



TESTIMONY OF
STUDENT VETERANS OF AMERICA

BEFORE THE
SUBCOMMITTEE ON ECONOMIC OPPORTUNITY
OF THE
COMMITTEE ON VETERANS' AFFAIRS
U.S. HOUSE OF REPRESENTATIVES

HEARING ON THE TOPIC OF:
PENDING LEGISLATION

March 16, 2022



Chairman Levin, Ranking Member Moore, and Members of the Subcommittee: Thank you for inviting Student Veterans of America (SVA) to submit testimony on the legislation pending before you today.

With a mission focused on empowering student veterans, SVA is committed to providing an educational experience that goes beyond the classroom. Through a dedicated network of on-campus chapters, SVA aims to inspire yesterday's warriors by connecting student veterans with a community of like-minded chapter leaders. Every day these passionate leaders work to provide the necessary resources, network support, and advocacy to ensure student veterans can effectively connect, expand their skills, and ultimately achieve their greatest potential.

SVA appreciates the Subcommittee's consideration of the several education-related bills before it today, including one that addresses our top priority: providing permanent protections for Department of Veterans Affairs (VA) education benefits during emergencies. We address these bills in detail below.

Discussion Draft: Permanent Authorization for Education Assistance Benefits During Emergency Situations

SVA supports this draft legislation which would establish a permanent set of safeguards that VA could invoke during future emergencies to protect student veterans and their family members.

For years, student veterans have encountered challenges with education benefits during times of unexpected hardship—often due to natural disasters.¹ The pandemic exposed the true scale of these challenges and the numerous gaps in VA's legal authority that prevent the agency from protecting students and their benefits in emergencies. Members of this Subcommittee and their staff worked tirelessly to quickly patch holes in the veterans' education benefits support structure to protect student veterans and their families from a sudden, unnecessary loss of benefits. In doing so, Congress created the robust but temporary safety net on which we now rely.

We appreciate how quickly and effectively Congress responded to the unique and significant needs of student veterans throughout the pandemic. These actions were necessary to preserve the basic integrity of the VA education benefits system, and they did just that. However, allowing these protections to expire without permanent safeguards, would place our Nation's veterans back in the precarious position they were before the pandemic, armed only with the hope that Congress will do the right thing without delay.

We all hope to put the pandemic behind us, but that does not mean we should ignore what it has taught us. Whether it be a natural disaster, civil unrest, or a new health-related emergency, a future emergency is not a matter of if; it is merely a matter of when. Yet, thanks to our recent shared history and the template Congress established with the current temporary protections, we are better positioned than ever to protect student veterans and their VA education benefits during emergencies. We urge the members of this Subcommittee to seize the moment and embrace the proactive solution; make the temporary protections a permanent authority.

While SVA supports this legislation we encourage members of the Subcommittee to consider other designations that may appropriately serve as the basis for activating these protections. The draft legislation's current language would allow these protections to be invoked when the President declares an "emergency." An emergency declaration is only one of the disaster declarations available to the President under the Stafford Act. For instance, a major disaster declaration can be issued for events such as a "hurricane, tornado, storm, high water, wind-

¹ Student Veterans of America. Natural Disaster Map. <https://studentveterans.org/government-affairs/natural-disaster-map/>.

driven water, tidal wave, tsunami, earthquake, volcanic eruption, landslide, mudslide, snowstorm, or drought.”² Many of these events have impacted student veterans in the past, could surely qualify as “emergency situation[s],” and deserve to be considered for inclusion in this legislation.

SVA understands there may be cost concerns with this proposal, and we stand ready to work with the Subcommittee on this issue and others. Ultimately, the question that should guide the Subcommittee’s conversations on this bill is: Will Congress protect student veterans and their educational futures when they need it most?

SVA thanks the Subcommittee for this comprehensive draft language and strongly urges members to support this legislation so VA may proactively enable critical, stabilizing authorities that will protect student veterans and their families in future emergencies.

H.R. 6604: Veterans Eligible to Transfer Schools (VETS) Credit Act

SVA supports this legislation which would establish greater clarity for students and institutions navigating VA’s restoration of benefits process after a school closes or a program is disapproved.

