are in school and low on remaining entitlement so that they can continue their educational pursuits.

Mr. PAPPAS. With respect to the review in a briefing, January 7th, it was reported that it would take approximately 22 months to complete the review because existing examiners at regional processing offices have the ability to conduct this work—only have the ability to conduct the work during nonpeak enrollment periods.

It seems that waiting to hear about eligibility for 22 months is not centering on veterans and putting them first. Is there any way

that that timeframe can be expedited? What would you need to get that review done in a much more timely fashion?

Mr. SMITH. As I said we are, we, our current method is to prioritize those claims that where the veteran or family member is in school or low on entitlement. That is I think the best we can offer at the moment. I—

Mr. PAPPAS. Would additional staffing help you conduct those that review in a timelier fashion, less than 22 months?

Mr. SMITH. These are very complex determinations. I am not certain that additional staffing at this point would help.

Mr. PAPPAS. Okay. My time is up. I yield back.

Mr. VAN ORDEN. Thank you, Ranking Member Pappas. I now recognize Mr. Barrett from the great state of Michigan, which is directly across from Lake Wisconsin.

Mr. BARRETT. Is that anywhere near the Gulf of America, Mr. Chairman?

Mr. VAN ORDEN. Very close, sir.

Mr. BARRETT. Okay.

Mr. VAN ORDEN. I am glad someone got that.

Mr. BARRETT. Well thank you. Mr. Smith, I know that there has been a lot of discussion about these risk-based surveys that are done and what constraint that has had, the downstream effect of that on veterans being able to access education that really fits their needs and what they are seeking. Can you give us an update as to the status of these risk-based surveys and whether they are being used in a strategic way to disincentivize education institutions from participating in the G.I. Bill and making that accessible to veterans?

Mr. SMITH. Thank you for the questions, sir. I will give a short answer and then hand it off to Mr. Ruhlman, who is much more an expert on risk-based surveys. I will say that we do not target any specific schools. We use a data-driven approach to determine who ought to be reviewed under these surveys and ensure that veterans are receiving the training and not defraud out other benefits. Mr. Ruhlman?

Mr. RUHLMAN. The purpose of the risk-based surveys is to provide health checks and fix any problems before veterans become at risk and end up being impacted by a school closures and not being delivered with the quality of education that they deserve and expect.

We do work closely with our SAA partners to revised that model. We have actually done it for three years in a row and we are currently in discussions with the state approving agencies at their mid-winter conference in Crystal City, which is going on this week.

We are going to continue to revise those models. We have seen decreases year after year as we have revised that model from about 1,300 in Fiscal Year 2023, about 250 in Fiscal Year 2024, and less than 200 this year and we will continue to do that. It is not the goal of either VA or the state approving agencies that are doing the risk-based surveys to drive schools out of the market or to decrease the number of opportunities available. We remain committed to working with our partners to make sure that we are looking at the right schools and not overburdening other schools that are in good shape.

Mr. BARRETT. Is it also true that someone not involved with the VA, not a part of your organization or anything else can still prompt a complaint that would trigger this review that you have described, the risk-based survey that you have described?

Mr. RUHLMAN. Complaints can drive the selection of a school for a risk-based survey. We actually have a minimum of two complaints that are needed in order to possibly do that and that is actually done also in combination with a number of other factors such as rapid growth in the student population enrolled in a program, the payments per student 85/15 violations, 90/10 violations, any other serious actions or scrutiny by state or federal agencies.

We do negotiate the selection of those schools with the state approving agencies. we do not expect a school to be selected solely because of the single or even two anonymous complaints. That was something that was at least partially responsible for the 1,300 number in Fiscal Year 2023.

That is one of the things that we have really focused on along with no longer looking at the, at the transfer or retention or persistence rates which tended to target community colleges and two-year feeder schools for the four-years.

Mr. BARRETT. Okay. Thank you, Mr. Chairman, I yield back.

Mr. VAN ORDEN. Thank you, Mr. Barrett. The chair now recognizes Morgan McGarvey from the great state of Kentucky.

Mr. MCGARVEY. Thank you, Mr. Chairman. Good to be back here this Congress with you all. Thank you all for being here today. Look, I think one of the things that makes this committee a fun committee to serve on is that we all agree. We all agree that we want to get our veterans, the brave men and women who are willing to put on a uniform and sacrifice everything for us, the benefits they have earned, and they were promised.

I am glad we are having this hearing because we need to focus on how to better serve our veterans. I also want to make sure that we are putting all the focus on the right place, which is getting these veterans their services and how do we actually do that because that is what we want to have happen. Come back with me to Louisville, Kentucky. I will take you in the VA. I will take you in Veterans of Foreign Wars (VFW) 1170. I will take you anywhere. You are going to hear some similar things.

One, a lot of veterans do appreciate when the VA works for them and there are things at the VA that are working for them. Then they are going to tell you about the things that the VA that are not working for them. We are here today talking about education benefits on this committee, and I think you would hear a lot of things, speed, that they are not getting these benefits quickly enough. You are going to probably hear complaints about confusing jargon, confusing things that happen like how do we, how do we jump through these hoops? How do we get these benefits we were supposed to have earned? Of course, that ease of access kind of goes in with the confusing jargon. How are we getting veterans what they need?

When we talk about the VA and the bureaucracy at the VA, I think we can admit we all want there to be efficiency in the VA, we want these services to be timely delivered, but I do not want to just scapegoat every person who works at the VA, because we

have a lot of really talented public servants who are at the VA getting our veterans the care and the things they need.

When you look at what is happening, even though we are only three weeks into the Trump Administration, when we look at the executive orders on the hiring freezes, that applies to everybody even, we have heard from doctors who have had a hiring freeze and I know we are not talking about health care in VA today, but that certainly plays into what we are talking about. They are talking about drastically altering some of these policies in an effort to starve out some of our dedicated public servants and cut the workforce at the VA.

I think we are here with the right intention, but I want to make sure we are here with the right focus and when you look at congress, it is, the real complaint here is we need to improve the policies and procedures in VA, let us do it. Let us work together to make those changes. I am totally for it.

If we are concerned that railing against the VA is just pretext to begin a DOGE death spiral of the VA, where you gut the workforce in name of efficiency leading to slower benefit delivery and more backlog for our vets, then let us remember who we are here to serve.

I think about these changes, one you mentioned something I want to get into, Mr. Smith, you said that additional staffing would not necessarily help. You know, one thing I hear from veterans is even if we go in the name of, look, we use technology in all of our daily lives. I hear from a lot of veterans that at the end of the day they want a person at the other end of the line eventually. What would help? You said staffing will not help. What will help us clear this backlog and get veterans the benefits they need and deserve?

Mr. SMITH. Thank you for the question. I certainly appreciate your comments. We are very focused in improving our Trust Score including all of the elements that you just mentioned as well as ensure that veterans feel valued. That is a key element of our Trust Score.

In terms of what would, I am sorry, what will help, I would say we need better procedures, we need better job aids. We should not have to require our claims processors to do many multiple tasks without, you know, some supporting like templates. And I think we can look at technology as an enabler as well.

We are not there right now. We need to take a look at, you know, things within our control in terms of those policies, procedures, job aids, and tools, issue some reinforcement to our folks who are one month or six weeks into processing these Rudisill claims on a very steep learning curve and then reassess and go forward.

Mr. MCGARVEY. Thanks. We are short on time and so I just want to say I appreciate that. I do want to make sure that we are getting our veterans what they need. If some of that is technology that is fantastic. We need efficiency. We need better off.

We also, we need to recognize what is going on right now. There are 1.7 million veterans who have been come eligible for additional G.I. benefits. The VBA is already using overtime and seasonal capacity so thanks so much and we will keep on this.

Mr. VAN ORDEN. Mr. McGarvey, if you would like we will do a second round of questions. I understand Mr. Pappas would like to

do that already. Thank you very much. The gentleman yields back. The chair now recognizes our newest member from the Northern Mariana Islands, Ms. King-Hinds for 5 minutes.

Ms. KING-HINDS. Thank you, Mr. Chairman for this opportunity to learn a little bit more about Veteran Education Services. I come from the Northern Mariana Islands and our issue with the regards to veterans issue is just access. I am curious to just to see what the program currently does to ensure that equitable access for veterans living in remote areas like the Commonwealth of the Northern Mariana Islands (CNMI) with regards to the digital G.I. Bill platform is, ensures basically that our veterans have the same access.

Mr. SMITH. Yes, thank you for the question. All U.S. service members establish eligibility to education benefits based on the merits of their service. I would like to ask Ruhlman to talk just a little bit about getting schools approved over, you know, in remote areas.

Mr. RUHLMAN. Sure. Prior to this hearing I actually did look to see how many schools are approved in the Commonwealth of the Northern Mariana's. There is one college on Saipan and that is it. To the extent that you have other training providers that are interested in seeking G.I. Bill approval we can work with you to get them G.I. Bill approved in order to have more opportunities in the Northern Marianas for veterans who do live there, and we would love to work with you on that.

We also do have a number of programs which are online which could be accessed and those of course can be accessed worldwide but really we need to have more schools offering programs whether that is technical schools, degree granting programs, employers who have on the job training (OJT) programs, that is one of the ways that probably you could increase the number would be to find some employers whether that is electricians, plumbers, really any of the trades, skilled trades that have OJT programs could be approved in the Northern Marianas as well to allow people to use their benefits and to gain skills which will help them get better paying jobs.

Ms. KING-HINDS. All right. Thank you. It was raised that a lot of times, right, our vets really would like to be able to have access to a real-life person to be able to work through some of these applications. In remote areas like the CNMI or rural areas in particular, right, access to the internet is a challenge.

What have you done with regards to just outreach to these communities to ensure, right, we are talking about digitizing a platform, but in remote communities like ours sometimes access to digital platforms is a challenge and so what outreach work has been done to ensure that remote and rural communities just have a fighting chance basically at being able to avail some of these services?

Mr. SMITH. Mr. Ruhlman, could answer the question? I would like ask Mr. Ruhlman to answer that question.

Mr. RUHLMAN. Most of our outreach is done using a number of different approaches. The bulk of it is through email, websites, and it is electronic. I am sure we would have people who would love to do additional outreach in person but that would require additional travel funding.

I am not sure what else we can do in the short run, but I would love to have further discussions about what we could do to provide better service to individuals in the, in the Commonwealth of the Northern Marianas as well as other more remote places within the United States because we do want to reach those individuals as well.

Ms. KING-HINDS. Thank you, Mr. Chairman. I yield my time.

Mr. VAN ORDEN. The gentlelady yields back. The chair now recognizes Mrs. Ramirez, my dear friend from the great state of Illinois.

Ms. RAMIREZ. Thank you, Chairman. It is good to have mid-western representation in committee. I want to thank the Ranking Member also for holding today's hearing and the witnesses for joining us today.

By the title of this hearing, I would like to believe we are all in agreement that education is an important tool to lift up our veterans and provide them with opportunities. While I know that my colleagues across the aisle have turned their backs on commitment to honor inclusion because of the current administration's attacks on diversity, on equity, and inclusion programs, I do have some news for them. On turning their backs on a commitment to diversity is turning their backs on veterans.

Veterans are diverse and I am proud to represent 20,727 diverse veterans of Illinois 3rd Congression District. Let us be clear, now when we are talking about veterans, we are talking about women, we are talking about people of color, we are talking about first generation veterans, we are talking about low-income veterans, we are talking about Lesbian, Gay, Bisexual, Transgender, Queer, Intersex, Asexual Plus (LGBTQIA+) veterans and deported veterans. They are all veterans. Each veteran is to be celebrated in their diversity and entitled to full access to their benefits that they have earned, and we promised them.

That is why I take such a responsibility to provide careful oversight of our education services seriously. It is our job. We cannot let allow the times to dismantle veterans services or deny the unique needs of diverse veterans in the name of efficiency derail us from our duty. In fact if anything it should make us fight even harder to fund the progress we have made in serving veterans more effectively. With that I want to turn to some questions.

The G.I. Bill comparison tool currently allows veterans to search for schools that have a particular population focus such as a women college for example, Alaska Native serving institutions, Hispanic serving institutions, we call them HSIs or historically Black colleges and universities, the HBCUs. Mr. Smith, will the VA remove this information as a search feature for veterans in order to comply with Trump's administration's executive orders ending diversity, equity, and inclusion programming?

Mr. SMITH. Thank you for the question, ma'am. One week on the job in and I have not gotten any instructions to that, to that end. I would be happy to bring something back to you.

Ms. RAMIREZ. Mr. Smith, I would appreciate that. I certainly want to make sure that I know what search information is available and not available as veterans are looking at schools so we will follow up with you. Let me send you, let me ask you another follow-

up question as you are searching. If the VA would remove the ability to search institutions by diversity characteristics, how would interfering with, how would that actually interfere with a veterans freedom to choose a school of their liking? Do you want, let me, do you want me to repeat it?

Mr. SMITH. Please.

Ms. RAMIREZ. Yes. I have asked you if the VA is looking at removing this information, the search feature that allows people to look at a school, you know, based on is it a woman's colleges, is it an Alaska Native serving institution, is it an HSI or HBCU, and my question to was, is the VA going to remove the search feature and my follow-up question to you, because you are going to get me that information is if the VA removes the ability to search institutions by diversity characteristics how will this interfere with a veterans freedom to choose a school of their liking?

Mr. SMITH. I believe that would force them to use another search method for identifying schools of their choice. That is my suggestion.

Ms. RAMIREZ. What search method would they be using? Google, like what?

Mr. SMITH. That would be my guess.

Ms. RAMIREZ. Well they would have to Googling when they already were able to do that through the system that they use but now we are saying we do not want you to have that choice, so we are going to have you have to go look at other formats. In some ways it would impact their ability and accessibility to be able to look through the system they already have in place. Correct?

Mr. SMITH. It would be a two-step process.

Ms. RAMIREZ. Making it harder for veterans. All right. Well let me, let me follow up. This past week my district office has been taking calls from concerned constituents who are unclear about how the Trump's administration executive orders on funding and programs may impact the processing of their G.I. claims and their G.I. benefits.

Let me ask you one last question, Mr. Smith. Since these executive orders have been announced have veterans reached out concerned about the impact of the changes under education services and benefits?

Mr. SMITH. I am unaware of any call traffic specifically tagged to the executive orders but I could certainly research that.

Ms. RAMIREZ. Do you have more calls this last week than you had before?

Mr. SMITH. I am unsure what our call volumes are right now.

Ms. RAMIREZ. Can you check on that for me? Thank you.

Mr. SMITH. Certainly.

Ms. RAMIREZ. Thank you, Mr. Chairman.

Mr. VAN ORDEN. The gentlelady yields back. Interestingly enough we have a senior enlisted guy here, we have got a warrant officer, and a commissioned officer, right? Correct? Army Intel? That is an oxymoron right there, I will tell you to be honest with you.

I would like to just publicly state that from my perspective I do not recall a single instance where we cared about the color of some-

one's skin, their gender, their religion, or what they do in the privacy of their own home.

I think we all need to get back to that position and I can affirmatively speak with confidence from the Trump administration from their perspective that they do not care about the color of your skin, your gender, your religion, or what you do in the privacy of your home, and that we will be approaching, they will be approaching as will this subcommittee from an absolutely, 100 percent neutral perspective and if anyone chooses to not do that then they are no longer welcome on this subcommittee, and that is how we are doing our business. That is cut and dry. That is the formal policy, and Mr. Pappas, I have not even discussed this, but we are not doing this correct?

Mr. PAPPAS. Doing what?

Mr. VAN ORDEN. We are not going to, we are not going to look at people through these individual lenses?

Mr. PAPPAS. Well I would be happy to have a conversation about it.

Mr. VAN ORDEN. Okay.

Mr. PAPPAS. What the VA needs to do to reach underserved veterans—

Mr. VAN ORDEN. Yes, 100—

Mr. PAPPAS [continuing]. so I think there is a—

Mr. VAN ORDEN.—percent.

Mr. PAPPAS [continuing]. legitimate concern about Diversity, Equity, and Inclusion (DEI) going away and us not being able to seek out those veterans that deserve and need assistance. I think that is the concern that Mrs. Ramirez was expressing, and I support her questions.

Mr. VAN ORDEN. Yes. I do not get me wrong, my, I have tremendous amount of respect for you, ma'am. I just want to tell you that our perspective as veterans from the entire stratified levels of the military is we just do not see things that way and we served, Tom, how long have you, how long were in?