Student veterans are among the most successful students in higher education, but like others, they need a fair shot to achieve their full potential.³ Unfortunately, many have been deprived of that chance to succeed by bad actor institutions that undergo precipitous closures. Such events have impacted thousands of student veterans over the course of the last decade, leaving many with depleted education benefits and non-transferable credits.⁴

VA’s restoration of benefits process for closed schools and disapproved programs can address the loss of entitlement in these situations. This process allows beneficiaries to have their full entitlement restored if they cannot transfer at least 12 credits to another institution.⁵ Currently, however, certain aspects of the process lack clarity for transfer students and the institutions that accept them. For students, it may not be clear that transferring 12 credits to a new school makes them ineligible for full restoration. Further, institutions accepting transferees may not be aware that a student is entitled to restoration of entitlement and therefore still able to pay tuition and fees with VA education benefits. This lack of clarity may further complicate students’ ability to continue their studies under circumstances when many are already at high risk of dropping out.⁶

The VETS Credit Act addresses the issues above by requiring that a student certify, in writing, that they transferred fewer than 12 credits to their new school in order to obtain restoration of benefits. It further requires that the student acknowledge that transferring at least 12 credits will make them ineligible for restoration. These requirements provide critical notice to the student about the 12-credit threshold and its impact in advance of

² 42 U.S.C § 5122 (2).

³ See *generally* Student Veterans – A Valuable Asset to Higher Education, Institute for Veterans and Military Families and Student Veterans of America (June 2017), *available at* https://studentveterans.org/wp-content/uploads/2020/08/Student-Veterans_Valuable_9.8.17_NEW.pdf.

⁴ Natalie Gross, *Thousands of veterans had education derailed when for-profit college chains abruptly closed*, MILITARY TIMES (June 20, 2019), <https://rebootcamp.militarytimes.com/news/education/2019/06/20/thousands-of-veterans-had-education-derailed-when-for-profit-college-chains-abruptly-closed/>.

⁵ 38 U.S.C 3699 (c)(2).

⁶ According to the Government Accountability Office “A college closure represented the end of many [federal student loan] borrowers’ educational pursuits. Forty-three percent of borrowers enrolled at a college that closed did not complete their program or continue their education by transferring to another college.” UNITED STATES GOVERNMENT ACCOUNTABILITY OFFICE, COLLEGE CLOSURES, GAO-21-105373 8 (2021).

transferring to a new institution. In addition, the legislation provides students who complete the certification and acknowledgment with a standardized certificate of eligibility (COE) that gives institutions clear proof the students qualify for benefit restoration and can thus pay tuition and fees with VA education benefits.

While SVA supports this legislation, we have two suggestions. First, the Subcommittee must ensure the process for students to complete the proposed certification and acknowledgment is streamlined. The procedural burden on student veterans should be reduced to the greatest extent practicable. The certification and acknowledgment requirements should be part of a single administrative step that can be easily completed online or via mail for veterans who desire it. Additionally, the notice requirement should inform students of a school closure or program disapproval as well as provide them with information for how to complete the proposed certification steps.⁷ Second, the Subcommittee should consider extending the full restoration of benefits authority to school closures or program disapprovals that happen after September 30, 2023.

SVA thanks the Subcommittee for considering this draft legislation and encourages members to advance it.

Discussion Draft: Program Approval and Discussion Draft: Quality Education for Veterans Act of 2022

SVA supports the intent of both draft program approval bills. Nevertheless, we believe there is substantial work to be done to unify the bills into comprehensive legislation that will protect beneficiaries and taxpayer dollars while avoiding harmful, unintended consequences to student veterans.

Improving program approval for VA education benefits has been a long-standing priority for SVA. It is critical that the program approval process guard against fraud, waste, abuse, and poor student outcomes. Equally important, however, is ensuring that these protections minimize unintended consequences to student veterans. SVA wishes to avoid creating unnecessary friction between other higher education laws and those that govern VA education benefits, such as those recently addressed by the REMOTE Act.