Mr. BARRETT. Twenty-two years, Mr. Chair.

Mr. VAN ORDEN. I was 26, how about you, Mr. Hamadeh?

Mr. HAMADEH. Eighteen.

Mr. VAN ORDEN. Okay. We have got 60 years of military experience here. I am just saying that we do not see it that way. If there is anything we can potentially do better to reach all of our veterans, if you had that flag on your shoulder I am with you. Just to be clear so we are on the same sheet. Very well.

The chair now recognizes Mr. Ciscomani from the great state of Arizona for 5 minutes.

Mr. CISCOMANI. Thank you, Mr. Chairman. You know, one of the major focuses that I have, that I have had since getting here to Congress and being on this, on this committee, is the transition from active-duty service into veteran, into civilian life and also what that means for them in terms of job opportunities.

I have an advisory council that I formed two years ago where I have 20 veterans in my district and they range from enlisted and being in for four years, all the way up to retired generals of 35-plus years of service. It helps me get a real sense of what the transition looks like and it looks differently for every person out there.

This is one of the main things that I hear in our community that the different opportunities that veterans can have.

With my bill, the Senator Elizabeth Dole 21st Century Veterans Health Care and Benefits Improvement Act, that you mentioned just a little bit ago now being law, I look forward to the many education opportunities for veterans that will be created as a result of this enactment, from commercial drivers licenses to careers in computer science, this bill puts veterans and their loved ones first by extending popular programs like the VET TEC, eliminating red tape for more opportunities in education for veterans and expanding the Fry Scholarship benefits for surviving spouses and those who remarry as well.

I look forward to continuing to hear more from you all on how the VA is putting our veterans first through their educational journey. In this particular topic, Mr. Smith, as you know VET TEC is an important higher education program that has put thousands of veterans into high paying jobs across the country, so I look forward to seeing this continued. What does the VA plan to, when—I am sorry. When does the VA begin to enroll veterans in this program again?

Mr. SMITH. Thank you for the question, sir. We are still working on an implementation plan. I do not have a date yet, but I would be happy to bring that back to you and Congress once we have it?

Mr. CISCOMANI. Is there a sense of urgency on this? This is an important aspect of the overall bill, you know, this has been a pilot program that was highly successful, so I am hoping that we have a sense of priority and urgency on this one.

Mr. SMITH. Yes, sir.

Mr. CISCOMANI. On the, a provision in the legislation states that 4,000 student can be enrolled annually. Do you believe this number will be reached, will be reached this year? If you expect Congress will need to increase that number in the future?

Mr. SMITH. Again I think I need to get some understanding of what the implementation timeline looks like. We are looking carefully at improving the payment processing systems and our ability to manage this through our digital G.I. Bill platform to ensure that we have payment integrity and are reaching the right veterans, so once we get all of that lined out within an implementation timeline I would be happy to talk to you more.

Mr. CISCOMANI. I am very interested in talking about that specific timeline. The federal government is not know for its expediency, so I think we need to really make sure that this is moving quickly and swiftly.

We have, it is 4,000 a year. In my district alone we have almost 80,000 veterans. That is my district alone, one of 435 in the Nation.

That we, in my mind there is, you know, ever reason to reach the 4,000 and hoping that you come back and request for more because this is a highly successful program that we need to make sure that that happens. What about other aspects of the bill like the Fry Scholarship, is, how is that going and where are we on that?

Mr. SMITH. Yes, sir. The extension of delimiting dates for Fry Scholars, that is already completed because that was something

that we could handle in just regulations. We are moving forward with that.

Mr. CISCOMANI. I will ask the same follow-up question. What are the, what is the timeline on this? What are you, what are you thinking?

Mr. SMITH. I will ask Mr. Ruhlman to give me some help with that. I believe it is already done.

Mr. RUHLMAN. Yes. There actually two Fry provisions, the first one, Section 201, which as to do with a temporary expansion of Fry Scholarship benefits and that is for terms that start on August 1st, 2025. We do expect right now to be receiving applications as of April 1st for that, so it should be before anyone has the chance to enroll and use those benefits.

For Section 202, which has to do with the delimiting date and remarriage. We can actually handle that procedurally because it is not something where it is determined by the computer system. That one actually was implemented on January 30th.

Mr. CISCOMANI. Basically we are ready to roll on this, right? We, you know,——

Mr. RUHLMAN. Yes.

Mr. CISCOMANI. We are now ensured that providers and students are able to participate in these programs, and specifically the Fry Scholarship that is ready to go?

Mr. RUHLMAN. For the delimiting date and remarriage, yes.

Mr. CISCOMANI. Okay. Well I am out of time but my, I would like to just get a sense of the timeline for the VET TEC please as specific as you can and with specific metrics on the goals of reaching the participants on there and also on the remaining parts of the Fry Scholarship. Thank you. Chairman——

Mr. VAN ORDEN. The gentleman——

Mr. CISCOMANI. I yield back.

Mr. VAN ORDEN. The gentleman yields back. The chair now recognizes Mr. Hamadeh for 5 minutes. Welcome aboard, sir.

Mr. HAMADEH. Thank you, Mr. Chairman. Your previous comments are exactly spot on, the only thing we care about is the American flag on our right shoulders

Mr. VAN ORDEN. Right.

Mr. HAMADEH. Right. As an Army veteran myself and a member of this committee, I am deeply troubled by the ongoing failures of the VA education service bureaucracy to efficiently deliver on the commitments we owe to those who have served.

The post 911 G.I. Bill was meant to expand opportunity but today bureaucratic failures at the VA are delaying benefits, increasing costs, and making it harder for veterans to access the education they have earned.

The botched digital G. I. Bill roll out is a prime example. What was supposed to streamline benefits ballooned from \$470 million to nearly \$1 billion. I mean that is embarrassing in the private sector. That should be embarrassing in the government as well. It remains plagued by delays.

Meaningless burden like excessive risk based surveys are forcing legitimate schools to drop G.I. Bill eligibility and the disastrous Rudisill expansion could cost taxpayers \$10 billion with VA bureaucracy unilaterally adding to the federal deficit. We need ac-

countability, not excuses. Now the VA must work for the veteran, not against them. Those who served our nation deserve the best.

Now Mr. Smith, the VA has set a November 2025 to final complete transitioning VA education benefits to a long delayed digital G.I. Bill platform. This timeline has already slipped before so what is VA doing to ensure that the digital G.I. Bill program stays on track for this release?

Mr. SMITH. Thank you for the question, sir. Let me say first you have my commitment to be accountable and to ensure that we are doing all we can to right by veterans, this committee and get it right for those that have earned the benefits.

We are on track for November 2025 to be off the BDN or the benefits delivery network COBOL based system. We have had a successful transition this month with our first non-Chapter 33 claims processing. We will move Chapter 35 dependents education assistance next month and we are on track still with that overall deployment in by November.

Mr. HAMADEH. Well it has been 55 days since Chairman Bost sent a letter demanding answers regarding the failed implementation of the Digital G.I. Bill platform. I am just curious why the committee has not received a response?

Mr. SMITH. I will have to get back to you, sir. I——

Mr. HAMADEH. Have you seen the letter?

Mr. SMITH. No, sir, I——

Mr. HAMADEH. This was to the previous secretary. I am just wondering if there was any transition period, you know, from when you came in to see that letter?

Mr. SMITH. I have not yet in the first week on the job. I will certainly go back and look for that.

Mr. HAMADEH. All right. Mr. Chairman, I yield back.

Mr. VAN ORDEN. Thank you. The chair now recognizes themselves in the third party for 5 minutes. It just sounds so silly, does not it? Mr. Smith, where is your predecessor?

Mr. SMITH. Sir, Senior Executive Service is designed as a flexible——

Mr. VAN ORDEN. Just tell me where he is at?

Mr. SMITH. He has been reassigned to another business line.

Mr. VAN ORDEN. Why would you suppose that is, Mr. Smith? The VA moves at its own speed. I ask unanimous consent that this from April 1st, 2023, this press release from the Department of Veterans Affairs is entered into the record. Without objection, so ordered. Okay.

Budget cut proposals would hurt veterans. This is from April 21st. This is what you said that our budget cuts were going to threaten medical care for veterans. It did not happen. Undermine access to telehealth, as a matter of fact we expanded it. That did not happen. Worsen wait times for benefits, that did not happen. Prevent construction on health care facilities and veterans needs, that did not happen. Failed to honor the memory of all veterans, we actually increased the budget by \$81 million for our cemeteries overseas. Cut housing for veterans, no. Increase food insecurity for veterans, no. Deprive veterans of mental health, substance abuse, and other health services, no. Eliminate job training and support homeless veterans, no. Okay.

This is still on your website. Okay. Enough of this trash. When we are talking, look, the Trump administration has been in office for three weeks and one day. That is still on your website, and it is a pack of political lies. Enough. I am sick of this garbage, man.

In 2020, there were 657,928 veterans using education services. In 2024, there is over 900,000. Okay. That is a 39.7 percent increase in participants and yet you have an 81.4 percent increase in your employees that are servicing this stuff with a 5 percent increase in funding. The math is not mathing, sir. You have bloated your bureaucracy and actually shrunk the ability of veterans to get education benefits. You have done that.

I know you have been in office for a week and there is a reason your predecessor is not longer sitting there because of rampant failure. It is just bad. You said you are taking immediate action to correct these things. What is a specific example of an immediate action that you have taken, Mr. Smith, to correct these deficiencies, just one?

Mr. SMITH. Sir, I am very interested in improving—

Mr. VAN ORDEN. All right. Stop. Let us, no, you are, no. That is not it. No. I, maybe you are not catching on. We are not going to do this any longer. I will be in office for at least a year and a half or whatever it is left, and I do not care. I honest to God do not care if I am sitting in this chair two years from now. I do care if you are sitting in that chair two minutes from now. You have mentioned accountability four times in your oral testimony. What does accountability mean to you?

Mr. SMITH. Sir, we need to improve our ability to manage risk, the schedule scope and cost.

Mr. VAN ORDEN. Are you aware of a single bureaucrat in the VA being fired for poor performance, one, are you aware of one?

Mr. SMITH. There are individuals that are terminated, sir. I cannot begin to tell you the reason.

Mr. VAN ORDEN. Yes. How many guys have been laid or gals who have been laid off for abject failure? Yes.

Mr. SMITH. I would have to get some information from our HR providers.

Mr. VAN ORDEN. Well please do. As a Member of Congress it is not my job to fire people in the executive branch. That is just not my function. I am asking you if you are aware of people that have been terminated for poor performance, and that is just—

Mr. SMITH. Yes.

Mr. VAN ORDEN. That is not my job. Okay. Good. I would like to correct, Mr. Hamadeh. It did not blow up from \$460 million to \$960 million. It actually started, the bid that you guys put in was \$25 million. \$25 million when you could have just used the Pell Grant process to do the electronic G.I. Bill, but you put in a bid for \$25 million that is now \$960 million, and I still do not think it is going to be done in time. My time has expired. I do not know, Mr. Pappas would like to do a second-round question, so the chair now recognizes Mr. Pappas for 5 minutes.

Mr. PAPPAS. Thank you. I want to ask about implementation of a provision that was included in the Dole Act. I helped introduce a bipartisan bill. It is the Veteran Improvement Commercial Driver's License Act. This was included in Dole Act. It is based on the

notion that we should be cutting red tape to ease veterans transition into the civilian workforce and help them find long term secure employment.

I am wondering if VA has established the criteria and reporting requirements for commercial driver training programs that are seeking quicker approvals to open a new location and how VA will track Commercial Driver's License (CDL) schools performance? If you can fill in some detail there, that would be helpful?

Mr. SMITH. Yes. I can tell you that we are still working to implement that, and it is on track for March 2025, and I would like Mr. Ruhlman to give some more details.

Mr. RUHLMAN. Yes, we are working with our state approving agency partners in order to develop everything that we do need to implement that program, and we are working to develop some measurable requirements for really all of these provisions especially VET TEC because of what you quoted was actually specifically almost verbatim from a GAO report and that is something that we are trying to meet those requirements for the various provisions of the Dole Act.

Mr. PAPPAS. Okay. Because this is job training, how will VA keep track of employment outcomes, and will VA take steps to hold CDL schools that have low outcomes accountable in some way?

Mr. RUHLMAN. Yes, we are focusing certainly on veteran outcomes. That is something that we have been working on over the past few years to get a better gauge of not only graduation but employment, income, and seeing really how long they are in the job as well. That is certainly something that we want to do with trucking programs as well.

I know as far as actions to be taken if a threshold is not met, the authority to suspend or withdraw approval is generally held by our state approving agency partners which is why we would want to include them in the conversation but I think that we all have broad agreement that we only want to send veterans to schools that have good positive outcomes for veterans and we will continue to work with them as we roll this out have all the policies in place by March 30th, and then move out in the 360 cadence as required by statute after that.

Mr. PAPPAS. Okay. I really appreciate those comments. Thank you very much. Mr. Smith, if I could turn back to you.

Committee staff traveled to Muskogee recently. As you know VA employee 1,500 individuals there that receive calls for education service. Wondering if you can build up on your testimony and give us the current performance of that site. How are we doing?

Mr. SMITH. Yes, sir. I can tell you that they are working diligently to process all of their fall enrollments. I think that their performance is really solid given the fact that they are working through a high number of Rudisill inspired claims.

Mr. PAPPAS. Is everyone onsite and working in person or are some of these people remote?

Mr. SMITH. They are not remote, but they are still, they have until the 28th of April to return to the office.

Mr. PAPPAS. Can you give us some more information because we have heard these concerns not just with this facility but with other

VA facilities, just about the status of workspace. Is there enough workspace for 1,500 people to be in the office in person?

Mr. SMITH. I am not aware of the details in Muskogee, but I could certainly find that out for you?

Mr. PAPPAS. Yes, we would like some more detail on that because if VA's requiring all individuals at this office to be in person and that could potentially result in a loss of productivity if we do not have adequate space for these folks or greater expense to be able to build out space. I am just wondering if VA would reconsider the decision for this particular facility, which seems to be operating at a high level of productivity that has made significant strides in answering calls and serving veterans?

Mr. SMITH. Understood, sir. I am certainly sure that the Acting Undersecretary and Secretary will consider that.

Mr. PAPPAS. Well I appreciate that. I think as we move forward we do need to make sure that those who are experts in this work, who are front-line workers who talk to veterans day in, and day out have a voice in the process and that is one thing that I will continue to try to bring out through these hearings because I think too often we do not see those people. That can give us important feedback about how to improve processes and again how to reach that end veteran who we owe a great debt to. Thank you, Mr. Chairman. I yield back.

Mr. VAN ORDEN. The gentleman yields back. Mr. Barrett, the chair now recognizes you for 5 minutes.

Mr. BARRETT. Thank you, Mr. Chairman. Mr. Smith, Mr. Ruhlman, I listened to a lot of your testimony today. I brought this up in my meeting yesterday. I have been a Member of Congress now I think 38 days so there is a lot that I am absorbing and learning about, but I can tell you that one consistent denominator of all of this is that we have these systems, these Information Technology (IT) systems that are intended to be implemented that go exponentially overbudget, fail to deliver, veterans suffer as a result, the taxpayers do not get the value for the money that they have sent here. We sit as a panel on a committee, ask questions. We do not get specific answers and then the process, rinse and repeat every two years and the feeling is that the institutional members of the VA wait us out.

There is a two term, you know the clock is running. The hourglass is going through, wait two more years, new faces will be up here, new people will be there. They will ask you the same questions and the process will repeat.

I am the chairman of the technology modernization subcommittee. We have been looking at this electronic health record debacle that we have been facing. Now this digital G.I. Bill, these consistent problems with implementation of large-scale IT projects. What can you tell us to restore, number 1, that confidence and trust?

I mean I was looking at your biography and, you know, I am an Army grunt that got elected to Congress. I have been here 38 days. I am not an expert in human capital utilization and financial stewardship as you are, so help me understand how it is that the common denominator of all of this is that we are always overbudget, under delivering, and as a result of that we have less to invest in

the services that veterans have earned because we are spending money on these projects that fail to deliver.

Mr. SMITH. Yes, sir. I appreciate your comments. I agree with you that that is a lot of money. There is no doubt about that. We are—I think generally we need to be accountable to delivering these IT systems. We need to make sure—

Mr. BARRETT. I would say specifically, not generally.