In general, SVA's concerns with the program approval discussion draft fall into three categories: definitions, scope, and workability. We also believe there may be value in giving the new risk-based review process time to be implemented so it can inform discussions about new approval requirements. SVA does not provide an exhaustive list of our concerns and solutions for draft language here, in part, because we too require more time to understand the consequences of the proposed changes and develop appropriate refinements. SVA hopes to work with the Subcommittee and other stakeholders through ongoing, collaborative discussions to improve the bill's language and merge it with the Quality Education for Veterans Act of 2022. We encourage Congress to only legislate program approval requirements after extensive consultation with a broad range of stakeholders.

SVA urges the Subcommittee to give these draft bills additional consideration before advancing them further.

⁷ The relevant statute already requires that notice be sent to affected students to inform them of a school's closure or a program's disapproval. 38 U.S.C 3699 (e). Ideally, that notice would also include information necessary to complete the proposed certification and acknowledgment as well as an explanation of the COE.

H.R. 6671, to amend title 38, United States Code, to ensure that a member of the Armed Forces, granted a general discharge under honorable conditions on the sole basis that such member failed to obey a lawful order to receive a vaccine for COVID-19, is eligible for certain educational assistance administered by the Secretary of Veterans Affairs.

As a general matter, SVA welcomes the Subcommittee's openness to addressing discharge status issues for GI Bill eligibility. SVA has not heard from veterans about this issue as it relates to willfully disobeying the lawful order to get a COVID-19 vaccine. Still, we appreciate the issue being raised, as we believe there is a much broader conversation to be had about GI Bill discharge status.

The GI Bill is the only VA education benefit that requires an honorable discharge.⁸ This has been the subject of much attention, particularly given that many service members received other than honorable or general discharges for conduct stemming from underlying mental health conditions.⁹ SVA is working to change the narrative around the mental health needs of service members and veterans in America, and we look forward to working with Congress to address this issue through whatever means appropriate.

SVA thanks the members of the Subcommittee for their willingness to engage on discharge status issues related to GI Bill eligibility.

Discussion Draft: Foreign School GI Bill Payment

SVA supports this draft legislation which would fix a technical issue preventing VA from paying GI Bill tuition and fees to overseas institutions without a United States Employer Identification Number (EIN) or domestic bank account.

SVA understands service members, veterans, and their family members may be prevented from using certain VA education benefits, including the GI Bill, at foreign institutions that do not have an EIN or U.S.-based bank account.¹⁰ It also appears this is a technical issue with VA IT systems that anomalously impacts certain education benefits since the Department currently seems able to make other benefit payments to such accounts. This bill would fix the issue by requiring VA to update its payment system to allow electronic fund transfers to foreign schools.

We recognize efforts to rectify this issue may well be planned as part of VA's Digital GI Bill effort. As such, this bill would simply reprioritize an already planned update—one that we hope VA could accomplish swiftly by modeling already-existing systems that allow it to transfer other benefits in this manner. SVA applauds VA for its ongoing efforts to digitize the GI Bill, but this payment issue must be prioritized because it is a threshold barrier to students' use of education benefits.

SVA encourages the Subcommittee to advance this legislation.

⁸ See *Applying for Benefits and Your Character of Discharge*, U.S. Department of Veterans Affairs (Feb. 11, 2022), https://www.benefits.va.gov/benefits/character_of_discharge.asp.

⁹ See *generally* Swords to Plowshares, Veterans and Bad Paper: The Facts (June 2015), *available at* https://uploads-ssl.webflow.com/5ddda3d7ad8b1151b5d16cff/5ef515b7b9ae332b86820e21_Bad-Paper-Fact-Sheet-June-2015.pdf.

¹⁰ LETTER FROM DEMOCRATS ABROAD TO CONGRESS 2 (Dec. 7, 2021) (on file with author).

Additional Legislation

SVA also supports H.R. 6438: Elimination of Requirement to Specify an Effective Period of a Transfer of Post-9/11 Educational Assistance to a Dependent.

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The continued success of veterans in higher education in the Post-9/11 era is no mistake or coincidence. In our Nation's history, educated veterans have always been the best of a generation and the key to solving our most complex challenges. This is the legacy we know today's student veterans carry.

We thank the Chairman, Ranking Member, and the Subcommittee Members for your time, attention, and devotion to the cause of veterans in higher education. As always, we welcome your feedback and questions.