Mr. SMITH. Yes. We need to make sure that we are identifying risk early, that we are setting scope, budget, and deliverable schedules that match the capability of the provider and that we hold them accountable as well to achieve those objectives?

Mr. BARRETT. Why does not that happen? Like it cannot just be that we should do these things. We do not live in Should Land. We live in Real World and that has not happened and it does not happen. It continues to not happen.

You know, as they say the definition of insanity is doing the same thing over again and expecting a different result. I feel like we are there, and we have done that, and we expect a different result, and we expect accountability, and you promise accountability but then we never actually see that in action.

Did we follow, for example, the GAO's advice about how to implement these projects? I know they have done a lot of work around large-scale IT projects, and it feel like VA continues to disregard their recommendations and advice. Was that followed in this, in this instance?

Mr. SMITH. I am not certain, sir, whether they followed those provisions. I have not had a chance to review all of that. I can tell you that the Inspector General (IG) did an audit of our deployment of DGIB and found that we needed to make some improvements in creating an integrated master schedule, communicating better with the vendor, and ensuring that we are identifying early and often areas that could cause critical failures. I do not believe that happened before, but that is my commitment to you that that is where I am going.

Mr. BARRETT. What actionable steps are we going to be able to have, so for example, when you come to my subcommittee down the road, what actionable steps are we going to have by then to ensure that we have moved the ball forward in this regard, that we are actually going to stick the landing and get this thing done in the timeline that was promised, that we are going to, you know, make a turnaround and get this done in a way that we will actual deliver results for veterans?

Mr. SMITH. We are working right now to address the findings or the recommendations of IG, but that is not enough. I want to really underscore the need to ensure that the culture of the individuals that are working on this project understand this and understand the expectation that we should be underbudget, not overbudget.

Mr. BARRETT. Would you say that you have the capacity to dismiss people who do not share that shared value with you?

Mr. SMITH. Yes, sir.

Mr. BARRETT. You do not need any further authority from Congress or the executive in order to do that?

Mr. SMITH. No, sir.

Mr. BARRETT. Okay. Thank you, Mr. Chairman, I yield back.

Mr. VAN ORDEN. The gentleman yields back. I just want to, we did have this hearing yesterday with Mr. Barrett, and do you now have a schedule for the digital G.I. Bill, do you have a schedule, like boom, we are doing it on this day?

Mr. SMITH. My understanding is that yes, we have developed an integrated master schedule.

Mr. VAN ORDEN. Do we have the integrated master schedule? Anybody? You got it? Do you have one? No. Okay. If you have one it would be great if you shared it with us because we have to fund that thing. If we do not have it, and you did, and we have been asking for a year or so for this, that is a problem. Now, Mr. Smith, I understand you have been in this job for a week. Believe it or not you are getting some grace from this committee and that stops after this committee hearing. The Veterans Affairs Administration is responsible for blowing through billions of dollars to say that, to that the VA. Administration spends money like a drunken sailor is not accurate, because when drunken sailor runs out of money he goes back to the ship. We are not the ship any more, pal. I hope that is really clear with everybody here. I believe that we have found common ground, Mr. Pappas. We are going to approach the executive branch, and I think it would be, it would make more sense if people returned to their previous disposition prior to COVID. If we have folks that were working remotely at this call center, it is an old grocery store, if they were not physically located in that building then I do not know how if they returned to work that that would be beneficial. They are, you said 500, like 500 desks short and IT equipment? We will take that for action because that just does not make sense to me. I think it is pretty clear. I mean we are now into the Trump administration, and I speak to you the same way I did with people under the Biden administration, and I just do not care what political party you are affiliated with. I do not care. This make sense, it appears to make sense and so we will take that for action, sir. Yes. Okay.

Mr. Pappas, do you have any closing comments?

Mr. PAPPAS. Just——

Mr. VAN ORDEN. Oh, sorry wait. The chair now recognizes the ranking member for any closing——

Mr. PAPPAS. Thank you.

Mr. VAN ORDEN.—comments he may or may not have.

Mr. PAPPAS. Thank you to our witnesses and look I have served on this committee for six years. This is my fourth term now. I have served during presidents, administrations of both parties and I think the commitment has to be the same to provide the oversight that Congress is required to do. At the end of the day I know that everyone around this table shares the same commitment to our nation's veterans. We may come at it from different perspectives from time to time, but I really join you in trying to seek that common ground and trying to seek better outcomes for veterans. At the end of the day that is how our success is going to be measured here on this subcommittee and on the full committee. I really look forward to the work ahead. Thank you.

Mr. VAN ORDEN. The gentleman yields back. I do not really have closing comments other than the fact that I would like to thank Ranking Member Pappas and everybody for participating in today's

hearing. I ask unanimous consent that all members have 5 legislative days to revise and extend their remarks and exclude extraneous materials, and without objection so ordered, this hearing is now adjourned.

[Whereupon, at 11:24 a.m., the subcommittee was adjourned.]

A P P E N D I X

PREPARED STATEMENT OF WITNESSES

Prepared Statement of Ken Smith

STATEMENT OF
MR. KENNETH SMITH
ACTING EXECUTIVE DIRECTOR, EDUCATION SERVICE
VETERANS BENEFITS ADMINISTRATION
DEPARTMENT OF VETERANS AFFAIRS
BEFORE THE
HOUSE COMMITTEE ON VETERANS' AFFAIRS
SUBCOMMITTEE ON ECONOMIC OPPORTUNITY
ON
BUREAUCRATIC BARRIERS: MAKING VBA EDUCATION SERVICES WORK FOR
VETERANS AND NOT THE BUREAUCRACY

FEBRUARY 11, 2025

Chairman Van Orden, Ranking Member Pappas, and other Members of the Subcommittee, thank you for the opportunity to discuss the Department of Veterans Affairs (VA) delivery of education benefits to the Nation's noble Veterans and their families. Accompanying me today is James Ruhlman, Deputy Director of Education Service.

VA's education programs provide Veterans, Service members, reservists, and certain family members of Veterans with educational resources meant to enhance the Nation's competitiveness by developing a more highly educated and more productive workforce. VA remains committed to providing excellent customer service to those applying for and in receipt of these benefits.

VA's top education priority is to ensure customer experience excellence for GI Bill beneficiaries and those who support them, such as the School Certifying Officials (SCO) and the 53 State Approving Agencies (SAA). VA is also focused on a continuous improvement mindset and leveraging technology to ensure that VA meets the primary objective of customer experience excellence. To achieve customer service excellence, VA will focus on completing the Digital GI Bill platform, strengthening collaborative ties with industry partners, and implementing new legislation, such as the most recent Elizabeth Dole Act.

Customer Experience

Under the GI Bill, VA's Education Service is responsible for approval of programs submitted by institutes of higher learning or non-college degree providers. VA has made efforts to leverage technology and improve its workload management to reduce the average days to complete program approvals from several weeks to approximately 5 days. The improvement has made a positive impact on when student Veterans and beneficiaries can enroll and pursue their academic and training goals.

Through VA's Digital GI Bill (DGIB) modernization efforts, in August 2022, original education benefit claims could be submitted electronically for the first time. Now, through this groundbreaking initiative, beneficiaries can receive their Certificate of Eligibility in a matter of minutes instead of weeks, allowing a faster start to their academic pursuit. As of January 2025, approximately 50% of original claims are submitted electronically, while electronic supplemental claim submissions hover near 70%, up from under 40% in March 2021.

It is paramount to deliver education benefits to our customers in a safer and more secure system. In July 2024, VA Education Service met a significant milestone with DGIB modernization, which moved 87% of education benefit payments off the over 50-year-old legacy COBOL language-based system, Benefits Delivery Network (BDN). VA is on track to implement the next major release by November 2025, continuing the migration of education benefits from the legacy BDN system.

VA's proactive efforts to enhance customer experience for educational benefits are making a difference. Tangible measures include VA VSignals Survey Trust Scores that are calculated for all the business lines. VA Education Service has some of the highest trust scores in the Veterans Benefits Administration (VBA) based on customer survey results, and the trend continues to be positive. In fiscal year (FY) 2024, 87.4% responded favorably to enrolling in school (71.7% in FY 2022), and 85.6% responded favorably to receiving their education benefits (75.3% in FY 2022). Additionally, VA Education Service received recognition through the VBA Customer Experience annual awards for the last 2 consecutive years.

Strengthening Partnerships and Veteran Network Support

SAAAs are charged with approving education and training programs, including on-the-job training meeting the criteria of 38 U.S.C. § 3677 and registered apprenticeship programs, to ensure that such programs meet approval requirements through various approval activities, such as evaluating course quality, assessing school financial stability, and monitoring student progress. VA also utilizes the SAAAs' services to assist with conducting program oversight activities by performing Risk-Based Surveys at educational institutions with approved programs.

VA Education Service meets regularly with the leadership of the National Association of State Approving Agencies (NASAA), and by leveraging a collaborative partnership, VA has improved how Risk Based Surveys are conducted. The FY 2024 distribution of work significantly reduced the number of Risk Based Surveys while increasing the level of supervisory visits, designed for a more collaborative approach with the schools. The joint effort between NASAA and VA Education Service had impetus from the House Subcommittee on Economic Opportunity oversight hearing held on September 20, 2023, on Risk Based Surveys management, and VA appreciates the Congressional role in making oversight more effective.

VA also maintains key partnerships with thousands of dedicated SCOs and other staff at institutions that provide education and training to student Veterans and their families. The SCOs are often the first touch point at an institution, providing guidance and support while also processing student enrollments. In March 2023, as part of the DGIB technology enhancements, the VA Once legacy platform was replaced by the new Enrollment Manager system. In a January 2025 SCO forum, 99% of survey respondents responded favorably that they are more comfortable submitting enrollments with Enrollment Manager. VA prioritizes consistent and transparent communication with the SCO community, with outreach through SCO Newsletters, emails, monthly virtual training and information events, large conference gatherings, and numerous GI Bill roadshows to schools throughout the Nation.¹

VA continues partnerships with the Department of Defense (DoD). Since early FY 2024, Education Service and DoD have worked collaboratively to address data quality and align priorities to ensure Veteran and beneficiary data does not adversely impact the DGIB initiative. In FY 2025, VA and DoD are focused on addressing quality data aligned to Post-911 GI Bill usage, Active Service member data, and the Transfer of Entitlement to family members to deliver accurate automated benefits.

Veterans Service Organizations (VSO) and Veteran-related non-profits are another set of valued partners that drive support for student Veterans and their families. Education Service hosts a monthly VSO stakeholder call to share updates on various initiatives and to answer questions or concerns. When appropriate, special sessions on topics such as the Supreme Court's *Rudisill v McDonough* decision are hosted for continued engagement with stakeholders. VSOs and Veteran non-profits are regular guest speakers at Education Service employee quarterly all-hands gatherings and spotlight the mission and goals of their organizations. VA attends VSO events, such as being a guest speaker at the American Legion 80th anniversary of the GI Bill legislation event.

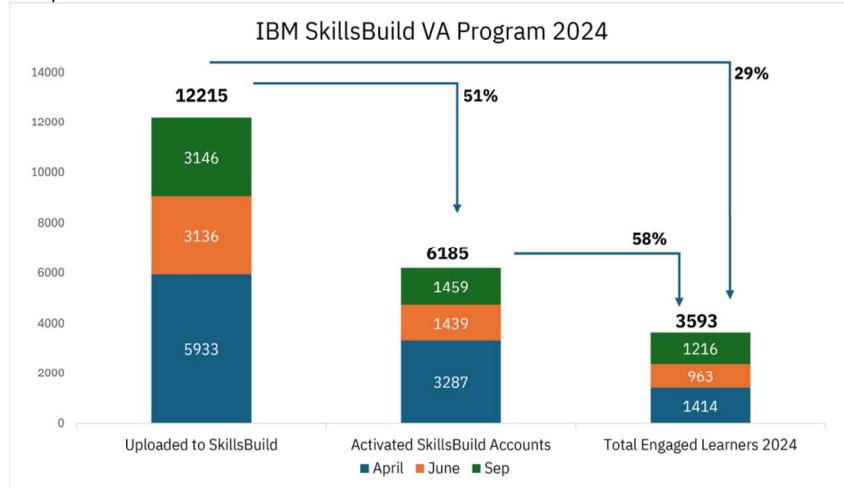
Education Service is also collaborating with partners from the private sector, including International Business Machines (IBM). IBM and VA continue to work together to pilot and scale the IBM SkillsBuild program.² This free online learning allows adult learners to access information technology skills and forge bridges to current technology demands. By offering access to 1,000+ courses on workplace skills, like collaboration and presentation, data analytics, cybersecurity, Artificial Intelligence, and cloud computing, IBM SkillsBuild helps create pathways for career success. Through the IBM SkillsBuild partnership, Veterans can participate in online coursework, receive resume-building credentials, and receive one-on-one mentoring. These participants earn IBM-branded digital certificates to certify their relevant skills in emerging technologies and related proficiencies to prepare them for successful careers in technology.

¹ <https://www.va.gov/school-administrators/>

² [Free Skills-Based Learning From Technology Experts | IBM SkillsBuild](#)

In FY 2024, VA, in collaboration with IBM, have created custom learning plans to upskill Veterans, their families, and caregivers. VA Education Service and IBM continue to refine and rollout additional customized skills pathways while strategizing to increase learner participation and engagement. Graph 1 showcases the growth over FY 2024 with the inclusion of dependents being eligible to use the program.

Graph 1



The above graph 1 displays the progression of learners within the “IBM SkillsBuild VA Program 2024”. It tracks the number of learners from the initial upload to SkillsBuild, through account activation, and finally to the total engaged learners in 2024. The data are broken down by month (April, June, September) for each cohort.

IBM SkillsBuild Enrollment

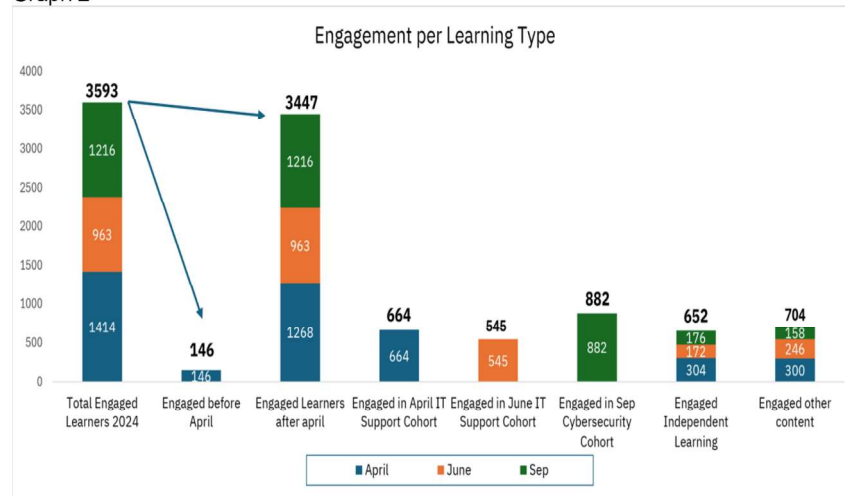
A total of 12,215 learners enrolled in IBM SkillsBuild in FY 2024.

- 5,933 in April, 3,146 in June, and 3,136 in September.
- 1. **Activated SkillsBuild Accounts:**
 - Out of the enrolled learners, 6,185 activated their SkillsBuild accounts.
 - This represents a 51% activation rate.
 - The monthly breakdown is: 3,287 in April, 1,439 in June, and 1,459 in September.
- 2. **Total Engaged Learners 2024:**
 - The final cohort shows 3,593 engaged learners in FY 2024.
 - This represents a 58% engagement rate from the activated accounts.

- The monthly breakdown is: 1,414 in April, 963 in June, and 1,216 in September.

While the initial upload and account activation numbers show a decrease from April to June 2024, the engagement numbers show an increase from June to September 2024. As illustrated in graph 2, the cybersecurity cohort has the most interest shown and number of engaged learners, showing a high demand for this very important skillset.

Graph 2



Regulatory Changes

VA is constantly working to improve regulations to reduce impacts on students, taxpayers, and schools—always with the best interests of Veterans and their family members as our guiding principle. VA is focused on safeguarding Veterans and taxpayer dollars from those who might look to take advantage of the generous laws Congress has enacted to honor Service members for their service, dedication, and sacrifice for the Nation. VA issues regulations to make it easier for students to utilize benefits in a way that maximizes the value of the benefit and minimizes the workload burden for schools while remaining bound by the specific authority granted to the agency by Congress. In addition, VA issues regulations when Congress mandates that rulemakings be promulgated to fulfill the Congressional intent of the law. For example, last year Education Service published the final rule AR56: 85/15 Rule Calculations, Waiver Criteria, and Reports. In that rule, VA simplified the rules for schools, making it easier for schools to correctly report when aid provided by the educational institution is

considered institutional aid. This will reduce the administrative burden on schools in calculating the “85/15 rule,” where statute requires that no more than 85% of the students in a program of education can have all or part of their tuition, fees, or other charges paid to or for them by their educational institution or VA. This rule, in conjunction with VA’s implementation of the Ensuring the Best Schools for Veterans Act of 2022, P.L. 117-174, has made it easier for Veterans to access quality opportunities at more schools.

Rudisill Supreme Court Decision Implementation

On April 16, 2024, with the Rudisill v. McDonough decision,³ the Supreme Court decided that beneficiaries who earn educational benefits under the Montgomery GI Bill (MGIB) and the Post-9/11 GI Bill (PGIB) may access benefits under either program for a maximum of 48 months of benefits. Before the Court’s decision, though eligible for both benefits, beneficiaries who wanted to use their PGIB benefits had to forfeit using any remaining MGIB benefits, even when PGIB eligibility was based on a period of service separate from the period of service that MGIB eligibility was based upon. Additionally, beneficiaries who previously used MGIB had months of entitlement for PGIB limited to the number of remaining MGIB months of entitlement. These requirements are no longer valid, and VA estimates this ruling potentially affects approximately 1,040,000 Veterans.

In implementing the Rudisill decision, VA chose a Veteran-centric approach. While the Court decision would have awarded additional entitlement to some impacted Veterans, some Veterans would have been unable to use the additional entitlement due to their education benefits expiration date. VA exercised discretionary authority to extend the expiration dates in certain situations.

VA launched an extensive outreach campaign, including publishing a news release, sending email notifications to identified beneficiary populations, posting social media, sending notifications to SCOs, updates to VSOs and Congress, speaking at the Student Veterans of America annual conference, and publishing a Rudisill Landing Page⁴ website that includes Frequently Asked Questions and an interactive tool to help individuals determine if Rudisill benefits could apply to them. Additionally, on January 7, 2025, VA hosted a satellite media tour to reach local and regional media outlets, completing 17 television interviews and four radio interviews, which garnered more than 16 million total impressions, including more than 12 million from broadcast and 4.3 million from unique mobile webpage visitors.

The Regional Processing Offices in Muskogee, Oklahoma, and Buffalo, New York, are leveraging overtime and seasonal capacity to process Rudisill claims. Priority is given to those in an education program with no or limited education benefits

³ https://www.supremecourt.gov/opinions/23pdf/22-888_1b8e.pdf

⁴ <https://benefits.va.gov/GIBILL/rudisill.asp>

remaining. Approximately 15,000 claims have been completed as of the end of January 2025.

Senator Elizabeth Dole 21st Century Veterans Healthcare and Benefits Improvement Act

The Senator Elizabeth Dole 21st Century Veterans Healthcare and Benefits Improvement Act, P.L. 118-210, signed on January 2, 2025, provides significant health care reform for Veterans and expands educational benefit opportunities. The 15 education related provisions include another version of the popular Veterans Technology Education Courses (VET TEC) program which sunset in 2024. In addition, the law also includes several additional education benefits-related provisions, including the following:

- Temporarily expanding Fry Scholarship benefits to a child or spouse of an individual who dies of a service-connected disability within 120 days of separation from service, as well as allowing surviving spouses to retain Fry Scholarship eligibility even after remarriage,
- Improving accountability and oversight by creating an affirmative duty on schools to notify the SAA, or VA when acting as an SAA, when the school is subject to certain adverse actions.
- Providing greater leeway for VA to be able to grant waivers to accredited institutions of higher learning that are prevented from or choose not to participate in Federal Financial Student Aid under Title IV.
- Providing an exemption for certain commercial driver training programs, which will eliminate a current bar to approval for these programs.
- Requiring certain schools to make digital transcripts available.
- Providing expanded benefits payments without accompanying entitlement charges for students completing their final term of their academic term.
- Requiring VA to make improvements to the GI Bill Comparison Tool.⁵

A landing page, similar to the page created by VA for the Rudisill decision, is in development to provide application information to both Veterans and the training providers. VA is currently working through implementation of all provisions of P.L. 118-210.

Conclusion

VA continues to address multiple priorities, including the ongoing efforts of DGIB modernization, the continued implementation plan of the Rudisill Supreme Court decision that impacts over a million potential beneficiaries, and the enactment of the many education-related provisions of the Senator Dole Act signed in January. VA recognizes challenges and improvement opportunities remain, including those from the

⁵ <https://www.va.gov/education/gi-bill-comparison-tool/>

Office of Inspector General and other audit report recommendations. VA appreciates Congress' continued interest and support in improving these programs, and VA will continue to keep Congress apprised of progress.

VA remains committed to delivering timely and accurate education claims decisions to all Veterans, dependents, and survivors while providing a world-class experience. I hope this testimony provides insight into this commitment. As always, VA looks forward to the continued oversight Congress provides and the partnership of our stakeholders. Chairman Van Orden, Ranking Member Pappas, this concludes my statement. My colleague and I would be glad to answer any questions you or the other Members of the Subcommittee may have.

STATEMENTS FOR THE RECORD

Prepared Statement of Defense Credit Union Council



Jason Stverak
Chief Advocacy Officer

February 10, 2025

The Honorable Derrick Van Orden
Subcommittee Chairman
Economic Opportunity
Veterans Affairs Committee
United States House of Representatives
Washington, D.C. 20515

The Honorable Chris Pappas
Subcommittee Ranking Member
Economic Opportunity
Veterans Affairs Committee
United States House of Representatives
Washington, DC 20515

Subject: Statement for the Record – “Bureaucratic Barriers: Making VBA Education Services Work for Veterans and Not the Bureaucracy”

Dear Chairman Van Orden and Ranking Member Pappas:

On behalf of the Defense Credit Union Council (DCUC) as well as the millions of service members, veterans, and military families we serve, we submit this letter in advance of the hearing titled “*Bureaucratic Barriers: Making VBA Education Services Work for Veterans and Not the Bureaucracy*”. DCUC represents credit unions stateside and overseas serving military and veteran communities as well as their families, encompassing over 40 million members and having over \$525 billion in assets. For decades, defense credit unions have been at the forefront of providing financial readiness, education, and resources that support veterans in accessing and managing their earned benefits, including those administered by the Veterans Benefits Administration (VBA).

Defense credit unions play a crucial role in helping veterans navigate the VA benefits system, including GI Bill education benefits, VA home loans, and disability compensation. As not-for-profit, member-owned financial cooperatives, defense credit unions provide financial counseling, direct deposit services, loan programs, and educational workshops to help veterans maximize their benefits and achieve long-term financial success.

Facilitating VA Benefits Access and Financial Education

We continuously develop and disseminate educational resources for our members, including our [Veterans Guide: Understanding Your Benefits](#). This guide helps credit unions keep their veteran members informed about available programs and benefits while providing practical strategies for achieving both immediate and long-term financial goals. Designed to empower veterans and their families with valuable financial insights, our guide has also been thoroughly reviewed by the Veterans Benefits Administration (VBA) to ensure accuracy and relevance.

1. GI Bill and Educational Benefits Support:

- Defense credit unions provide financial literacy programs to student veterans to help them understand how to manage their VA education benefits, tuition payments, and cost-of-living expenses.
- Many defense credit unions offer customized financial products tailored to student veterans, such as low-interest emergency loans or grants to cover unexpected education-related costs.

2. VA Home Loan Assistance:

- Defense credit unions are leading participants in the VA Home Loan Program, ensuring veterans receive the benefits of zero-down mortgages with competitive interest rates.
- They offer one-on-one counseling to veterans on navigating the VA loan application process and overcoming common obstacles, such as appraisal delays and lender overlays.

Serving Those Who Serve Our Country

1627 Eye St. NW
Suite 935
Washington, DC 20006
202.734.5007
www.d cuc.org

3. Direct Deposit and Banking Services:

- Many veterans rely on defense credit unions to receive their VA disability compensation and GI Bill payments through direct deposit, ensuring fast and secure access to their benefits.
- Credit unions provide free checking accounts with no minimum balance requirements and low-cost financial services to help veterans avoid high fees associated with traditional banks.

Challenges Credit Unions Face When Working with the VA

While defense credit unions play a pivotal role in ensuring veterans can fully utilize their benefits, several bureaucratic and regulatory barriers hinder their effectiveness.

1. Delays in VA Direct Deposit Processing

- Many veterans report delays in receiving their disability and GI Bill benefits when using VA direct deposit. This issue disproportionately affects credit union members, as defense credit unions rely on timely processing from the VA to ensure benefits are deposited correctly.
- Solution: The VA should streamline and modernize its electronic payment processing systems to reduce payment delays. Additionally, better communication between the VA and financial institutions is needed to promptly resolve direct deposit errors.

2. Inconsistent VA Home Loan Processing and Appraisal Challenges

- The VA Home Loan Program, while highly beneficial, suffers from inefficiencies that make it difficult for veterans to compete in today's housing market.
- VA appraisals are slower than conventional and FHA appraisals, often taking weeks longer. This delays loan approval and can cause veterans to lose out on home purchases.
- Solution: The VA should modernize its appraisal process by increasing the number of VA-approved appraisers and allowing alternative appraisal methods to speed up the process.

3. Lack of Coordination Between the VA and Credit Unions

- The VA does not consistently engage with defense credit unions to ensure veterans receive accurate financial information regarding their benefits. This lack of coordination results in misinformation and financial difficulties for veterans.
- Solution: The VA should establish a formal partnership program with defense credit unions to improve communication and coordination on benefit delivery. This partnership could include regular briefings, shared resources, and streamlined data-sharing mechanisms.

4. Challenges with the GI Bill Housing Stipend Payments

- Many student veterans rely on the Monthly Housing Allowance (MHA) provided under the GI Bill to cover rent and living expenses. However, delays in these payments can lead to financial instability, late rent payments, and eviction risks.
- Solution: The VA should improve its claims processing system and ensure that MHA payments are issued on time, particularly at the start of each semester when delays are most common.

Many of our member credit unions proudly support veterans, their beneficiaries, and caregivers by providing a safe, reliable, and cost-effective way to receive and manage VA monetary benefits through the [Veterans Banking Benefit Program \(VBBP\)](#). This program enables them to securely deposit funds into their existing accounts or open new ones with participating banks and credit unions, ensuring financial stability and accessibility.

- VBBP seeks to simplify banking choices by helping eligible Veterans select the right credit union for themselves and their families.
- VBBP introduces banking options to eligible veterans who do not currently have bank accounts.
- VBBP does not require Veterans satisfied with their current financial situation to change how they receive their VA monetary benefits.

Policy Recommendations to Improve VA-Credit Union Collaboration

To enhance the effectiveness of VA education services and ensure veterans receive their benefits efficiently, DCUC urges the Subcommittee to consider the following policy recommendations:

1. **Mandate VA Collaboration with Financial Institutions:** Require the VA to coordinate with credit unions in developing benefit delivery solutions and financial education programs for veterans.
2. **Enhance the VA Home Loan Process:** Reduce processing delays and increase appraisal flexibility to ensure veterans can compete in today's real estate market.
3. **Improve GI Bill Payment Timeliness:** Implement reforms to ensure student veterans receive their MHA payments without unnecessary delays.
4. **Modernize VA Direct Deposit Systems:** Invest in infrastructure to improve the speed and accuracy of benefit disbursements to veterans' credit union accounts.

Defense credit unions are uniquely positioned to support veterans by providing financial services that maximize the effectiveness of VA benefits. However, bureaucratic barriers continue to impede the efficient distribution of these benefits. By addressing these challenges through improved coordination, streamlined processes, and modernization efforts, the VA can ensure that veterans receive their benefits in a timely and effective manner.

DCUC appreciates the Subcommittee's leadership in addressing these critical issues and stands ready to collaborate with Congress, the VA, and other stakeholders to improve outcomes for veterans. Thank you for your attention to this matter.

Should you or your team have any questions or desire additional information, please do not hesitate to contact me at 202.557.8528 or by email at jstverak@dcuc.org.

Sincerely,



Jason Stverak
Chief Advocacy Officer
DCUC

CC: House Veterans Affairs Committee Members


Document for the Record Submitted by Derrick Van Orden

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Budget Cut Proposals Would Hurt Veterans

FOR IMMEDIATE RELEASE

April 21, 2023 1:02 pm

WASHINGTON — While the President's Budget [details a plan](#) to honor our country's sacred obligation to care for America's Veterans, their families, caregivers, and survivors, the proposal to cut a broad range of critical programs by 22% would threaten critical services for Veterans – both at VA and across the federal government. **The proposed 22% budget cut to VA would:**

- **Threaten Medical Care for Veterans.** The proposal would mean 30 million fewer Veteran outpatient visits,

and 81,000 jobs lost across the Veterans Health Administration, leaving Veterans unable to get appointments for care including wellness visits, cancer screenings, mental health services, and substance use disorder treatment.

- **Undermine Access to Telehealth.** Access to remote care through telehealth is essential for Veterans, particularly in rural areas. By reducing funding for necessary IT infrastructure and support, the proposal would impair VA's ability to expand video-to-home telehealth services and limit the availability of medical equipment that can be provided to Veterans so they can attend important telehealth appointments from home.
- **Worsen Wait Times for Benefits.** Under the proposal, the Veterans Benefits Administration would eliminate more than 6,000 staff, increasing the disability claims backlog by an estimated 134,000 claims and forcing Veterans and their surviving loved ones to wait longer for the benefits they have earned, including pensions, life insurance, GI Bill educational supports, and employment services.
- **Prevent Construction on the Health Care Facilities that Veterans need.** Veterans deserve to receive care in state-of-the-art facilities, but the median VA hospital was built nearly 60 years ago – compared to just 13 years ago in the private sector. This proposal would cut up to \$565 million for major construction projects, including critical clinical upgrades to hospitals and clinics. These cuts would negatively impact Veteran health care across America.
- **Fail to Honor the Memory of All Veterans.** The proposal would require VA's National Cemetery Administration to eliminate approximately 500 staff, jeopardize NCA's ability to maintain the final resting place of Veterans to national shrine standards, and

delay the opening of 5 new national cemeteries that will serve nearly 1.6 million Veterans and eligible family members.

Beyond the direct impact on Veterans who use VA, these proposed cuts would negatively impact Veterans who access critical services across the federal government.

Specifically, these proposed cuts would:

- **Cut Housing for Veterans.** Every Veteran deserves a good, safe home in this country they fought to defend. The proposal would eliminate funding for Housing Choice Vouchers for as many as 50,000 Veterans, putting them at greater risk of homelessness.
- **Increase Food Insecurity for Veterans.** About 1.3 million Veterans rely on SNAP. This proposal would take food assistance away from Veterans who are older by adding burdensome, bureaucratic requirements, and it would limit states' flexibility to protect especially vulnerable people currently subject to work requirements. That would increase the likelihood that Veterans and their families go hungry.
- **Deprive Veterans of mental health, substance use, and other health services.** This proposal would mean deep cuts to Department of Health and Human Services community mental health centers, mental health and substance use prevention grants, and other public health programs. Supporting Veterans and their families in the community, especially those not enrolled in VA health care, has been a priority for HHS and these cuts could reduce access to timely care and services.
- **Eliminate Job Training and Other Supports to Homeless Veterans.** The proposal would mean that 4,200 fewer Veterans experiencing or at risk of homelessness would receive job training, counseling,

and job readiness services provided through the Department of Labor's Homeless Veterans' Reintegration Program.

###



Reporters and media outlets with questions or comments should contact the Office of Media Relations at vapublicaffairs@va.gov



Veterans with questions about their health care and benefits (including GI Bill). Questions, updates and documents can be submitted online.

Contact us online through Ask VA



Veterans can also use our chatbot to get information about VA benefits and services. The chatbot won't connect you with a person, but it can show you where to go on VA.gov to find answers to some common questions.

Learn about our chatbot and ask a question

